

Rec: 11-14-2003

Susp: 12-3-2003

PMESO-331862331



CLAYTON WILLIAMS ENERGY, INC.

November 13, 2003

Via Federal Express Overnight Service

STATE OF NEW MEXICO
Energy Minerals and Natural Resources
OIL CONSERVATION DIVISION
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87504

Empire East Yeso
Ch-Jackson

Attention: Mr. Michael Stogner

Re: APPLICATION FOR PERMIT TO DRILL
NON-STANDARD LOCATION

RECEIVED

NOV 14 2003

Clayton Williams Energy, Inc.
State 20B Lease (Property Code 25235)
Well No. 16
Sec. 20, T17S, R29E, UL H
Eddy County, New Mexico
Empire, Yeso (East) Field

Oil Conservation Division

12-15-2003 (8:24 AM)
Voice Mail Message
from Peter Hanna
432-688-3240
Please call back
station if
app.

Dear Mr. Stogner:

Clayton Williams Energy, Inc. proposes an in-field drilling program on its current lease in Eddy County, New Mexico. This program will potentially add eight wells, for a total of 16 wells in this quarter section and a total of 20 wells in the lease (Lease B-6846). Clayton Williams Energy, Inc. feels that in-field drilling will allow us to recover additional reserves and maximize the ultimate recovery of the field. And of course, the State of New Mexico will also benefit from the added royalty revenues.

One of the wells proposed is the State 20B #16. This well is located 2140' FNL and 1120' FEL of Sec. 20, T17S, R29E, making it a non-standard location. The well must be located at these coordinates due to the drainage impact of the reservoir on the adjacent wells in the 40-acre unit and in offset wells. We also have constraints on the surface location due to pipeline right-of-ways.

We offer the following evidence as required for your approval:

- Working interest and royalty interest is common for the entire quarter section
- A plat is attached outlining CWEI leased acreage and the current producing wells in this quarter-quarter section.

Mr. Michael Stogner
November 13, 2003
Page 2 of 2


Please note as we discussed in a phone conversation of October 31, 2003 after you reviewed our location on your database, it will not be necessary to notify any offset operators.

Also attached are the customary forms for Application to Drill:

Form C-101, Application for Permit to Drill (6 copies)
Form C-102, Well Location and Acreage Dedication Plat (4 copies)
BOP Schematic (6 copies)

I appreciate all your assistance in this application. Should you require further or have any questions, my direct office phone number is (432) 688-3251. My e-mail address is mswierc@claytonwilliams.com.

Sincerely yours,

A handwritten signature in black ink that reads "Matt Swierc".

Matt Swierc
Production Superintendent

Enclosures

RECEIVED

NOV 14 2003

Oil Conservation Division

DISTRICT I
P.O. Box 1000, Hobbs, NM 88241-1000

DISTRICT II
P.O. Drawer 80, Artesia, NM 88211-0710

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. Box 2000, Santa Fe, N.M. 87504-2000

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 96610	Pool Name Empire, East (Yeso)
Property Code 25235	Property Name STATE 20 B	Well Number 16
OGHD No. 25706	Operator Name CLAYTON WILLIAMS ENERGY, INC.	Elevation 3606'

Surface Location

UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
H	20	17-S	29-E		2140'	NORTH	1120'	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Ida	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

STATE 20E LSE. LSE # E-4201	STATE 20B	STATE 20B
GEODETIC COORDINATES NAD 27 NME Y = 662583.2 N X = 574284.5 N LAT. = 32°49'16.66"N LONG. = 104°05'29.48"W	STATE 20B #4 #16 #2 2310' FNL 1650' FNL	STATE 20B #15 #9 #11 1650' FNL 2285' FNL 1120' FNL 330' FNL
OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Betsy Luna Signature Betsy Luna Printed Name Engineering Technician Title 11-12-2003 Date		
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. October 21, 2003 Date Surveyed AWB Signature Professional Surveyor GARY EIDSON NEW MEXICO 10/21/03 03.11.1143 Certificate No. 12641		

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
Revised March 17, 1999

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

¹ Operator Name and Address Clayton Williams Energy, Inc. Six Desta Drive, Suite 3000 Midland, TX 79705		² OGRID Number 25706
		³ API Number 30 - 015 -
³ Property Code 25235	Property Name STATE "20B"	⁶ Well No. 16

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	20	17 S	29 E		2140	NORTH	1120	EAST	EDDY

⁸ Proposed 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
⁹ Proposed Pool 1 Empire, East (Yeso) 96610					¹⁰ Proposed Pool 2 Grayburg Jackson -7R's,QN,GB,SA (28509)				

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3606'
¹⁶ Multiple N	¹⁷ Proposed Depth 5000'	¹⁸ Formation Yeso Sands	¹⁹ Contractor Key Energy Svcs	²⁰ Spud Date Upon approval

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24#	400'	300	Surface
7-7/8"	5-1/2"	17#	5000'	935	Surface

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone.
Describe the blowout prevention program, if any. Use additional sheets if necessary.

