

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 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 151906

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

1. Operator Name and Address MOREXCO INC P. O. BOX 51208 MIDLAND , TX 79710		2. OGRID Number 15262
		3. API Number 30-025-40686
4. Property Code 39334	5. Property Name OSO NEGRO	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
C	13	18S	38E	C	660	N	1980	W	LEA

8. Pool Information

BISHOP CANYON;SAN ANDRES, EAST	5770
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3629
14. Multiple N	15. Proposed Depth 5000	16. Formation San Andres	17. Contractor	18. Spud Date 8/15/2012
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	12.25	8.625	32	2000	350	0
Prod	7.875	5.5	17	5000	500	3000

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	4500	Cameron

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 Rhonda Becker Title: Manager Email Address: morexco@earthlink.net Date: 7/13/2012	OIL CONSERVATION DIVISION	
	Approved By: Paul Kautz	
	Title: Geologist	
	Approved Date: 7/17/2012	Expiration Date: 7/17/2014
	Conditions of Approval Attached	

District I
1625 N. French Dr., Hobbs NM 88240
District II
1301 W. Grand Avenue, 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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name <i>Bishops Canyon (San Andres)</i>	
⁴ Property Code		⁵ Property Name Oso Negro			⁶ Well Number 1
⁷ GRID No. 15262		⁸ Operator Name Morexco, Inc.			⁹ Elevation 3629'

¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	13	18 S	38 E		660'	North	1980'	West	Lea

¹¹ 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
¹² Dedicated Acres		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

<p>1980'</p> <p>660'</p>	<p>Oso Negro No. 1 Elev. 3629' NAD 83 NM East N= 639854 E= 919272 NAD 83 Lat. = 32° 45' 10.67" Long. = 103° 06' 14.51"</p>	¹⁶		¹⁷ OPERATOR CERTIFICATION	
				<p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><i>Ann Ritchie</i></p> <p>Signature</p>	
				<p><i>Ann Ritchie</i></p> <p>Printed Name</p>	
				<p><i>Regulatory ann.wtor@gmail.com</i></p> <p>Title and E-mail Address</p>	
				<p><i>7-12-12</i></p> <p>Date</p>	
				¹⁸ SURVEYOR CERTIFICATION	
				<p><i>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.</i></p>	
				<p>7-05-2012</p> <p>Date of Survey</p>	
				<p>Signature and Seal of Professional Surveyor</p> <p><i>Michael L. Stanford</i></p> <p>10324</p> <p>Certificate Number</p>	

3.5 Miles NE of Hobbs, New Mexico.

File No. A-7024

Permit Comments

Operator: MOREXCO INC , 15262

Well: OSO NEGRO #001

API: 30-025-40686

Created By	Comment	Comment Date
pkautz	Land p/P	7/16/2012
pkautz	Surface casing must be set approximately 25' below top of Rustler Anhydrite. Approximate depth Rustler Anhydrite is 2000'	7/16/2012
CHERRERA	OCD RECIEVED FORM C144 CLEZ. OCD PERMIT # P1-04938	7/17/2012

Permit Conditions of Approval

Operator: MOREXCO INC , 15262

Well: OSO NEGRO #001

API: 30-025-40686

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
pkautz	Surface casing must be set approximately 25' below top of Rustler Anhydrite.