

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 EDGE PETROLEUM OPERATING COMPANY, INC. 1301 TRAVIS, SUITE 2000 HOUSTON , TX 77002		2. OGRID Number 224400
		3. API Number 30-015-35560
4. Property Code 34452	5. Property Name RED LAKE 28 K STATE	6. Well No. 003

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
K	28	17S	28E	K	2310	S	1650	W	EDDY

8. Pool Information

ARTESIA; GLORIETA-YESO (O)	96830
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3648
14. Multiple N	15. Proposed Depth 3950	16. Formation Yeso Formation	17. Contractor	18. Spud Date 4/30/2007
Depth to Ground water 190		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ mils thick Clay <input type="checkbox"/> Pit Volume: 20000 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input checked="" 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	24	550	300	0
Prod	7.875	5.5	15.5	3950	700	0

Casing/Cement Program: Additional Comments

Edge Petroleum Operating Co. proposes to drill a 3,950 Yeso 40 acre development oil well. The well will be drilled through the Queen, Grayburg, Premier, San Andres and Yeso. 12-1/4 surface casing will be set and cement circulated at 550. 5-1/2 production casing will be set and cemented at 3,950. The mud program consist of 0-400 Bentonite and Lime slurry using Fresh Water; Mud Wt. 8.4-9.4; Viscosity 32-34; Filtrate N/C and 550-3800 Cut Brine, Mud Wt. 9.0-9.4, Viscosity 28, Filtrate N/C. The well will be perforated in the Yeso and stimulated as needed for production. Well to produce on rod pump.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	2000	2000	Regan

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 OCB-approved plan <input type="checkbox"/>. Printed Name: Electronically filed by Amanda Simmons Title: Sr. Production Assistant Email Address: asimmons@edgepet.com Date: 4/23/2007	OIL CONSERVATION DIVISION	
	Approved By: Bryan Arrant	
	Title: Geologist	
	Approved Date: 4/23/2007	Expiration Date: 4/23/2008
	Conditions of Approval Attached	

State of New Mexico

DISTRICT I

1625 N. FRENCH DR., BOBBS, NM 88240

Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

Revised October 12, 2005
Submit to Appropriate District Office1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name RED LAKE 28 K STATE	Well Number 3
OGRID No.	Operator Name EDGE PETROLEUM OPERATING COMPANY, INC.	Elevation 3648'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	28	17-S	28-E		2310	SOUTH	1650	WEST	EDDY

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

	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=656393.6' N X=546041.1' E</p> <p>LAT.=32.804425' N LONG.=104.183488' W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information 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 or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Ryan Price</i> 4/12/07 Signature Date</p> <p>Ryan Price Printed Name</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p>	<p>DATE SURVEYED</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Ronald Eidson</i> 3/29/07</p>
	<p>Certificate No. GARY EIDSON 12641 RONALD EIDSON 3239</p>	<p>MAILED 31 5006 LA NEW MEXICO 3239 31-0359 PROFESSIONAL SURVEYOR</p>

Permit Conditions of Approval

Operator: EDGE PETROLEUM OPERATING COMPANY, INC. , 224400

Well: RED LAKE 28 K STATE #003

API: 30-015-35560

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	As noted, operator to drill surface hole with fresh water mud.