

CMD : ONGARD 11/26/04 13:39:44
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OCOMES -TPEO

OGRID Idn : 163645 API Well No: 30 15 31060 APD Status(A/C/P): C
Opr Name, Addr: JKM ENERGY, LLC Aprvl/Cncl Date : 11-18-2004
26 EAST COMPRESS RD.
ARTESIA,NM 88210

Prop Idn: 25603 SHEARN SARANDA FEDERAL Well No: 1

	U/L	Sec	Township	Range	Lot Idn	North/South	East/West
Surface Locn : A	14	17S		E2E		FTG 1226 F N	FTG 1106 F E
OCD U/L : A			API County :	15			

Work typ(N/E/D/P/A) : N well typ(O/G/M/I/S/W/C): O Cable/Rotary (C/R) : R
Lease typ(W/S/P/N/J/U/I): F Ground Level Elevation : 3473

State Lease No: Multiple Comp (S/X/C) : N
Prpsd Depth : 650 Prpsd Frmt: EMPIRE YATES SEVEN RIVERS

E6927: Well is cancelled

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTSUBMIT IN TRIPPLICATE*
(Other instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Gas Well Services

3. ADDRESS AND TELEPHONE NO.

26 East Compress Rd, Artesia, New Mexico 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface 1226' FNL & 1106' FEL

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

8 Miles east and 2 miles north of Artesia, New Mexico

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest dir. unit line, if any)

1106'

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

424'

19. PROPOSED DEPTH

650'

20. ROTARY OR CABLE TOOLS

Rotary Rig

21. ELEVATIONS (Show whether OF, RT, GR, etc.)

3478' GL

22. APPROX. DATE WORK WILL START*

Upon Approval

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	J55- 8 5/8"	32#	15'	2 Yards of ready mix
7 7/8"	J55 - 5 1/2"	15.5#	650'	100 sks of Class "C"

Gas Well Services plans to drill this well to a sufficient depth to test the Yates Abo. If productive, 5 1/2" casing will be run and cemented at the total depth. If non-productive, the well will be plug in a manner consistent with BLM requirements. Specific programs are outlined in the following attachments:

- Exhibit #1 Location and Elevation plat
Exhibit #2 Well plan
Exhibit #3 Map of existing roads and planned access road
Exhibit #4 Immediate radius Map



NSL-4427

IN ABOVE SPACE DESCRIBE PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Keretta Matthews

TITLE Owner/Operator

DATE 09/10/99

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

/S/LARRY D. GRAY

TITLE

Assistant Field Manager,
Lands And Minerals

DATE

*See Instructions On Reverse Side

APPROVED FOR YEAR

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

EXTRACT III
FOR THE SENATE Vol. 1, Part 1, No. 17410

1 dx .
STATE OF NEW YORK
Treas. Accounts and General Business Department

Revised February 10, 1964
Instructions on Back
Submitted to Appropriate District Office
State Loans - 4 Copies
Fed Loans - 2 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name SHEARN SARDANA FEDERAL	Well Number 1
GCED No. 113645	Operator Name GAS WELL SERVICES	Elevation 3478

Surface Location

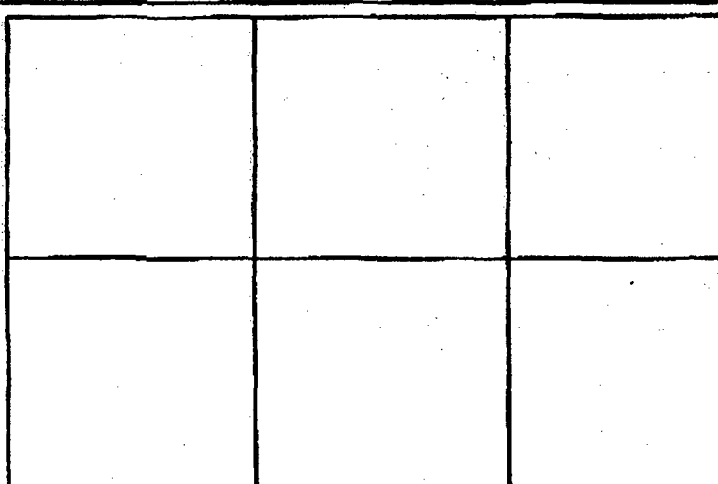
Tr. or Lot No.	Section	Township	Range	Lot No.	Feet from the	North/South Line	Feet from the	East/West Line	County
A	14	17S	27E		1226	NORTH	1106	EAST	EDDY

