District I 1625 N French Dr , Hobbs NM 88240 District II 1301 W Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S St Francis Dr , Santa Fe, NM 87505 APPLICATION FOR PERMIT				O 1	il Conservat 220 South St. Santa Fe, N	ion Division Francis Dr. M 87505		2010t to approp	Form C-101 June 16, 2008 rrate District Office MENDED REPORT DD A ZONE	
Operator Name au Adventure Exploration 500 W. Texas St				Partners, LLC 2 Ste 1000			257568	'API Number		
Property Code 306501					30 - 2 Property Name Carter			* Well No 2		
⁹ Proposed Pool 1 Loving, Delaware South				h	¹⁰ Proposed Pool 2					
					⁷ Surface Loc	cation				
UL or lot no. P	Section 17	Township 23S	Range 28E	Lot Idn	Feet from the 660	North/South line South	Feet from the 330	East/West line East	County Eddy	
			⁸ Pro	posed Bottom	Hole Location	If Different From	n Surface			
UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	

		Additional Well Informa	ation	
¹¹ Work Type Code	¹² Well Type Code	¹³ Cable/Rotary	¹⁴ Lease Type Code	¹⁵ Ground Level Elevation
New Well	O1l	Rotary	Private	3034'
¹⁶ Multiple	¹⁷ Proposed Depth	¹⁸ Formation	¹⁹ Contractor	²⁰ Spud Date
No	6300'	Delaware	TBD	July 2010

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
11"	8-5/8"	24	325'	300	Surface
7-7/8"	5-1/2"	15.5	6300'	1000	Surface

²² Describe the proposed program If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone Describe the blowout prevention program, if any Use additional sheets if necessary

Mud Program- 0-325', mud wt 8.4-9.0 ppg fresh wtr native spud mud; 325-6300', mud wt 10 ppg brine water with Starch additions at TD.

BOPE- diagram attached Wellbore diagram attached

Permit Expires 2 Years From Approval Date Unless Drilling Underway

H2S-no H2S seen immediate area. Will have minimum compliance package set up prior to drilling out of 8-5/8" casing. H2S plan attached.

²³ I hereby certify that the information gi of my knowledge and benef	yen above is true and complete to the best	OIL CONSERVATION DIVISION			
Signature .	5	Approved by			
Printed name Hal Lee		Title Geologist			
Title Agent/Operations Mgr		Approval Date 07/29/10 Expiration Date 07/29/12			
E-mail Address hlee@adventurexpl com	1				
Date 6/17/2010 Phone 432-684-8006		Conditions of Approval Attached			

DISTRICT I 1825 N. French Dr., Hobbs, NM 88240 DISTRICT II 1301 W. Grand Avenue, Artesia, NM 88210

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DISTRICT III 1000 Rio Brazos Rd., Aztec. NM 87410 State of New Mexico Energy, Minerals and Natural Resources Department Form C-102 Revised October 15, 2009

Submit one copy to appropriate District Office

OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

DISTRICT IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

□ AMENDED REPORT

API Number 30-015- 38055				Pool Code Pool Name 40380 Louing, Delaware So				wth			
Property Code				Property Name					Well Number 2		
OGRID No.				CARTER						Elevation	
257568				Operator Name ADVENTURE EXPLORATION Partners, LLC					3034'		
					Surfac	e Loca	ation				
UL or lot No.	Section	Township		Lot Idn	Feet from		North/South line	Fe	et from the	East/West line	County
Р	17	23 S	28 E		66	0	SOUTH		330	EAST	EDDY
			Bottom	Hole Lo	ocation If	Diffe	erent From Su	rface	e		
UL or lot No.	Section	Township	Range	Lot Idn	Feet from	n the	North/South line	Fe	et from the	East/West line	County
Dedicated Acres	Joint of	r Infill	Consolidation	Code C)rder No.						
40											
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r		OR A	NON-STAN	IDARD U	NIT HAS	BEEN	APPROVED BY	THE	DIVISION		
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				 			<u> </u>		BA	SIN SURVEYS	



Hal 6/17/2010



3000 psi Working Pressure BOPE Configuration And Choke Manifold

Exhibit "____"

Adventure Exploration Partners, LLC Carter No. 2 17-23-28 Eddy County, NM



Operating and Maintenance Plan

- 1. All liquids and solids contained in closed loop system
- 2. All equipment will be monitored continuously by Solids control personnel while drilling
- 3. All solids and contaminated fluid hauled to an approved facility as required.





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Adventure Exploration Partners, LLC

HYDROGEN SULFIDE (H₂S) CONTINGENCY PLAN

Assumed 100 ppm ROE = 3000° 100 ppm H₂S concentration shall trigger activation of this plan.

Emergency Procedures

In the event of a release of gas containing H₂S, the first responder(s) must

- Isolate the area and prevent entry by other persons into the 100 ppm ROE.
- Evacuate any public places encompassed by the 100 ppm ROE.
- Be equipped with H₂S monitors and air packs in order to control the release.
- Use the "buddy system" to ensure no injuries occur during the response
- Take precautions to avoid personal injury during this operation.
- Contact operator and/or local officials to aid in operation. See list of phone numbers attached.
- Have received training in the
 - Detection of H₂S, and
 - Measures for protection against the gas,
 - \circ $\;$ Equipment used for protection and emergency response.

Ignition of Gas source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (**SO**₂). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever this is an ignition of the gas.

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H₂S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO ₂	2.21 Air = 1	2 ppm	N/A	1000 ppm

Characteristics of H₂S and SO₂

Contacting Authorities

Adventure's personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available including directions to site. The following call list of essential and potential responders has been prepared for use during a release. Adventure's response must be in coordination with the State of New México's "Hazardous Materials Emergency Response Plan" (HMER).

Adventure Exploration Partners, LLC

H₂S CONTINGENCY PLAN EMERGENCY CONTACTS

<u>Company Office</u> Answering Service (During Non-Office Hours)	(432) 684-8006 (432) 664-9040; 685-607
	、 , , ,
Key Personnel	(422) 664 0040
Hal Lee Title: Drilling Manager	(432) 004-9040
Ambulance	911
State Police	575-746-2703
City Police	
Sheriff's Office	575-746-9888
Fire Department	575-746-2701
Local Emergency Planning Committee	575-746-2122
New Mexico Oil Conservation Division	575-748-1283
Carlsbad	
Ambulance	911
State Police	<u> </u>
City Police	575-885-2111
Sheriff's Office	575-887-7551
Fire Department Local Emergency Planning Committee US Bureau of Land Management	575-887-3798
Local Emergency Planning Committee	575-887-6544
US Bureau of Land Management	575-887-6544
New Mexico Emergency Response Commission (Santa Fe)	505-476-9600
24 Hour	505-827-9126
24 Hour New Mexico State Emergency Operations Center	505-476-9635
National Emergency Response Center (Washington, DC)	800-424-8802
Other	
	256-9688 or 281-931-8884
	699-0139 or 915-563-3356
	746-2757
B. J. Services575-7	
Flight For Life – 4000 24th St. Lubbock, Texas	806-743-9911
Aerocare – R3, Box 49F, Lubbock, Texas	806-747-8923
Med Flight Air Amb – 2301 Yale Blvd SE #D3, Albuq., NM_	505-842-4433
S B Air Med Service – 2505 Clark Carr Loop SE, Albug., NM	505-842-4949