

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

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
March 4, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address LEWIS B. BURLESON, INC. P.O. BOX 2479 MIDLAND, TEXAS 79702		² OGRID Number 013300
		³ API Number 30 - 025-36736
⁴ Property Code 62700	⁵ Property Name STATE 10	⁶ Well No. 3

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/Southline	Feet from the	East/Westline	County
E	10	21-S	37-E		2310	NORTH	990	WEST	LEA

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/Southline	Feet from the	East/Westline	County

⁹ Proposed Pool 1 HARE (SAN ANDRES)	¹⁰ Proposed Pool 2 PENROSE SKELLY C GRAYBURG
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Drilling Pit Location and Other Information

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/Southline	Feet from the	East/Westline	County
E	10	21-S	37-E		2310	NORTH	990	WEST	LEA
Depth to ground water 160'			Distance from nearest fresh water well 71000			Distance from nearest surface water 71000			
¹¹ Work Type Code NEW DRILL		¹² Well Type Code OIL		¹³ Cable/Rotary ROTARY		¹⁴ Lease Type Code OIL		¹⁵ Ground Level Elevation 3459	
¹⁶ Multiple		¹⁷ Proposed Depth 4400		¹⁸ Formation SAN ANDRES		¹⁹ Contractor CAPSTAR		²⁰ Spud Date 08/01/2004	

²¹ Proposed Casing and Cement Program

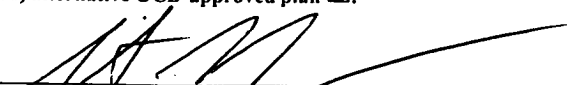
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4	8-5/8	24#	1275	550	SURF
7-7/8	5-1/2	15.5#	4400	700	SURF

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.

DRILL WELL TO TD, COMPLETE. USE PROPER BOP. SCHEMATIC ATTACHED.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒ a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Signature: 

Printed name: STEVEN L. BURLESON

Title: VICE-PRESIDENT

E-mail Address: GEOTTECH@PRODIGY.NET

Date: 06/16/2004

Phone: (432)683-4747

OIL CONSERVATION DIVISION

Approved by:

Title:

PETROLEUM ENGINEER

Approval Date:

Expiration Date:

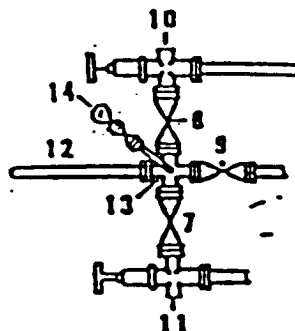
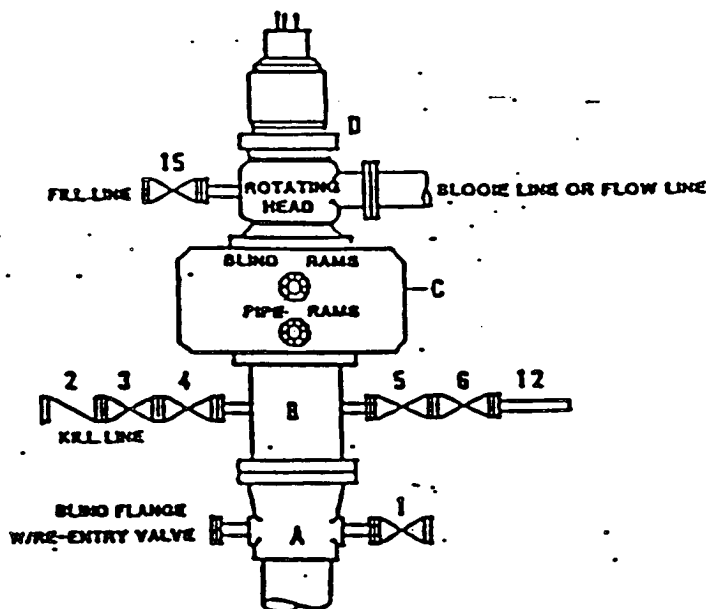
JUN 24 2004