Bottom Hole Location If Different From Surface

UK or lot No.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
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Radical Area	Joint or Unit	Consolidative Code	Order No.
40			

**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**

 Exhibit #1	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <u>Jack Matthews</u> Signature <u>Jack Matthews</u> Printed Name <u>Owner/operator</u> Title <u>9-10-99</u> Date SURVEYOR CERTIFICATION I hereby certify that the work described above on this plot was plotted from field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my belief. <u>09/20/1999</u> Date Surveyed <u>HESTER L. JONES</u> Signature Professional Seal  Certified by _____ Date _____ STATE OF NEW MEXICO SPECIAL AGENT IN CHARGE COUNTY OF _____
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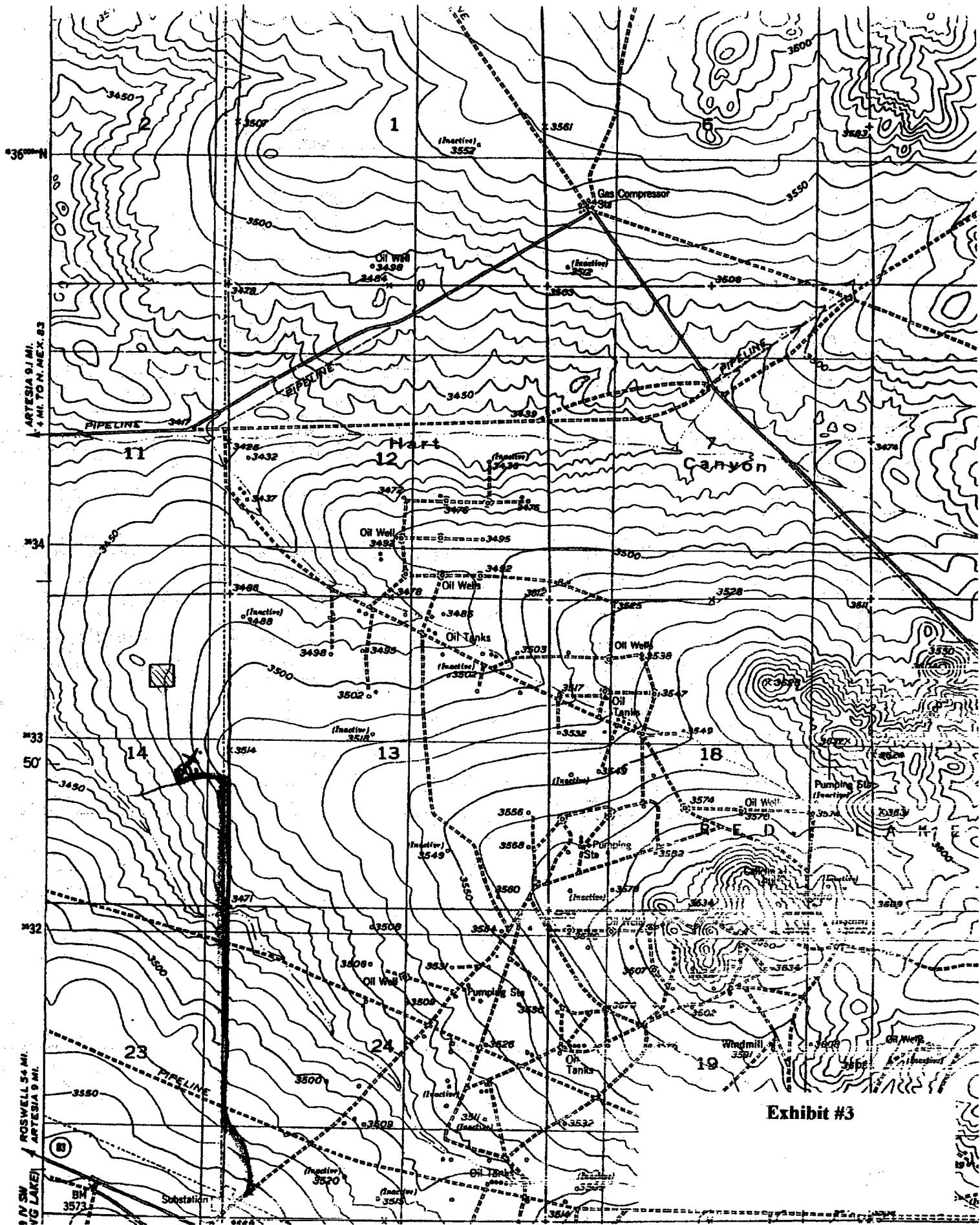