- 1. Drill a 12-1/4" hole to 400'. Run and set 400' of 8-5/8" 24# J-55 ST&C casing. Cement with 300 sx. of Cl. C cement. Circulate cement to surface.**
- 2. Drill a 7-7/8" hole to 5000'. Run and set 5000' of 5-1/2" 17# ST&C casing with DV tool @ ±2500'. Cement 1st stage with 365 sx. Cl. C 50/50 Poz and cement 2nd stage with 570 sx. 35/65 Poz C and tail with 150 sx. Cl. C neat. Circulate cement to surface.**

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Betsy Luna</i>		OIL CONSERVATION DIVISION	
Printed name: Betsy Luna		Approved by:	
Title: Engineering Technician		Title:	
Date: 11/12/2003		Approval Date:	Expiration Date:
Phone: (432) 682-6324		Conditions of Approval: Attached <input type="checkbox"/>	

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

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OGRID No. 25706	Operator Name CLAYTON WILLIAMS ENERGY, INC.		Elevation 3606'

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H	20	17-S	29-E		2140'	NORTH	1120'	EAST	EDDY

Bottom Hole Location If Different From Surface

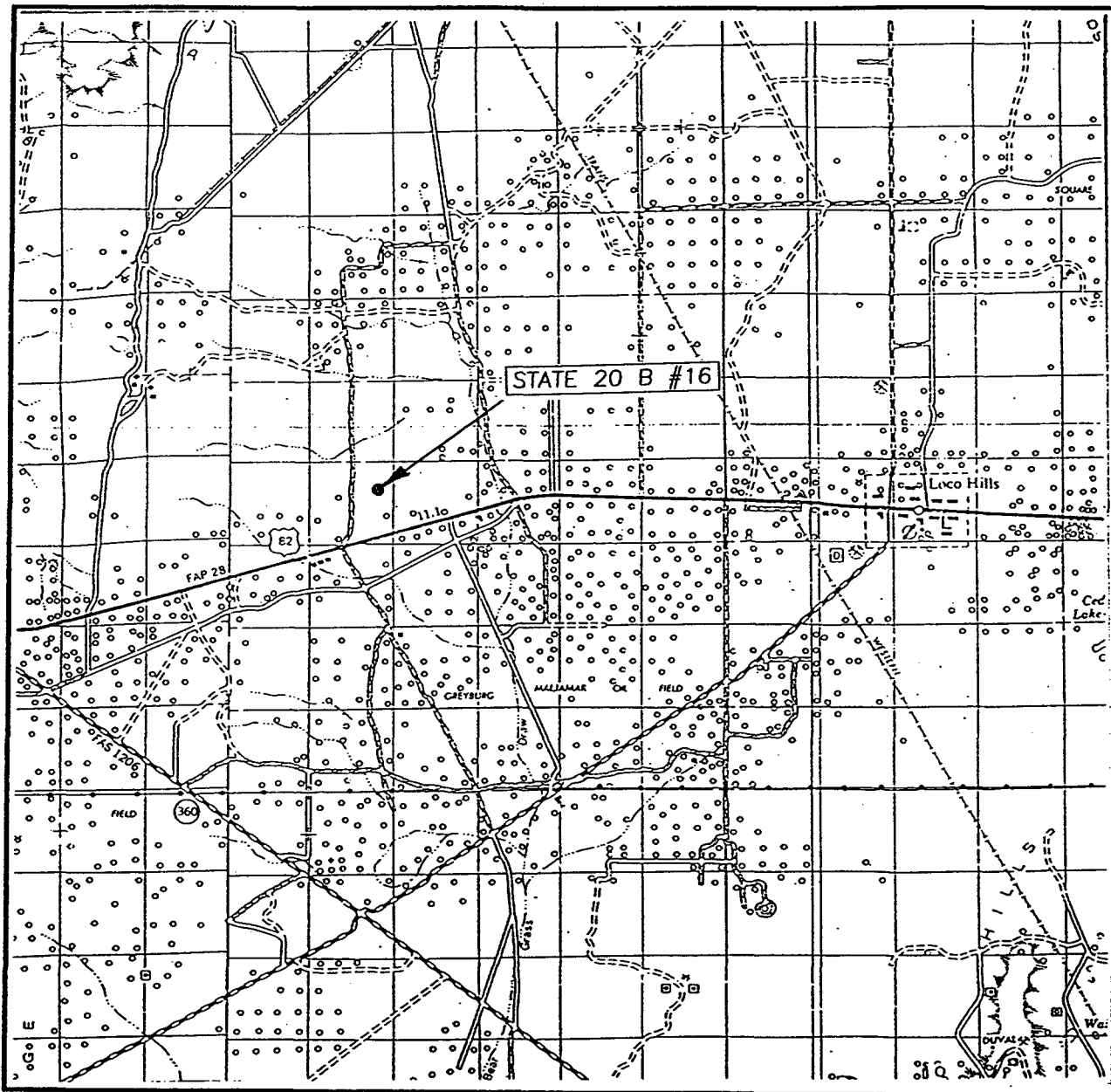
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Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