Conditions of Approval:

Attached ☐

**DRILLING CONTROL
CONDITION II-B 3000 WP
FOR AIR DRILLING OR
WHERE NITROGEN OR AIR BLOWS ARE EXPECTED**

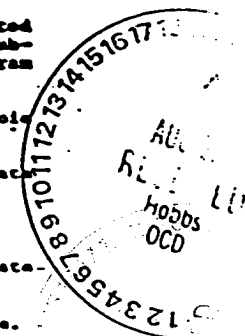
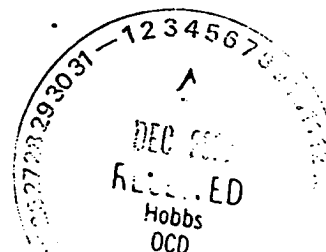
H₂S TRIM REQUIRED.
YES 1 NO



DRILLING CONTROL

MATERIAL LIST - CONDITION II - B

- A Texaco Wellhead
- B 3000 W.P. drilling spool with a 2" minimum flanged outlet for kill line and 3" minimum flanged outlet for choke line.
- C 3000 W.P. Dual ram type preventer, hydraulic operated with 1" steel, 3000 W.P. control lines (where sub-structure height is adequate, 2 - 3000 W.P. single ram type preventers may be utilized).
- D Rotating Head with fill up outlet and extended Blooie Line.
- 1,3,4, 7,8, 2" minimum 3000 W.P. flanged full opening steel gate valve, or Malliburton Lo Torc Plug valve.
- 2 2" minimum 3000 W.P. back pressure valve.
- 3,4,9 3" minimum 3000 W.P. flanged full opening steel gate valve, or Malliburton Lo Torc Plug valve.
- 12 3" minimum schedule 80, Grade "B", seamless line pipe.
- 13 2" minimum x 3" minimum 3000 W.P. flanged cross.
- 10,11 2" minimum 3000 W.P. adjustable choke bodies.
- 14 Cameron Mod Gauge or equivalent (location optional in choke line).
- 15 2" minimum 3000 W.P. flanged or threaded full opening steel gate valve, or Malliburton Lo Torc Plug valve.



SCALE:	DATE	EST. NO.	ORD. NO.
DRAWN BY:			
CHECKED BY:			
APPROVED BY:			



TEXAS A&M
UNIVERSITY SYSTEM
HOLLAND DIVISION
HOLLAND, TEXAS



EXHIBIT C

State of New Mexico

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <u>30.025-36736</u>	Pool Code <u>96601</u>	Pool Name <u>HARE, SAN ANDRES, EAST</u>
Property Code <u>62700</u>	Property Name <u>STATE 10</u>	Well Number <u>3</u>
OGRID No. <u>013300</u>	Operator Name <u>LEWIS B. BURLESON INC.</u>	Elevation <u>3459'</u>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<u>E</u>	<u>10</u>	<u>21-S</u>	<u>37-E</u>		<u>2310'</u>	<u>NORTH</u>	<u>990'</u>	<u>WEST</u>	<u>LEA</u>

