District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-101
May 27, 2004

Submit to appropriate District Office

☐ AMENDED REPORT

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

[1] Operator Name and Address	[2] OGRID Number
RDR OPERATING INC. 415 W Wall Suite 1510A Midland TX, 79701 Tel 432 687 5969	216567
RECEIVED	[3] API Number 30-015-21898
AUG 05 2004	
OCD-ARTESIA	

[5] Property Code	[5] Property Name	[6] Well No.
	Gissler Com	1

[9] Proposed Pool 1	[10] Proposed Pool 2
Wildcat Morrow	

[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
J	7	21S	23E		2110	South	1650	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
N	7	21S	23E		900	South	1250	West	Eddy

Additional Well Information

[11] Work Type Code	[12] Well Type Code	[13] Cable/Rotary	[14] Lease Type Code	[15] Ground Level Elevation
E	G	R	S/P/F Com	3952
[16] Multiple	[17] Proposed Depth	[18] Formation	[19] Contractor	[20] Spud Date
	9793 MD/9000 TVD	Morrow	TBD	10/01/04

Depth to Groundwater	Distance from nearest fresh water well	Distance from nearest surface water
> 100' and <300'	>330	~500'

Pit: Liner: Synthetic ☒ 12 mils thick Clay ☐ Pit Volume: 7500 bbls Drilling Method:
Closed-Loop System ☐ Fresh Water ☒ Brine ☐ Diesel/Oil-based ☐ Gas/Air

[21] Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2	13 3/8	Undesignated	285	315	Surface
12 1/4	9 5/8	36	2230	950	Surface
7 7/8	5 1/2	17	9793 MD	1000	2200

[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.

This project is a re-entry located on the surface location referenced above. The original well was D&A in 1976 by Belco Petroleum Corp. The well was cased with surface and intermediate casing as shown above. Once re-entered the well will be kicked off at 3500' and directionally drilled to the SW Q TR as shown above. The Bottom Hole Location is located on Federal Minerals. An APD has been submitted to the BLM office in Roswell NM. The proposed proration unit is a South Half Lay Down as shown on the attached form C-102.

The proposed BOP program is submitted with the APD.

No H2S is anticipated so no H2S plan has been submitted per rule 118. However, a plan is being submitted as a contingency in the APD and a copy of that plan is attached.

Submit Directional Survey Plan to OCD

[23] 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 ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.**

Printed name: Roger Elliott Roger T. Elliott

Title: President

E-mail Address: relliottcpl@aol.com

Date: 8-5-04 Phone: 432 687 5969

OIL CONSERVATION DIVISION

Approved by:

Title: FOR RECORDS ONLY

Approval Date: Federal well Expiration Date:

Conditions of Approval Attached ☐

State of New Mexico
Energy, Minerals and Natural Resources Department

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

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised JUNE 10, 2003
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	Pool Name

Property Code	Property Name	Well Number
	GISSLER COM	1
OGRID No.	Operator Name	Elevation
	RDR OPERATING	3952'

