

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

NM OIL CONSERVATION
State of New Mexico
ARTESIA DISTRICT
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised July 18, 2013

~~AMENDED~~ REPORT

DEC 08 2014

RECEIVED

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

¹ Operator Name and Address EMKEY COMPANIES, LLC 12221 MERIT DRIVE, SUITE 620 DALLAS, TX 75251		² OGRID Number 310098
⁴ Property Code 313698		³ API Number 30-015-42807
⁵ Property Name STILETTO 16 STATE 9H		⁶ Well No. 9H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
D	16	20S	25E		330'	NORTH	1265'	WEST	EDDY

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
M	16	20S	25E		330'	SOUTH	1256'	WEST	EDDY

9. Pool Information

Pool Name	Pool Code
NORTH SEVEN RIVERS; GLORIETTA, YESO	97565

Additional Well Information

¹¹ Work Type N	¹² Well Type O	¹³ Cable/Rotary R	¹⁴ Lease Type S	¹⁵ Ground Level Elevation 3465'
¹⁶ Multiple NO	¹⁷ Proposed Depth 2708' TVD / 6986' MD	¹⁸ Formation YESO	¹⁹ Contractor	²⁰ Spud Date 11/29/2014
Depth to Ground water 170'		Distance from nearest fresh water well .75 MILES SW		Distance to nearest surface water NONE

☒ We will be using a closed-loop system in lieu of lined pits.

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
COND	26"	20"		120'		SURF
SURF	12-1/4"	9-5/8"	36#	900'	380	SURF
PROD	8-3/4"	5-1/2"	17#	6986'	1765	SURF

Casing/Cement Program: Additional Comments

WELL WILL FLOW TO MULTIWELL FACILITY TO MINIMIZE ACREAGE REQUIRED.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
LADC CLASS 2	2000 PSI	3000 PSI RAMS / 1500 PSI ANNULAR	NATIONAL

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 I have complied with 19.15.14.9 (A) NMAC ☐ and/or 19.15.14.9 (B) NMAC ☐ if applicable. Signature: <i>Karla Atchison</i>		OIL CONSERVATION DIVISION	
Printed name: KARLA ATCHISON		Approved By: <i>APDade</i>	
Title: REGULATORY ANALYST		Title: <i>DIST II Supervisor</i>	
E-mail Address: katchison@emkeycompanies.com		Approved Date: <i>11/20/2014</i> Expiration Date: <i>11/20/2016</i>	
Date: 10/31/2014	Phone: 214.303.5516	Conditions of Approval Attached <i>NSL Required</i>	



Stiletto 16 State #9H
Unit D, Section 16
T20S-R25E, Eddy County, NM

Drilling Procedure

1. Drill 26" hole to 120'. Set 120' of 20" conductor. Cement to surface w/Redi-Mix.
2. Drill 12¼" hole to 900'. Run & set 9-5/8" 36# J-55 STC casing. Cement w/220 sx lead cement @ 13.5 ppg & 1.74 ft³/sx & 160 sx tail cement @ 14.8 ppg & 1.34 ft³/sx. Circulate cement to surface.
3. Drill 8¾" vertical hole to 2058' TVD. Kick off and drill curve to 90 deg at 3242' MD. Drill lateral to 6986' MD. Run & set 5½" 17# L-80 LTC casing at 6986' MD. Cement casing w/450 sx lead cement at 12.6 ppg & 1.89 ft³/sx & 1315 sx tail cement @ 14.2 ppg & 1.3 ft³/sx. Circulate cement to surface.

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State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015- 42807	Pool Code 97565	Pool Name NORTH SEVEN RIVERSGLORIETTA-YESO
Property Code 313698	Property Name STILETTO 16 STATE	Well Number 9H
OGRID No. 310098	Operator Name emkey companies	Elevation 3467'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	16	20 S	25 E		330	NORTH	1265	WEST	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
M	16	20 S	25 E		330	SOUTH	1256	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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

N: 11826526.3 E: 1795045.1 UTM13 NAD 27	SURFACE LOCATION Lat - N 32°34'47.27" Long - W 104°29'37.44" UTM 13N- N 11826184.0 E 1796313.3 (NAD-27) PROPOSED BOTTOM HOLE LOCATION Lat - N 32°34'01.73" Long - W 104°29'37.21" UTM 13N- N 11821584.4 E 1796355.3 (NAD-27)	N: 11826500.9 E: 1797669.5 UTM13 NAD 27	N: 11826476.0 E: 1800293.3 UTM13 NAD 27
N: 11823899.8 E: 1795073.7 UTM13 NAD 27		N: 11821233.5 E: 1797735.2 UTM13 NAD 27	N: 11821193.9 E: 1800366.4 UTM13 NAD 27