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 = 662583.2 N X = 574284.5 N LAT. = 32°49'16.66"N LONG. = 104°05'29.48"W</p>	<p>2140'</p> <p>1120'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Betsy Luna</i> Signature</p> <p>Betsy Luna Printed Name</p> <p>Engineering Technician Title</p> <p>11-12-2003 Date</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>October 21, 2003</p> <p>Date Surveyed</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Gary Edson</i> GARY EDSON 03.11.1143 Certificate No. 12641</p>

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 20 TWP. 17-S RGE. 29-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 2140' FNL & 1120' FEL

ELEVATION 3606'

OPERATOR CLAYTON WILLIAMS ENERGY, INC.

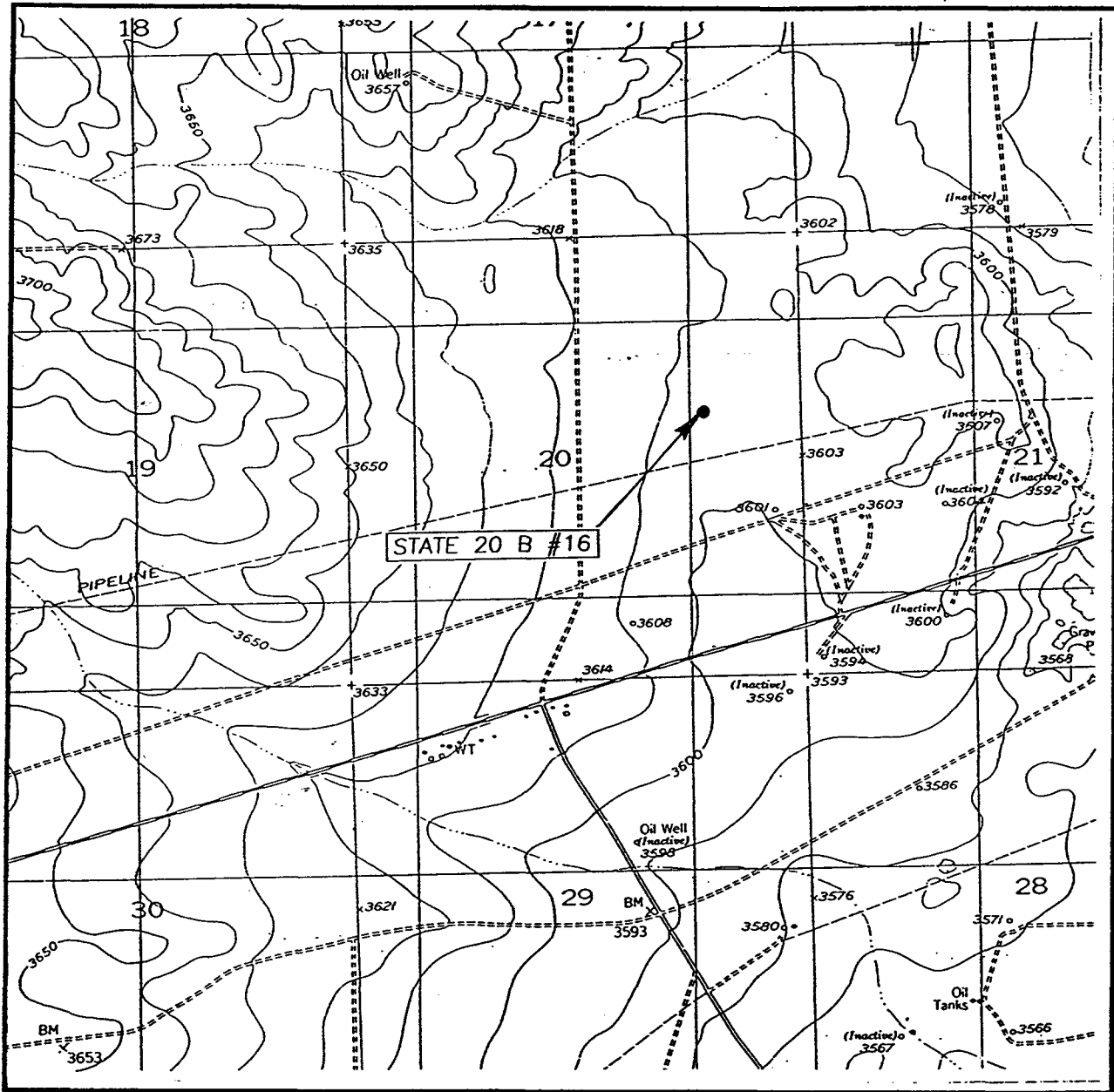