Exhibit #3

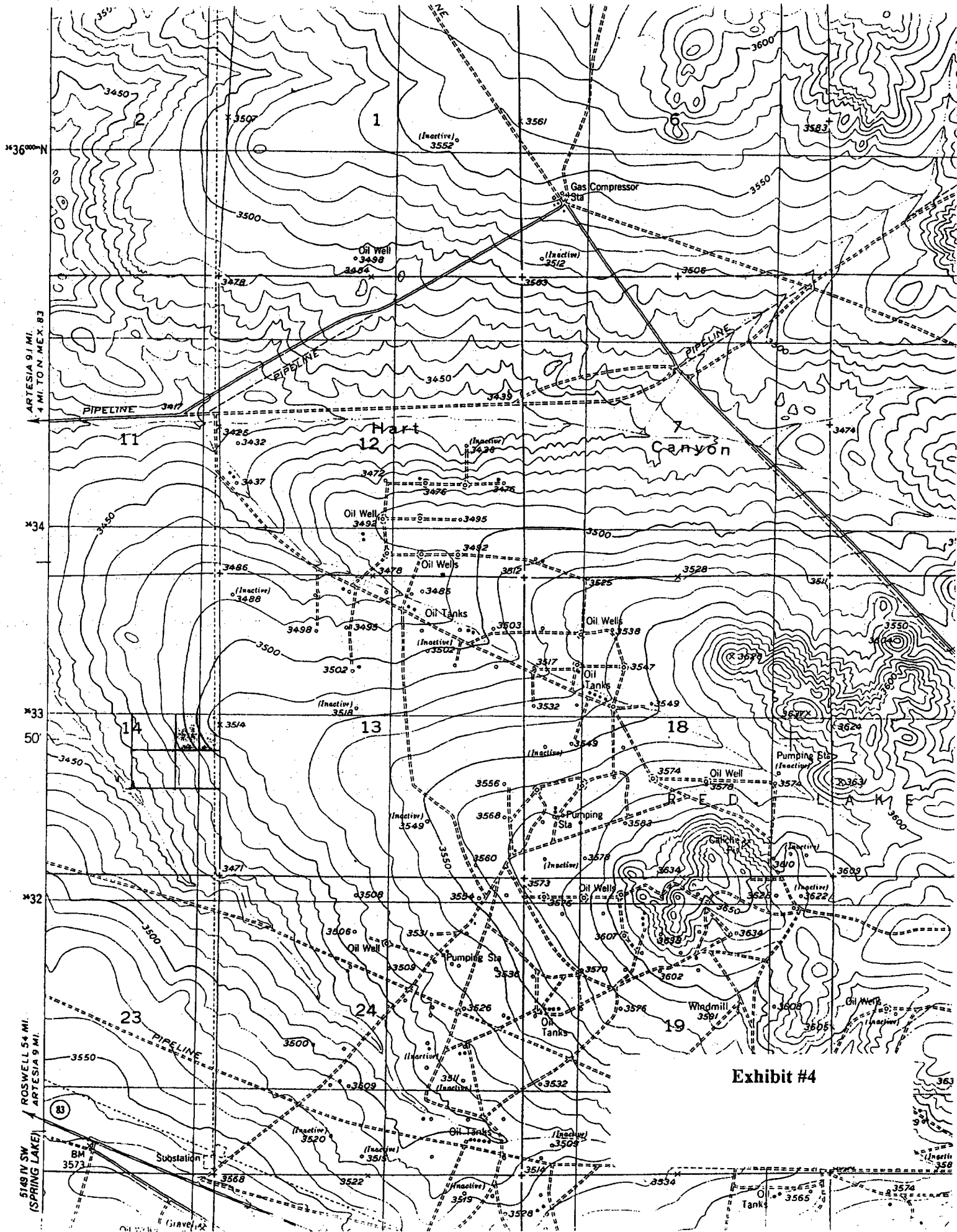
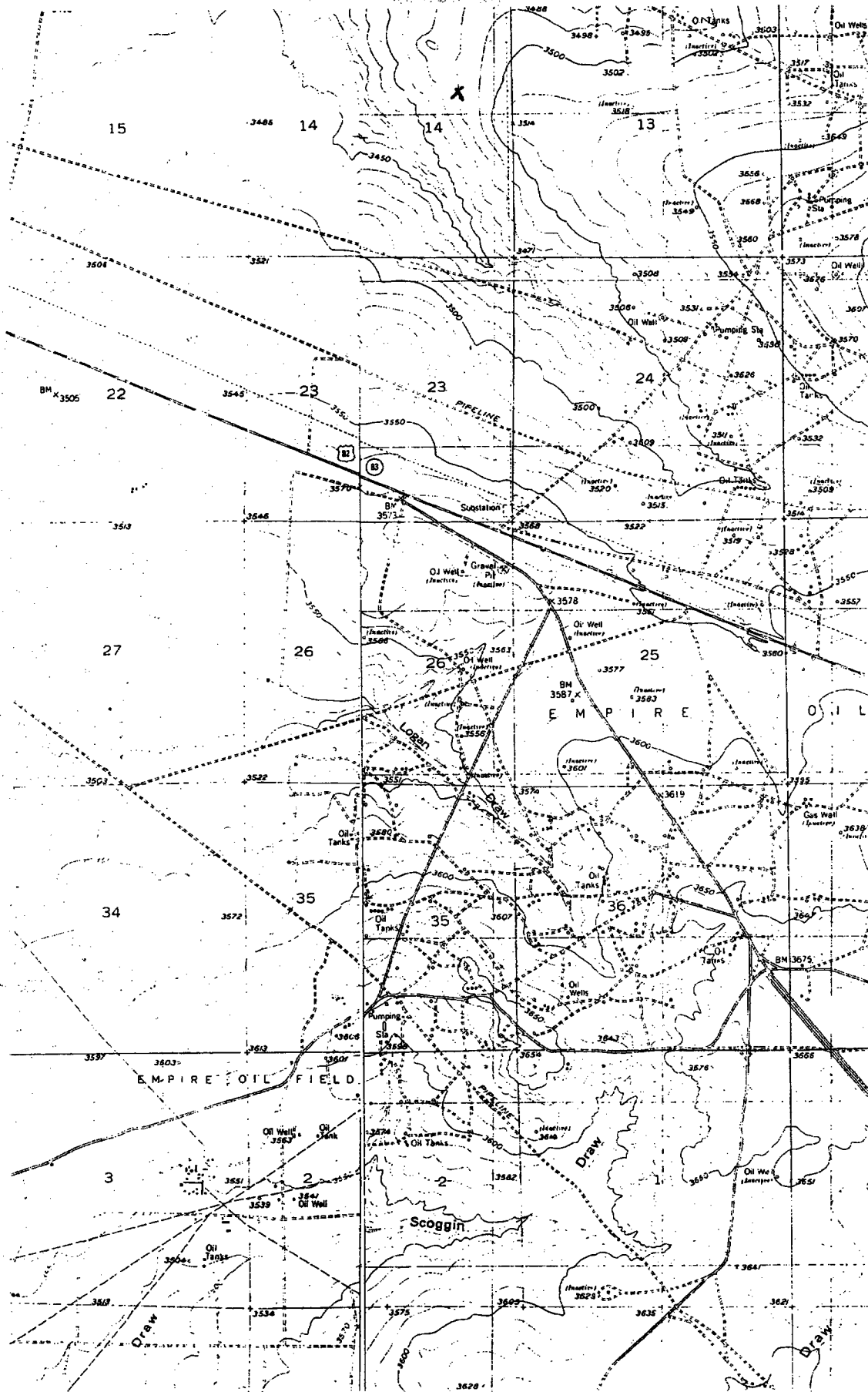


Exhibit #4



CCD-Artesia

C/SF

Form 3160-5
(November 1994)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Gas Well Services, Inc.