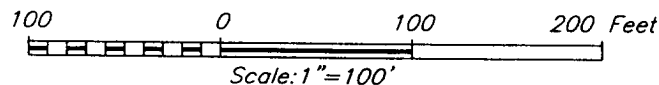
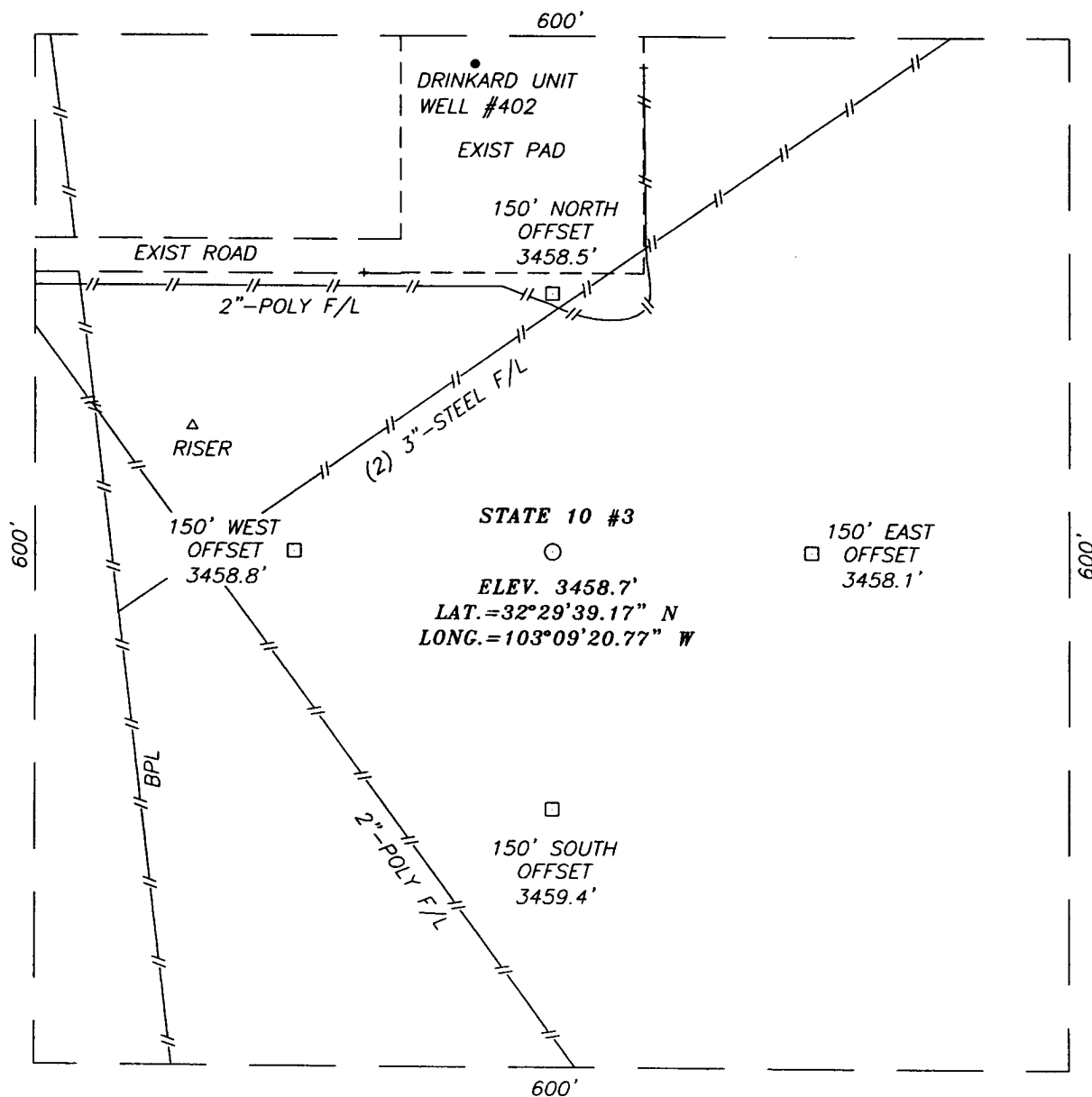
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	GEODETIC COORDINATES NAD 27 NME Y=545512.9 N X=863077.5 E LAT.=32°29'39.17" N LONG.=103°09'20.77" W	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <u>[Signature]</u> Signature <u>Steven L. Burleson</u> Printed Name <u>Vice-President</u> Title <u>6/16/2004</u> Date
		SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. <u>JUNE 4, 2004</u> Date Surveyed <u>[Signature]</u> Signature & Seal of Professional Surveyor <u>04.11.0608</u> Professional Surveyor No. <u>GARY KIDSON</u> Certificate No. <u>12841</u> Professional Surveyor No.

