

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Ave., Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

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

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
Permit 807

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address STEPHENS & JOHNSON OP CO PO Box 2249 Wichita Falls, TX 76307		OGRID Number 19958
		API Number 30-015-33358
Property Code 9799	Property Name EAST MILLMAN POOL UNIT	Well No. 016

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	13	19S	28E	E	1981	N	817	W	Eddy

Proposed Pools

MILLMAN;YATES-SR-QN-GB-SA, EAST 46555

Work Type New Well	Well Type OIL	Cable/Rotary	Lease Type State	Ground Level Elevation 3388
Multiple N	Proposed Depth 2700	Formation San Andres	Contractor	Spud Date 04/15/2004

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	300	360	0
Prod	7.875	5.5	15.5	2700	900	0

Casing/Cement Program: Additional Comments

1. Drill 12 1/4 hole to 400. Set 8 5/8, 24# csg. w/approx. 360 sacks of cmt. WOC 18 hrs. 2. Drill 7 7/8 hole to top of San Andres. Set 5 1/2, 15.50# csg. with approx. 900 sacks of cmt. 3. Complete well in Grayburg formation. Note: This Application for Permit to Drill does not meet the requirement for an H2S Contingency Plan to be submitted.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	6000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Devire Crabb

Title: Production Analyst

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 04/01/2004

Expiration Date: 04/01/2005