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

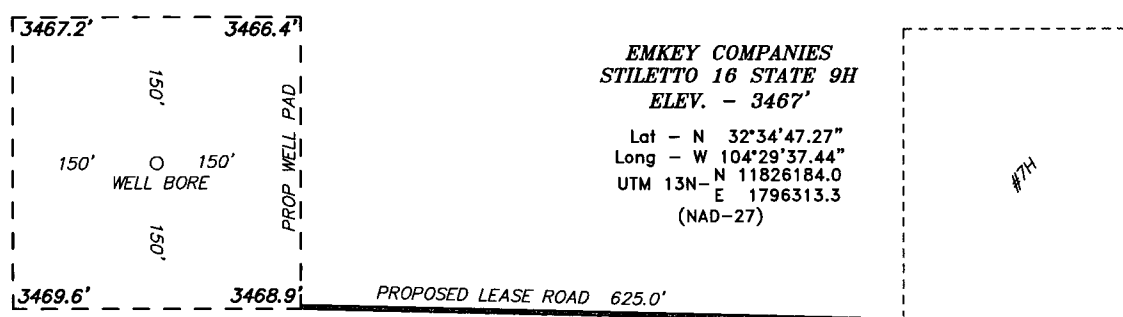
Signature: Joe T. Janica Date: 12/03/14
Printed Name: joejanica@valloirnet.com
Email Address:

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.

Date Surveyed: SEPTEMBER 26, 2014
Signature & Seal of Professional Surveyor: [Seal]
Certificate No.: 7977
Scale: 1" = 1000'
WO Num.: 30986

SECTION 16, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.

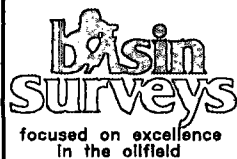


7 RIVERS, NM IS ± 4 MILES TO THE EAST OF LOCATION.



Directions to Location:

FROM THE JUNCTION OF WHITE PINE AND PICKETT,
GO NORTHWEST 1.1 MILES TO PROPOSED LEASE
ROAD.



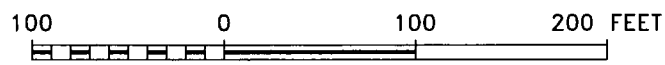
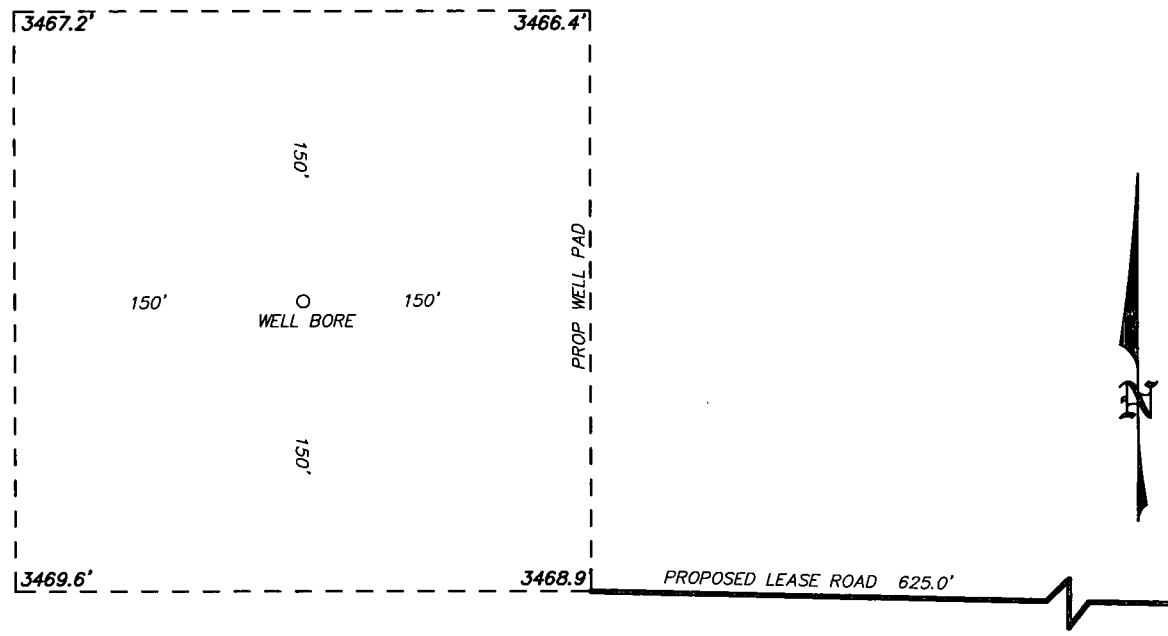
P.O. Box 1786 (575) 393-7316 - Office
1120 N. West County Rd. (575) 392-2206 - Fax
Hobbs, New Mexico 88241 basinsurveys.com



REF: STILETTO 16 STATE 9H / WELL PAD TOPO

THE STILETTO 16 STATE 9H LOCATED 330' FROM
THE NORTH LINE AND 1265' FROM THE WEST LINE OF
SECTION 16, TOWNSHIP 20 SOUTH, RANGE 25 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

SECTION 16, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.



