

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

**District II**  
811 S. First St., 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-101  
August 1, 2011  
Permit 133932

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

1. Operator Name and Address READ & STEVENS INC P. O. Box 1518 Roswell, NM 88202		2. OGRID Number 18917
		3. API Number 30-05-29191
4. Property Code 36891	5. Property Name DRYER FEE 27	6. Well No. 001

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	27	11S	31E	H	1980	N	660	E	CHAVES

**8. Pool Information**

TV;PENN (GAS)	86560
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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 4455
14. Multiple N	15. Proposed Depth 11150	16. Formation Morrow	17. Contractor	18. Spud Date 8/1/2011
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	406	370	0
Int1	12.25	8.625	32	3702	1275	0
Prod	7.875	5.5	17	11150	1800	3300

**Casing/Cement Program: Additional Comments**

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**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	5000	unknown
Annular	5000	5000	unknown

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"/> . Printed Name: Electronically filed by Will Palmer Title: Operations Manager Email Address: wpalmer@read-stevens.com Date: 7/6/2011   Phone: 575-390-2424	<b>OIL CONSERVATION DIVISION</b>	
	Approved By: Paul Kautz	
	Title: Geologist	
	Approved Date: 8/3/2011	Expiration Date: 8/3/2013
	Conditions of Approval Attached	

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

Form C-102  
August 1, 2011  
Permit 133932

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-05-29191	2. Pool Code 86560	3. Pool Name TV;PENN (GAS)
4. Property Code 36891	5. Property Name DRYER FEE 27	6. Well No. 001
7. OGRID No. 18917	8. Operator Name READ & STEVENS INC	9. Elevation 4455

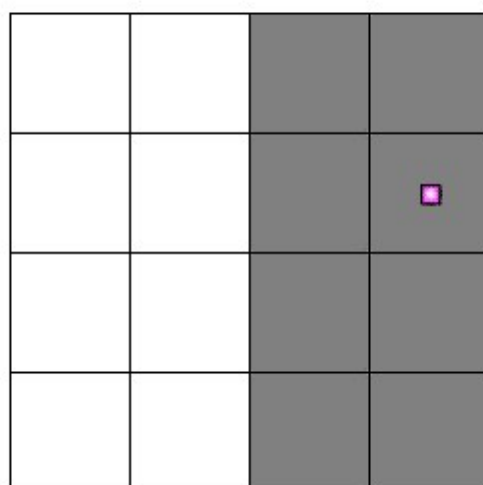
**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	27	11S	31E		1980	N	660	E	CHAVES

**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 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: Will Palmer  
Title: Operations Manager  
Date: 7/6/2011

**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: Gary Eidson  
Date of Survey: 11/19/2008  
Certificate Number: 12641

## Permit Comments

Operator: READ & STEVENS INC , 18917

Well: DRYER FEE 27 #001

API: 30-05-29191

Created By	Comment	Comment Date
pkautz	Land P/P	7/6/2011
DMULL	OCD Hobbs office has received form C-144CLEZ. OCD Permit Number P1-03546.	8/3/2011

# Permit Conditions of Approval

Operator: READ & STEVENS INC , 18917

Well: DRYER FEE 27 #001

API: 30-05-29191

OCD Reviewer	Condition
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string