SECTION 10, TOWNSHIP 21 SOUTH, RANGE 37 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO



LEWIS B. BURLESON INC.

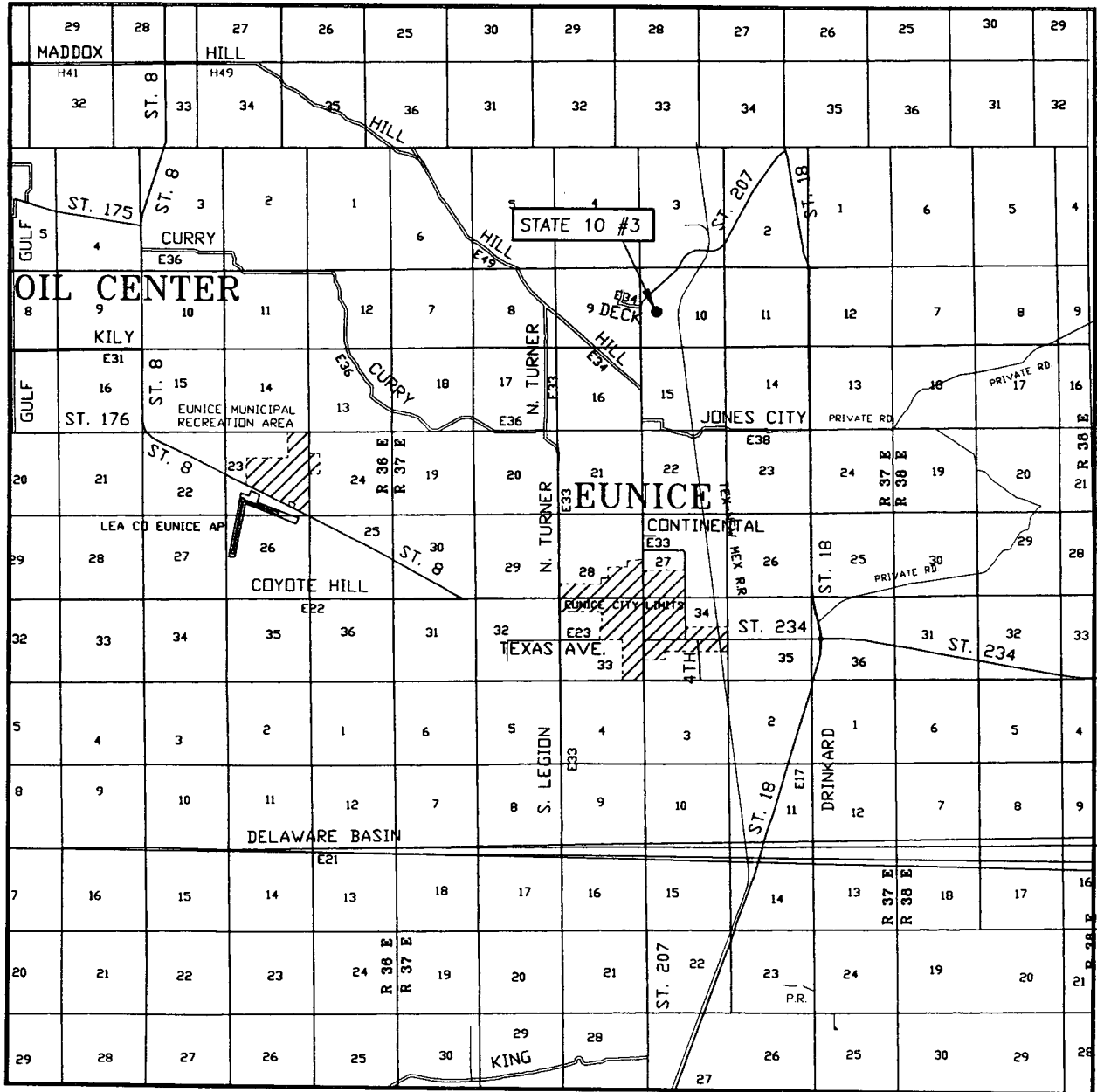
STATE 10 #1 WELL
 LOCATED 2310 FEET FROM THE NORTH LINE
 AND 990 FEET FROM THE WEST LINE OF SECTION 10,
 TOWNSHIP 21 SOUTH, RANGE 37 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO.