SCALE:

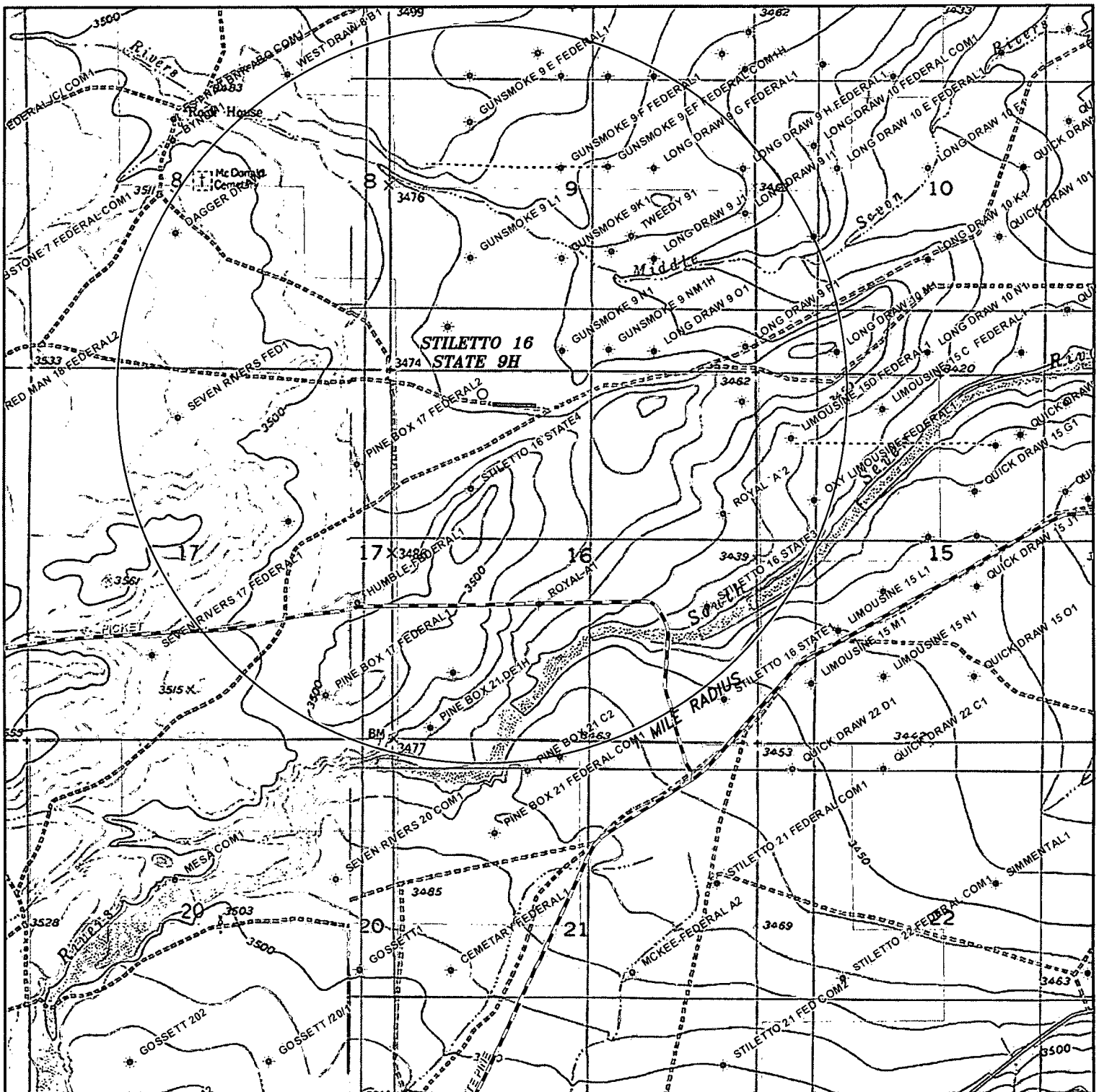


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 N.M.P.M., EDDY COUNTY, NEW MEXICO.



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STILETTO 16 STATE 9H

Located 330' FNL and 1265' FWL
 Section 16, Township 20 South, Range 25 East,
 N.M.P.M., Eddy County, New Mexico.

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surveys
 focused on excellence
 in the oilfield

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 basinsurveys.com

0' 1000' 2000' 3000' 4000'

