

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

1. Operator Name and Address STEPHENS & JOHNSON OP CO PO BOX 2249 WICHITA FALLS, TX 76307		2. OGRID Number 19958
		3. API Number 30-015-39033
4. Property Code 306216	5. Property Name EAST MILLMAN UNIT	6. Well No. 237

7. Surface Location

UL - Lot B	Section 14	Township 19S	Range 28E	Lot Idn B	Feet From 1286	N/S Line N	Feet From 1437	E/W Line E	County EDDY
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8. Pool Information

MILLMAN:YATES-SR-QN-GB-SA, EAST	46555
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Additional Well Information

Additional Well Information				
9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3411
14. Multiple N	15. Proposed Depth 2700	16. Formation San Andres	17. Contractor	18. Spud Date 6/6/2011
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Linear: Synthetic <input type="checkbox"/> mls thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method:				
Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input 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	24	300	200	0
Prod	7.875	5.5	15.5	2700	800	0

Casing/Cement Program: Additional Comments

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	6000	Reagan

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 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 Devire Crabb		Approved By: Randy Dade	
Title: Production Analyst		Title: District Supervisor	
Email Address: dcrabb@sjoc.net		Approved Date: 5/16/2011 Expiration Date: 5/16/2013	
Date: 5/10/2011 Phone: 940-716-5376			

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

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

Form C-102
 Permit 131447

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-39033	2. Pool Code 46555	3. Pool Name MILLMAN;YATES-SR-QN-GB-SA, EAST
4. Property Code 306216	5. Property Name EAST MILLMAN UNIT	6. Well No. 237
7. OGRID No. 19958	8. Operator Name STEPHENS & JOHNSON OP CO	9. Elevation 3411

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	14	19S	28E		1286	N	1437	E	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00	13. Joint or Infill	14. Consolidation Code	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: Devire Crabb
 Title: Production Analyst
 Date: 5/10/2011

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: P.R. Patton
 Date of Survey: 4/14/2011
 Certificate Number: 8112