Survey Date: 06/04/04	Sheet 1 of 1 Sheets		
W.O. Number: 04.11.0608	Dr By: J. RIVERO	Rev 1:N/A	
Date: 06/08/04	Disk: CD#10	04110608	Scale: 1"=100'



PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 393-3117

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 10 TWP. 21-S RGE. 37-E

SURVEY_____ N.M.P.M.

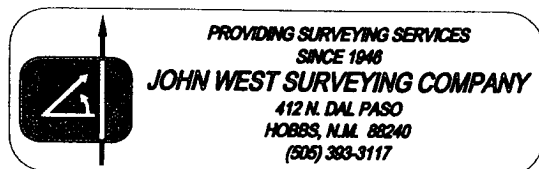
COUNTY _____ LEA _____

DESCRIPTION 2310' FNL & 990' FWL

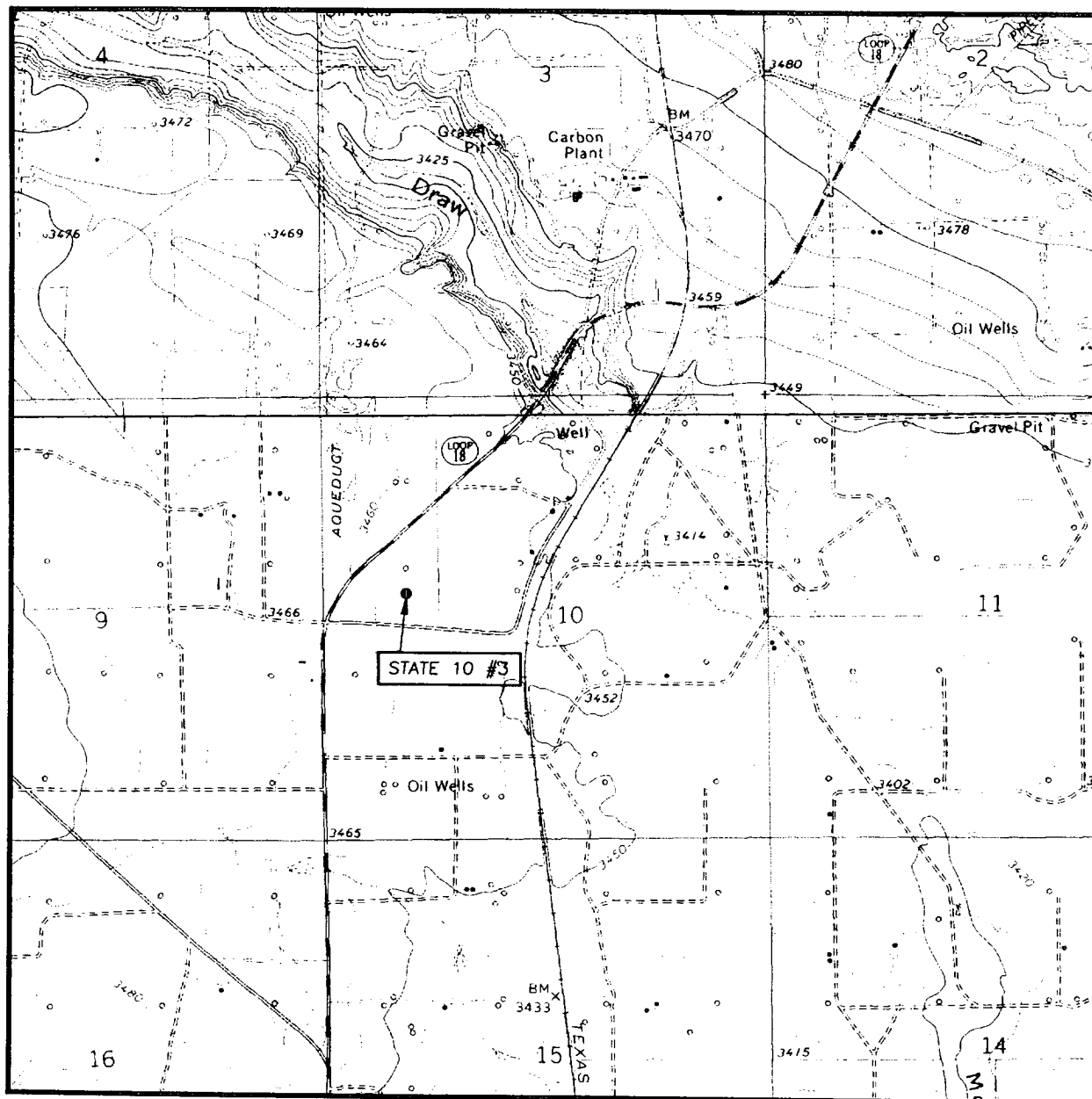
ELEVATION 3459'