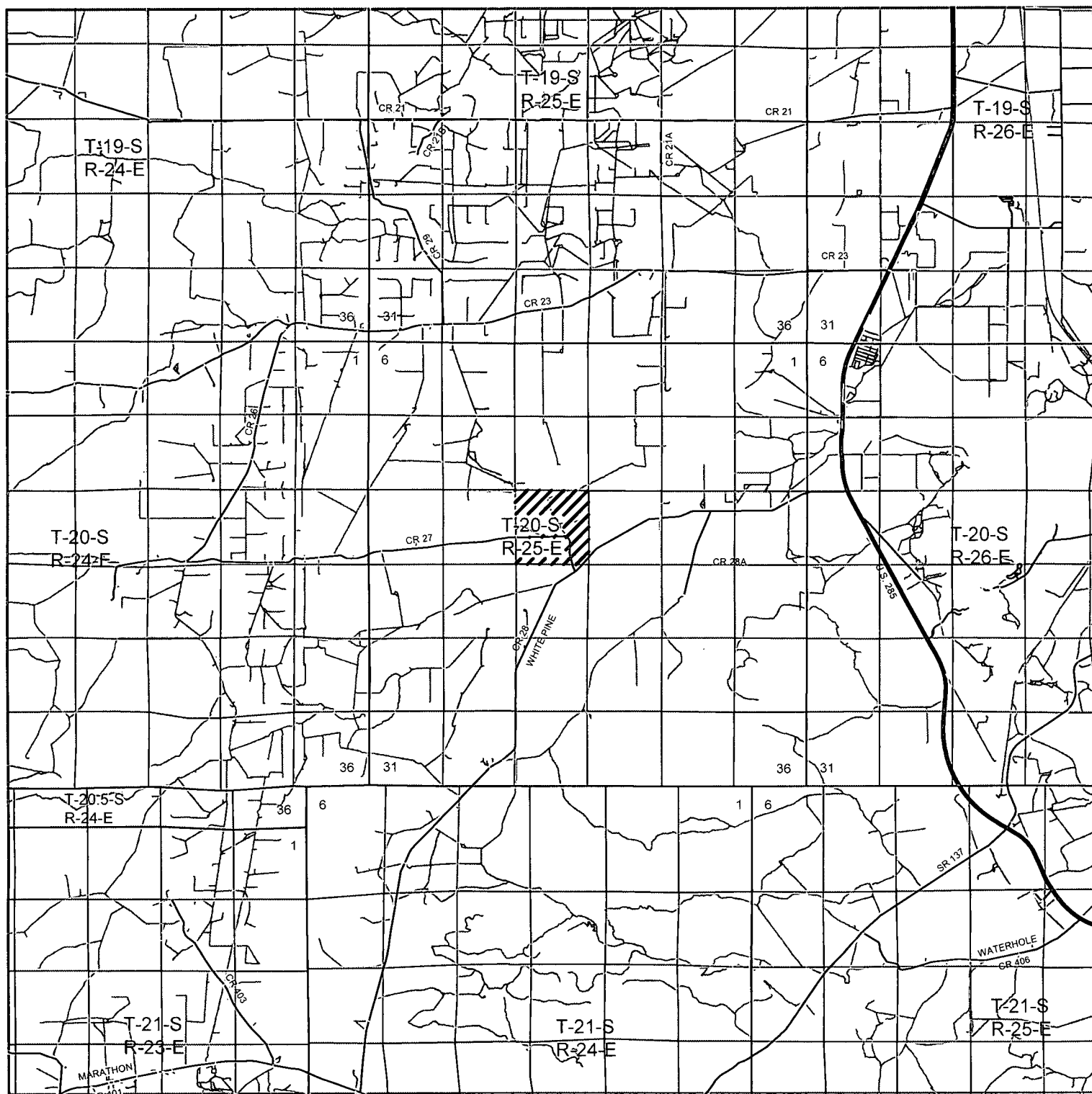
SCALE: 1" = 2000'

W.O. Number: JMS 30986

Survey Date: 09-26-2014

YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - FEE LAND

emkey
 companies



STILETTO 16 STATE 9H

Located 330' FNL and 1265' FWL
 Section 16, Township 20 South, Range 25 East,
 N.M.P.M., Eddy County, New Mexico.



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0 1 MI 2 MI 3 MI 4 MI

SCALE: 1" = 2 MILES

W.O. Number: JMS 30986

Survey Date: 09-26-2014

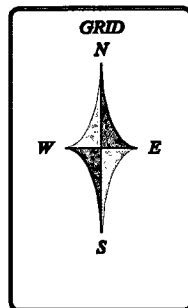
YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - FEE LAND