3a. Address
26 E. Compress Rd. Artesia, NM

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1226' FNL & 1106' FEL
S14-T17S-R27E

3b. Phone No. (Include Area Code)
(505) 748-2834

5. Lease Serial No.
NM-070603

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Shearn Saranda Fed. #1

9. API Well No.

10. Field and Pool, or Exploratory Area
Yates/Abo Emp-Y-SR

11. County or Parish, State
Eddy, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☒ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplet horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zon. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed or testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

We propose to blade the road and location as it will not disturb the terrain, as much caliche, but in the event we do make a producing well, we will caliche the road and location, per conversation with Barry Hunt.

We would like to waive the stipulation for plastic linings. The cuttings from the air rig will rupture the plastic, and the pits will not contain any contaminants with the air rig, per conversation with Jim Amos.

RECEIVED
MAR 29 4:27
BUREAU OF LAND MGMT.
ALBUQUERQUE SOURCE AREA

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Jack Matthews

Signature

Jack Matthews

Title

President

Date

3-28-2000

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

President

Date

3/30/2000

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

CFO

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRIY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

N.M. Oil Cons. Division
811 S. 1st Street
Artesia, NM 88210-2834

FORM APPROVED
OMB No. 1004-0133
Expires July 31, 1996

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

JKM Energy, LLC

3a. Address

26 E. Compress Rd. Artesia, NM 88210

3b. Phone No. (include area code)

(505) 748-2854

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

S14-T17S-R27E

5. Lease Serial No.

NM 070603

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Shearn Saranda Fed. #1

9. API Well No.

10. Field and Pool, or Exploratory Area

Empire Yates 7 rivers

11. County or Parish, State

Eddy, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other change of business name
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all permanent markers and set. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 d following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed or testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the well is ready for final inspection.)

We wish to change the business name of this well from Gas Well Services, Inc. to JKM Energy, LLC. Everything else will remain the same. We have a Statewide bond.



APPROVED

JUL 11 2000

AUTHORIZED OFFICER, MINERAL

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Jack Matthews

Signature

Title

President

Date

04-19-2000

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-100
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address JKM Energy, LLC. 26 E. Compress Rd. Artesia, NM 88210		OCRID Number 163645
		Reason for Filing Code CH 04 effective 5-15-2000
API Number 30-015-31060	Pool Name Empire Yates 7 Rivers	Pool Code
Property Code 25603	Property Name Shearn Saranda Federal	Well Number #1

II. Surface Location

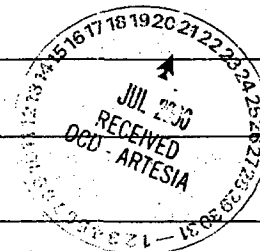
UL or lot no. A	Section 14	Township 17S	Range 27E	Lot Idn	Feet from the 1226	North/South Line FNL	Feet from the 1106	East/West Line EAST	County Eddy
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Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
Loc Code	Producing Method Code	Gas Connection Date	C-129 Permit Number	C-129 Effective Date	C-129 Expiration Date				

III. Oil and Gas Transporters

Transporter OCRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description



IV. Produced Water

POD	POD ULSTR Location and Description
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V. Well Completion Data

Spud Date	Ready Date	TD	POD	Perforations	DIIC, DC, MC
Hole Size	Casing & Tubing Size	Depth Set	Sacks Cement		

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Csg. Pressure
Choke Size	Oil	Water	Gas	AOF	Test Method

"I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: Kenetta Matthews

Printed name: Kenetta Matthews

Title: Member

Date: 07-13-2000

Phone: 505 748-2854

OIL CONSERVATION DIVISION

Approved by: ORIGINAL SIGNED BY TIM W. GUM

Title: DISTRICT II SUPERVISOR

Approval Date: AUG - 2 2000

"If this is a change of operator fill in the OCRIID number and name of the previous operator

Kenetta Matthews

Previous Operator Signature

163645

Printed Name

Title

Date

7-20-00