OPERATOR LEWIS B. BURLESON INC.

LEASE _____ STATE 10



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
HOBBS SW, N.M. - 10'

SEC. 10 TWP. 21-S RGE. 37-E

SURVEY N.M.P.M.

COUNTY LEA

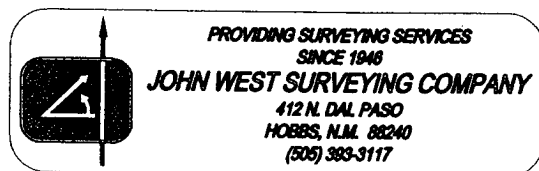
DESCRIPTION 2310' FNL & 990' FWL

ELEVATION 3459'

OPERATOR LEWIS B. BURLISON INC.

LEASE STATE 10

U.S.G.S. TOPOGRAPHIC MAP
EUNICE, N.M.



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State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
March 12, 2004

For drilling and production facilities submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☐
Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☐

Operator: LEWIS B. BURLESON, INC.		Telephone: (432)683-4747		e-mail address: GEOTTECH@PRODIGY.NET	
Address: P.O. BOX 2479 MIDLAND, TEXAS 79701					
Facility or well name: STATE 10		API #: 30-025-36736		U/Lor Qtr/Qtr E Sec 10 T 21S R 37E	
County: LEA		Latitude		Longitude	
		NAD: 1927 ☐ 1983 ☐		Surface Owner Federal ☐ State ☒ Private ☐ Indian ☐	
Pit Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☒ Unlined ☐ Liner type: Synthetic ☒ Thickness 12 mil Clay ☐ Volume ☐ bbl		Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes ☐ If not, explain why not: _____			
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) 160'		Less than 50 feet		(20 points)	
		50 feet or more, but less than 100 feet		(10 points)	
		100 feet or more		(0 points)	
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)		Yes ☒ No ☐		(20 points)	
				(0 points)	
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)		Less than 200 feet		(20 points)	
		200 feet or more, but less than 1000 feet		(10 points)	
		1000 feet or more		(0 points)	
		Ranking Score (Total Points)		10	

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

onsite ☐ offsite ☐ If offsite, name of facility _____ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative NMOCD-approved plan ☐.

Date: **06/18/2004**

Printed Name/Title: **STEVEN L. BURLESON**

Signature: _____

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Date: **JUN 24 2004**
Printed Name/Title: **PAUL F. KAUTZ**
PETROLEUM ENGINEER

Signature: _____