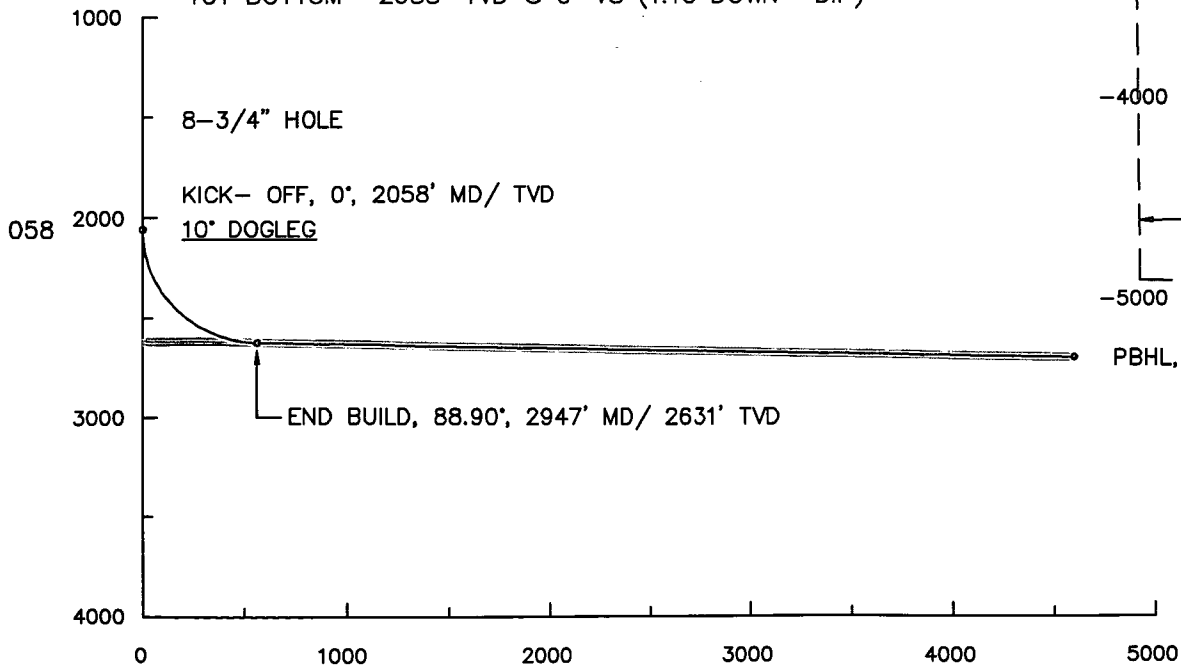
Job Number :	
Company :	Emkey Companies
Lease/Well :	Stiletto 16- 9H
Location :	Eddy County, NM

GL= 3467', KB= 13'
PLAN A

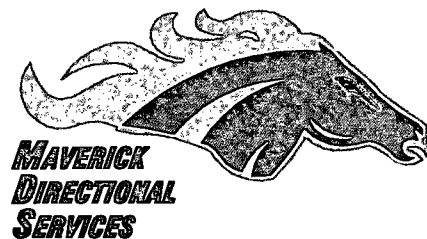
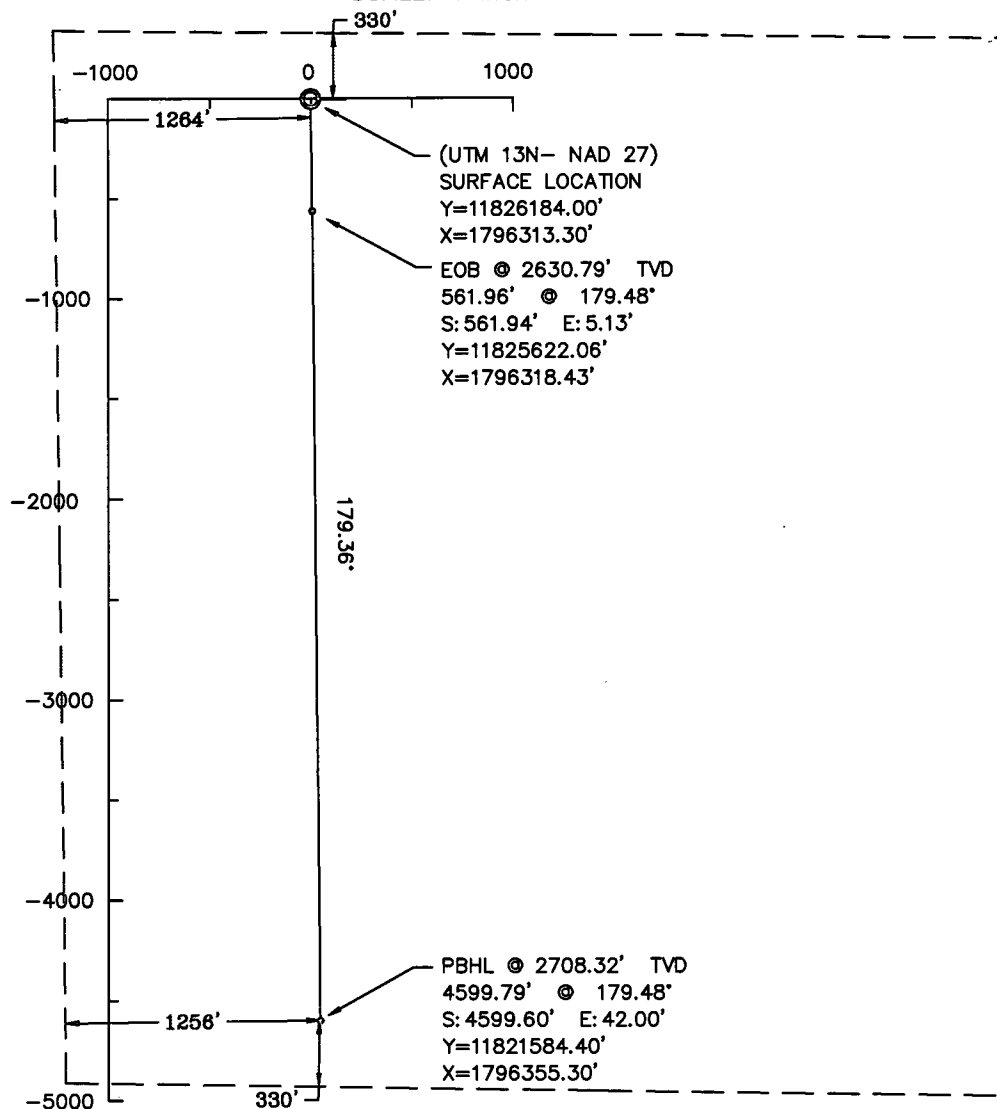
SEC. 16- T 20 S- R 25 E



