

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

Form C-101  
May 27, 2004

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

SEP 14 2005 Submit to appropriate District Office

OC-D-ARTESIA

☐ AMENDED REPORT

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

<sup>1</sup> Operator Name and Address Stephens & Johnson Operating Co. P.O. Box 2249, Wichita Falls, TX 76307-2249		<sup>2</sup> OGRID Number 019958
<sup>4</sup> Property Code 009799	<sup>5</sup> Property Name East Millman Pool Unit Tract 3	<sup>3</sup> API Number 30- 015- 34345
<sup>9</sup> Proposed Pool 1 Millman Yates-SR-QN-GB-SA, East 46555		<sup>6</sup> Well No. 4
<sup>10</sup> Proposed Pool 2		

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
I	12	19S	28E		1539	South	990	East	Eddy

<sup>8</sup> 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

Additional Well Location

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3375'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 2700	<sup>18</sup> Formation San Andres	<sup>19</sup> Contractor United Drilling	<sup>20</sup> Spud Date September 29, 2005
Depth to ground water 150'		Distance from nearest fresh water well 2500'		Distance from nearest surface water 1100'
Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume 7000 bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

<sup>21</sup> 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 lb/ft	300'	200	Surface
7 7/8"	5 1/2"	15.50 lb/ft	2700'	800	Surface

<sup>22</sup> 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.

See Attachment

See 17  
> 9.5

<sup>23</sup> 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 NMOC guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OGD-approved plan <input type="checkbox"/> Signature: <i>William M. Kincaid</i>		OIL CONSERVATION DIVISION	
Printed name: William M. Kincaid		Approved by: <i>[Signature]</i>	
Title: Petroleum Engineer		TIM W. GUM DISTRICT II SUPERVISOR	
E-mail Address: mkincaid@sjoc.net		Approval Date: SEP 21 2005 Expiration Date: SEP 21 2006	
Date: 9-12-05	Phone: (940) 723-2166	Conditions of Approval: Attached <input type="checkbox"/>	

1. Drill 12 1/4" hole to 300'. Set 8 5/8" 24# csg w/approx. 200 sacks of cmt. WOC 18 hrs.
2. Drill 7 7/8" hole to 2700'. Set 5 1/2", 15.50# csg w/approx. 800 sacks of cement.
3. Complete well in Grayburg formation.

BOP: An annular type BOP will be used with a 3,000 psig working pressure and a 6,000 psig test pressure.  
Note: This Application for Permit to Drill does not meet the requirement for an H2S Contingency Plan to be submitted.

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1080 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

Revised February 10, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code 46555		* Pool Name Millman Yates-SR-QN-GB-SA, East	
* Property Code 009799		* Property Name EAST MILLMAN UNIT TRACT 3			* Well Number 4
* OGRID No. 019958		* Operator Name STEPHENS & JOHNSON OPERATING CO.			* Elevation 3375

<sup>10</sup> Surface Location


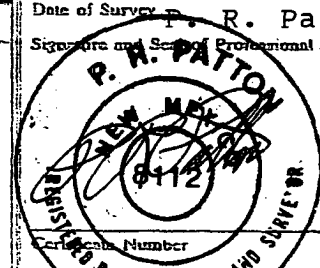
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	12	19 S	28 E		1539	SOUTH	990	EAST	EDDY

<sup>11</sup> 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

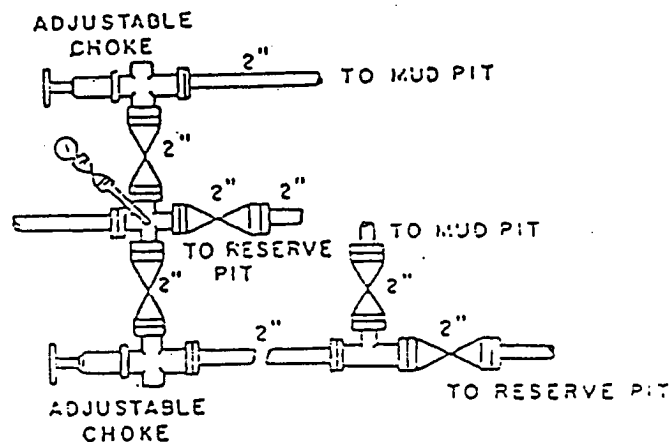
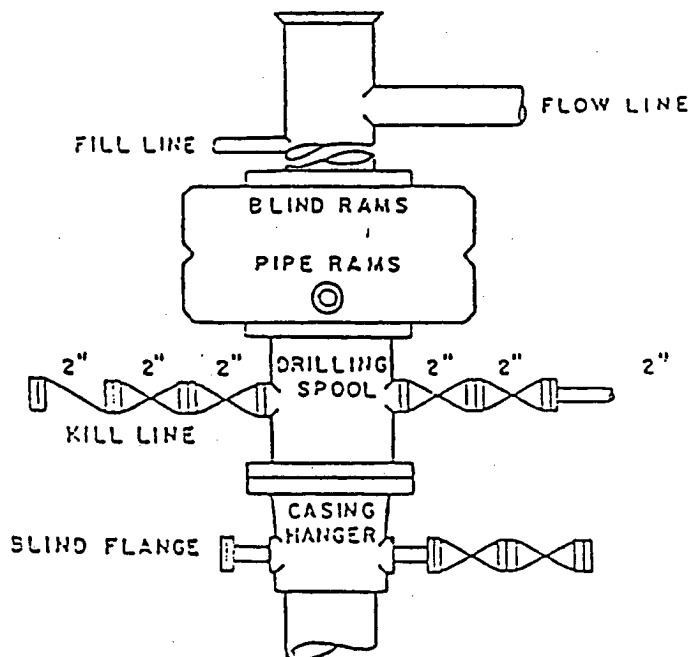
<sup>12</sup> Dedicated Acres 4c	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16					<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature William M. Kincaid Printed Name Petroleum Engineer Title 9-12-2005 Date
					<sup>18</sup> 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. September 8, 2005 Date of Survey P. R. Patton Signature and Seal of Professional Surveyor.  Certificate Number 8112

990'

1539'



**BOP DIAGRAM**  
**3000# WORKING PRESSURE**  
**RAMS OPERATED DAILY**

**EAST MILLMAN POOL UNIT NO. 3-4**  
**EDDY COUNTY, NEW MEXICO**

**EXHIBIT NO. 1**