Surface Location

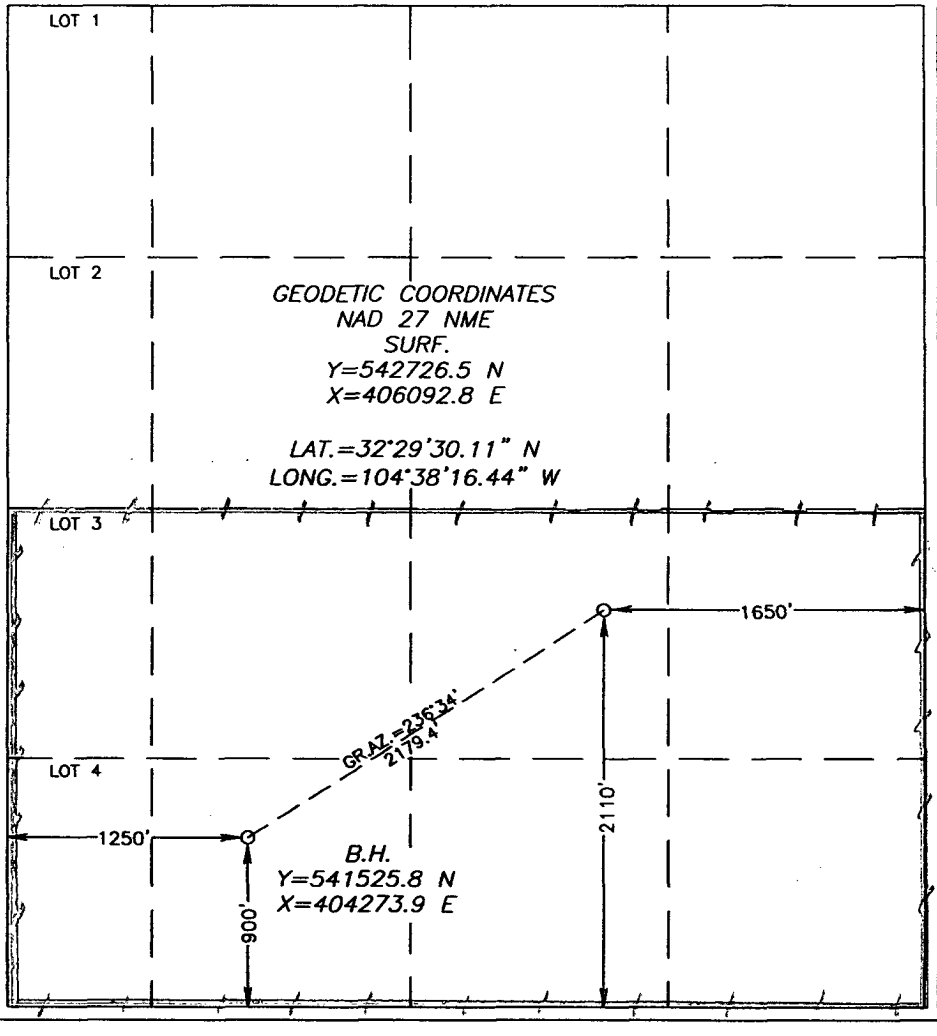
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	7	21-S	23-E		2110'	SOUTH	1650'	EAST	EDDY

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
N	7	21-S	23-E		900'	SOUTH	1250'	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
286.32			

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 the the information contained herein is true and complete to the best of my knowledge and belief.

Roger T. Elliott
Signature
ROGER T. Elliott
Printed Name
President
Title
7-6-04
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 supervison, and that the same is true and correct to the best of my belief.

JUNE 28, 2004
Date Surveyed JR
Signature & Seal of Professional Surveyor
GARY L. EIDSON NEW MEXICO 12641 REGISTERED PROFESSIONAL SURVEYOR
Gary L. Eidson 7/1/04
04.11.0797
Certificate No. GARY EIDSON 12641

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

RDR OPERATING
GISSLER COM # 1
SURFACE: 1650 FEL,2110 FSL
BHL: 900 FSL, 1250 FEL
Sec 7 T21S R23E
Eddy County, NM

I. Hydrogen Sulfide Training.

All personnel, whether regularly assigned, contracted or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

1. The hazards and characteristics of hydrogen sulfide (H2S).
2. The proper use and maintenance of personal protective equipment and life support systems.
3. The proper use of H2S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
4. The proper techniques of first aid and rescue procedures.

In addition the supervisory personnel will be trained in the following areas:

1. The effect of H2S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
3. The contents and requirements of the H2S Drilling Operations Plan.

There will be an initial training session just prior to encountering a known or probable H2S zone (within 3 days or 500 feet) and weekly H2S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H2S Drilling Operations Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

II. H2S Safety Equipment and Systems.

NOTE: All H2S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above or three days prior to penetration the first zone containing or reasonable expected to contain H2S.

1. Well Control Equipment:

   A. Flare line.

   B. Choke manifold.

   C. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.

   D. Auxiliary equipment to include: annular preventer

2. Protective equipment for essential personnel:

   A. 5-minute escape units located in the dog house and 30-minute air units at briefing areas, as indicated on well site diagram.

3. H2S detection and monitoring equipment.

   A. 3-portable H2S monitors positioned on location for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 PPM are reached.

   B. 1-portable SO2 monitor positioned near flare line during H2S flaring operations.

4. Visual warning systems:

   A. Wind direction indicators as shown on well site diagram.

   B. Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be a readable distance from the immediate location.

5. Mud Program:

The mud program has been designed to minimize the volume of H2S circulated to the surface. Proper mud weight safe drilling practices and the use of H2S scavengers when necessary will minimize hazards when penetrating H2S bearings.

6. Metallurgy:

A. All drill strings, casings, tubing, wellhead, blowout preventers, drilling spools kill lines, choke manifold and lines valves shall be suitable for H2S service.

B. All elastomers used for packing and seals shall be H2S trimmed.

7. Communications:

A. Radio communications will be available in company vehicles and rig dog house.

8. Well Testing:

A. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity, which are necessary to safely and adequately conduct the test. The drill stem testing of any known formation that contains H2S will be conducted during daylight hours.