VERTICAL SECTION
SCALE: 1 inch = 1000'
VERTICAL SECTION PLANE= 179.36
TGT TOP= 2605' TVD @ 0' VS (1.10 DOWN- DIP)
TGT LINE= 2620' TVD @ 0' VS (1.10 DOWN- DIP)
TGT BOTTOM= 2635' TVD @ 0' VS (1.10 DOWN- DIP)



PLAN VIEW
SCALE: 1 inch = 1000'





Job Number:
 Company: Emkey Companies
 Lease/Well: Stiletto 16- 9H
 Location: Eddy County, NM
 Rig Name:
 RKB: 13'
 G.L. or M.S.L.: 3467'

State/Country:
 Declination:
 Grid:
 File name: G:\SVYS\PLANS\ST1169HA.SVY
 Date/Time: 23-Oct-14 / 22:03
 Curve Name: Plan A

Maverick Directional Services
 Spring, Texas
 Main # 281-364-1212
 Fax # 281-364-1213

Calculated by: Jose Garza
 email: jose@maverickdirectional.com

WINSERVE PROPOSAL REPORT
 Minimum Curvature Method
 Vertical Section Plane 179.48
 Vertical Section Referenced to Wellhead
 Rectangular Coordinates Referenced to Wellhead

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	CLOSURE		Dogleg Severity Deg/100
Distance FT	Direction Deg								
KICK- OFF, 0°, 2058' MD/ TVD									
2057.94	.00	179.48	2057.94	.00	.00	.00	.00	.00	.00
2087.94	3.00	179.48	2087.92	.79	-.79	.01	.79	179.48	10.00
2117.94	6.00	179.48	2117.83	3.14	-3.14	.03	3.14	179.48	10.00
2147.94	9.00	179.48	2147.57	7.05	-7.05	.06	7.05	179.48	10.00
2177.94	12.00	179.48	2177.06	12.52	-12.52	.11	12.52	179.48	10.00
2207.94	15.00	179.48	2206.23	19.52	-19.52	.18	19.52	179.48	10.00
2237.94	18.00	179.48	2234.99	28.04	-28.04	.26	28.04	179.48	10.00
2267.94	21.00	179.48	2263.27	38.06	-38.05	.35	38.06	179.48	10.00
2297.94	24.00	179.48	2290.98	49.53	-49.53	.45	49.53	179.48	10.00
2327.94	27.00	179.48	2318.06	62.45	-62.45	.57	62.45	179.48	10.00
2357.94	30.00	179.48	2344.42	76.76	-76.76	.70	76.76	179.48	10.00
2387.94	33.00	179.48	2369.99	92.43	-92.43	.84	92.43	179.48	10.00
2417.94	36.00	179.48	2394.71	109.43	-109.42	1.00	109.43	179.48	10.00
2447.94	39.00	179.48	2418.51	127.69	-127.68	1.17	127.69	179.48	10.00
2477.94	42.00	179.48	2441.32	147.17	-147.16	1.34	147.17	179.48	10.00
2507.94	45.00	179.48	2463.08	167.82	-167.81	1.53	167.82	179.48	10.00
2537.94	48.00	179.48	2483.73	189.57	-189.57	1.73	189.57	179.48	10.00
2567.94	51.00	179.48	2503.21	212.38	-212.37	1.94	212.38	179.48	10.00
2597.94	54.00	179.48	2521.47	236.18	-236.17	2.16	236.18	179.48	10.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	C L O S U R E		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
2627.94	57.00	179.48	2538.46	260.90	-260.89	2.38	260.90	179.48	10.00
2657.94	60.00	179.48	2554.13	286.48	-286.47	2.62	286.48	179.48	10.00
2687.94	63.00	179.48	2568.45	312.84	-312.83	2.86	312.84	179.48	10.00
2717.94	66.00	179.48	2581.36	339.91	-339.90	3.10	339.91	179.48	10.00
2747.94	69.00	179.48	2592.84	367.63	-367.61	3.36	367.63	179.48	10.00
2777.94	72.00	179.48	2602.85	395.90	-395.89	3.62	395.90	179.48	10.00
2807.94	75.00	179.48	2611.37	424.67	-424.65	3.88	424.67	179.48	10.00
2837.94	78.00	179.48	2618.38	453.83	-453.81	4.14	453.83	179.48	10.00
2867.94	81.00	179.48	2623.84	483.33	-483.31	4.41	483.33	179.48	10.00
2897.94	84.00	179.48	2627.76	513.07	-513.05	4.68	513.07	179.48	10.00
2927.94	87.00	179.48	2630.11	542.97	-542.95	4.96	542.97	179.48	10.00
END BUILD, 88.90°, 2947' MD/ 2631' TVD									
