

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

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

1. Operator Name and Address DAVID H ARRINGTON OIL & GAS INC PO BOX 2071 MIDLAND, TX 79702		2. OGRID Number 5898
		3. API Number 30-015-34996
4. Property Code 35830	5. Property Name BIG DADDY RABBIT	6. Well No. 001H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	19	19S	23E	A	700	N	700	E	EDDY

8. Pool Information

COTTONWOOD CREEK;WOLFCAMP (GAS)	75250
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Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 4091
14. Multiple N	15. Proposed Depth 8105	16. Formation Wolfcamp	17. Contractor	18. Spud Date 7/17/2006
Depth to Ground water 500		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 20 _____ miles thick Clay <input type="checkbox"/> Pit Volume: 10000 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	32	1300	690	0
Prod	7.875	5.5	17	8105	880	0

Casing/Cement Program: Additional Comments

Cmt 8 5/8" surface csg w/ 490 sx light C (65.35.6) w/ 5 pps glisonite (D24), 3% salt (D44) & 2% CaCl2 (12.4/2.06), tail w/ 200 sx C w/ 2% CaCl2 (14.8/1/34). If necessary, will run a temperature survey and 1" to surface w/ C w/ 2% CaCl2. 5 1/2" prod csg w/ 550 sx 50:50:10 Poz C geg w/ 1/4# pps flocele (D29)(11.9/2/32) TXI lightweight w/ 100% calc Carb (D151), 2% FLA (D112), 2% expansion agent (D174), 0.2% antifoamer (D46), 0.2% dispersant(D65)&0.1% extender (B159)(13.0/2/77).

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	5000	Weatherford

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 <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Debbie Freeman	Approved By: Bryan Arrant
Title: Engineer Tech	Title: Geologist
Email Address: debbie@arringtonoil.com	Approved Date: 7/13/2006 Expiration Date: 7/13/2007
Date: 7/6/2006 Phone: 432-682-6685	Conditions of Approval Attached

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

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Santa Fe, NM 87505

Form C-102
 Permit 33630

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-34996	2. Pool Code 75250	3. Pool Name COTTONWOOD CREEK;WOLFCAMP (GAS)
4. Property Code 35830	5. Property Name BIG DADDY RABBIT	6. Well No. 001H
7. OGRID No. 5898	8. Operator Name DAVID H ARRINGTON OIL & GAS INC	9. Elevation 4091

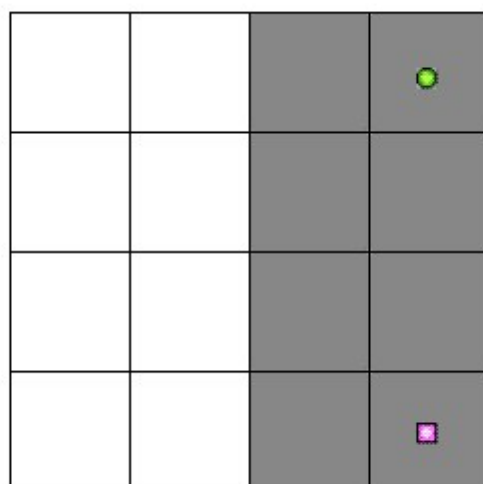
10. Surface Location

UL - Lot A	Section 19	Township 19S	Range 23E	Lot Idn	Feet From 700	N/S Line N	Feet From 700	E/W Line E	County EDDY
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11. Bottom Hole Location If Different From Surface

11. Bottom Hole Location if Different from Surface									
UL - Lot P	Section 19	Township 19S	Range 23E	Lot Idn P	Feet From 660	N/S Line S	Feet From 700	E/W Line E	County EDDY
12. Dedicated Acres 320.00		13. Joint or Infill		14. Consolidation Code N/A		15. 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



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Debbie Freeman

Title: Engineer Tech

Date: 7/6/2006

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.

Surveyed By: V. Lynn Bezner

Date of Survey: 7/29/2006

Certificate Number: 7920

Permit Comments

Operator: DAVID H ARRINGTON OIL & GAS INC , 5898

Well: BIG DADDY RABBIT #001H

API: 30-015-34996

Created By	Comment	Comment Date
DFreeman	Hi Bryan, I'm sending all supporting documentation by Fedex Today.	7/6/2006

Permit Conditions of Approval

Operator: DAVID HARRINGTON OIL & GAS INC , 5898

Well: BIG DADDY RABBIT #001H

API: 30-015-34996

OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
BArrant	Will require a directional survey with the C-104
BArrant	Please notify OCD time of spud and time to witness the cementing of the surface casing.
BArrant	As noted, operator to drill surface hole with fresh water mud.