LEASE STATE 20 B

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

DRIVING DIRECTIONS

TURN NORTH OFF STATE HIGHWAY #83 0.6 MILES WEST OFF MILE MARKER #126. GO NORTH ON CALICHE RD. 0.6 MILES, TURN RIGHT ON CALICHE RD AND GO 0.3 MILES EAST. THIS LOCATION IS ON THE SOUTH SIDE OF ROAD.

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'
RED LAKE SE, N.M.

SEC. 20 TWP. 17-S RGE. 29-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 2140' FNL & 1120' FEL

ELEVATION 3606'

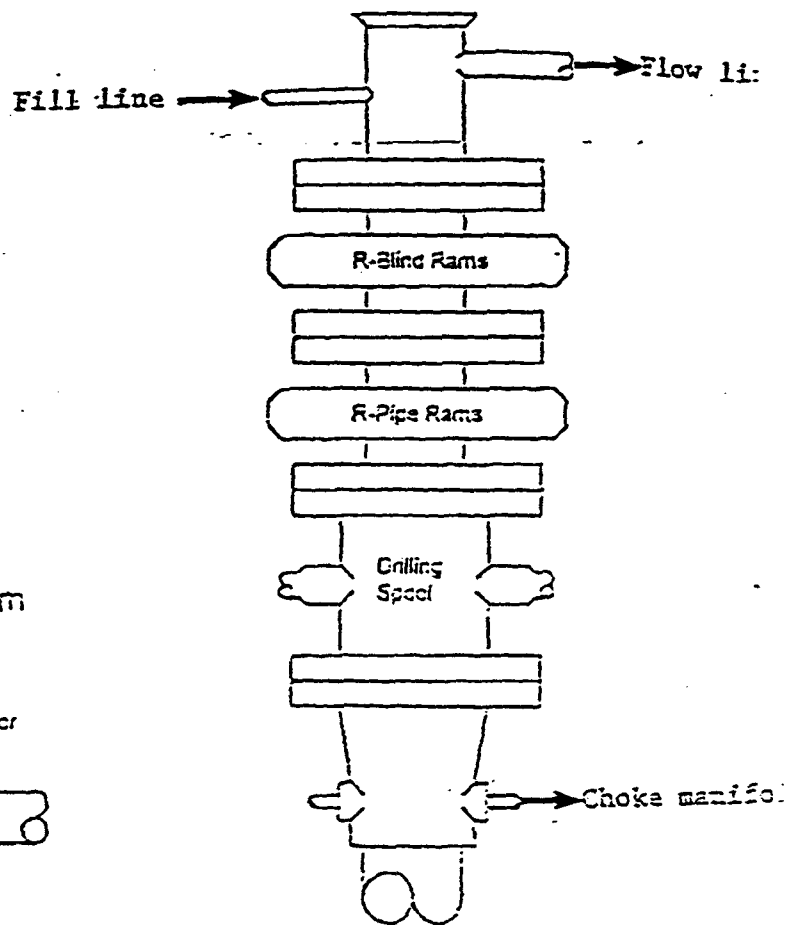
OPERATOR CLAYTON WILLIAMS ENERGY, INC.

LEASE STATE 20 B

U.S.G.S. TOPOGRAPHIC MAP
RED LAKE SE, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

BLOWOUT PREVENTER SYSTEM



Choke Manifold Assembly for 3M WP System

Type 900 Series
3000 psi WP