2946.94	88.90	179.48	2630.79	561.96	-561.94	5.13	561.96	179.48	10.00
3046.94	88.90	179.48	2632.71	661.94	-661.91	6.04	661.94	179.48	.00
3146.94	88.90	179.48	2634.63	761.92	-761.89	6.96	761.92	179.48	.00
3246.94	88.90	179.48	2636.55	861.90	-861.87	7.87	861.90	179.48	.00
3346.94	88.90	179.48	2638.47	961.88	-961.84	8.78	961.88	179.48	.00
3446.94	88.90	179.48	2640.39	1061.87	-1061.82	9.70	1061.87	179.48	.00
3546.94	88.90	179.48	2642.31	1161.85	-1161.80	10.61	1161.85	179.48	.00
3646.94	88.90	179.48	2644.23	1261.83	-1261.78	11.52	1261.83	179.48	.00
3746.94	88.90	179.48	2646.15	1361.81	-1361.75	12.44	1361.81	179.48	.00
3846.94	88.90	179.48	2648.07	1461.79	-1461.73	13.35	1461.79	179.48	.00
3946.94	88.90	179.48	2649.99	1561.77	-1561.71	14.26	1561.77	179.48	.00
4046.94	88.90	179.48	2651.91	1661.76	-1661.69	15.17	1661.76	179.48	.00
4146.94	88.90	179.48	2653.83	1761.74	-1761.66	16.09	1761.74	179.48	.00
4246.94	88.90	179.48	2655.75	1861.72	-1861.64	17.00	1861.72	179.48	.00
4346.94	88.90	179.48	2657.67	1961.70	-1961.62	17.91	1961.70	179.48	.00
4446.94	88.90	179.48	2659.59	2061.68	-2061.60	18.83	2061.68	179.48	.00
4546.94	88.90	179.48	2661.51	2161.66	-2161.57	19.74	2161.66	179.48	.00
4646.94	88.90	179.48	2663.43	2261.65	-2261.55	20.65	2261.65	179.48	.00
4746.94	88.90	179.48	2665.35	2361.63	-2361.53	21.56	2361.63	179.48	.00
4846.94	88.90	179.48	2667.27	2461.61	-2461.51	22.48	2461.61	179.48	.00
4946.94	88.90	179.48	2669.19	2561.59	-2561.48	23.39	2561.59	179.48	.00
5046.94	88.90	179.48	2671.10	2661.57	-2661.46	24.30	2661.57	179.48	.00
5146.94	88.90	179.48	2673.02	2761.55	-2761.44	25.22	2761.55	179.48	.00
5246.94	88.90	179.48	2674.94	2861.53	-2861.42	26.13	2861.53	179.48	.00
5346.94	88.90	179.48	2676.86	2961.52	-2961.39	27.04	2961.52	179.48	.00
5446.94	88.90	179.48	2678.78	3061.50	-3061.37	27.96	3061.50	179.48	.00
5546.94	88.90	179.48	2680.70	3161.48	-3161.35	28.87	3161.48	179.48	.00
5646.94	88.90	179.48	2682.62	3261.46	-3261.32	29.78	3261.46	179.48	.00
5746.94	88.90	179.48	2684.54	3361.44	-3361.30	30.69	3361.44	179.48	.00
5846.94	88.90	179.48	2686.46	3461.42	-3461.28	31.61	3461.42	179.48	.00
5946.94	88.90	179.48	2688.38	3561.41	-3561.26	32.52	3561.41	179.48	.00
6046.94	88.90	179.48	2690.30	3661.39	-3661.23	33.43	3661.39	179.48	.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	C L O S U R E		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
6146.94	88.90	179.48	2692.22	3761.37	-3761.21	34.35	3761.37	179.48	.00
6246.94	88.90	179.48	2694.14	3861.35	-3861.19	35.26	3861.35	179.48	.00
6346.94	88.90	179.48	2696.06	3961.33	-3961.17	36.17	3961.33	179.48	.00
6446.94	88.90	179.48	2697.98	4061.31	-4061.14	37.09	4061.31	179.48	.00
6546.94	88.90	179.48	2699.90	4161.30	-4161.12	38.00	4161.30	179.48	.00
6646.94	88.90	179.48	2701.82	4261.28	-4261.10	38.91	4261.28	179.48	.00
6746.94	88.90	179.48	2703.74	4361.26	-4361.08	39.82	4361.26	179.48	.00
6846.94	88.90	179.48	2705.66	4461.24	-4461.05	40.74	4461.24	179.48	.00
6946.94	88.90	179.48	2707.58	4561.22	-4561.03	41.65	4561.22	179.48	.00
PBHL, 88.90°, 6986' MD/ 2708' TVD									
6985.51	88.90	179.48	2708.32	4599.79	-4599.60	42.00	4599.79	179.48	.00

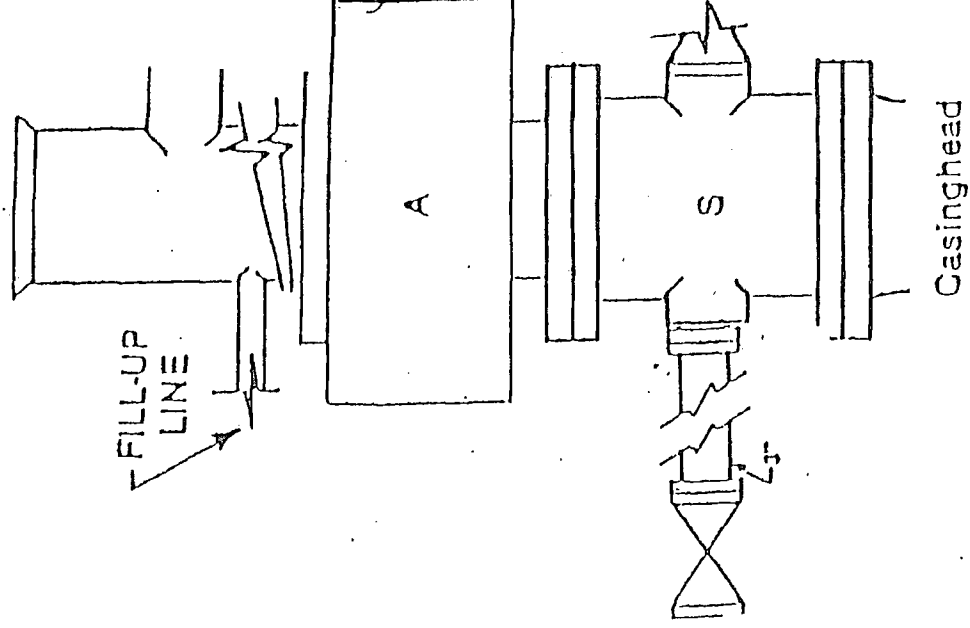


FIGURE K1-1. Recommended LADC Class 2 BOP stack, 2000 psi WP.
 Either SRd (left) or SA (right) arrangement is acceptable and drilling
 spool is optional

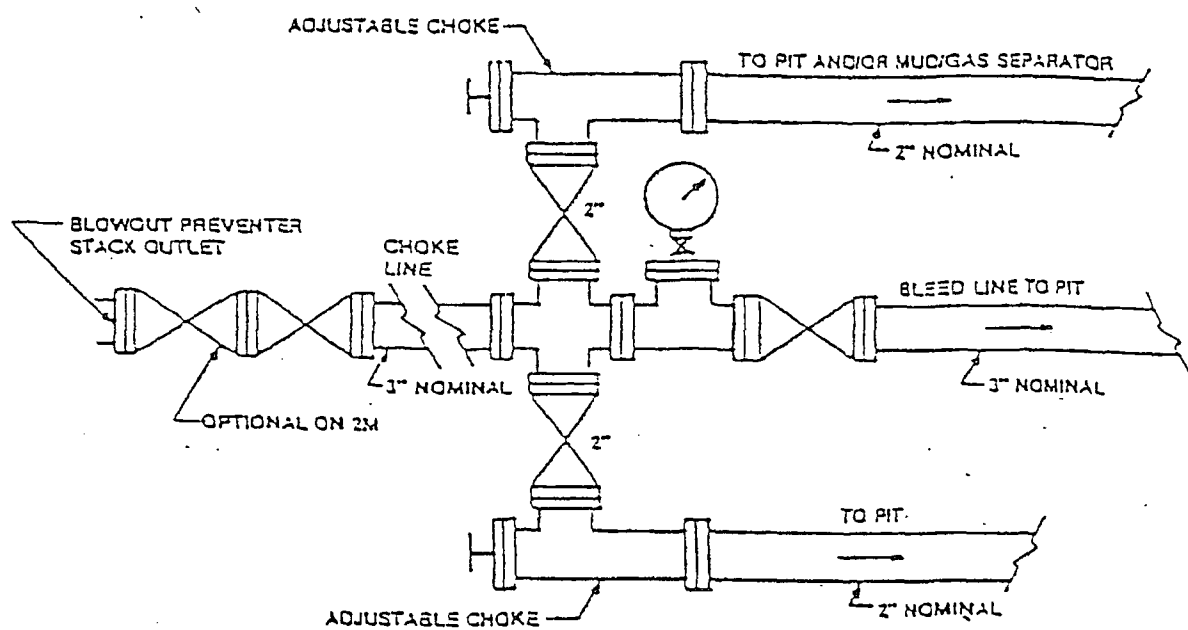
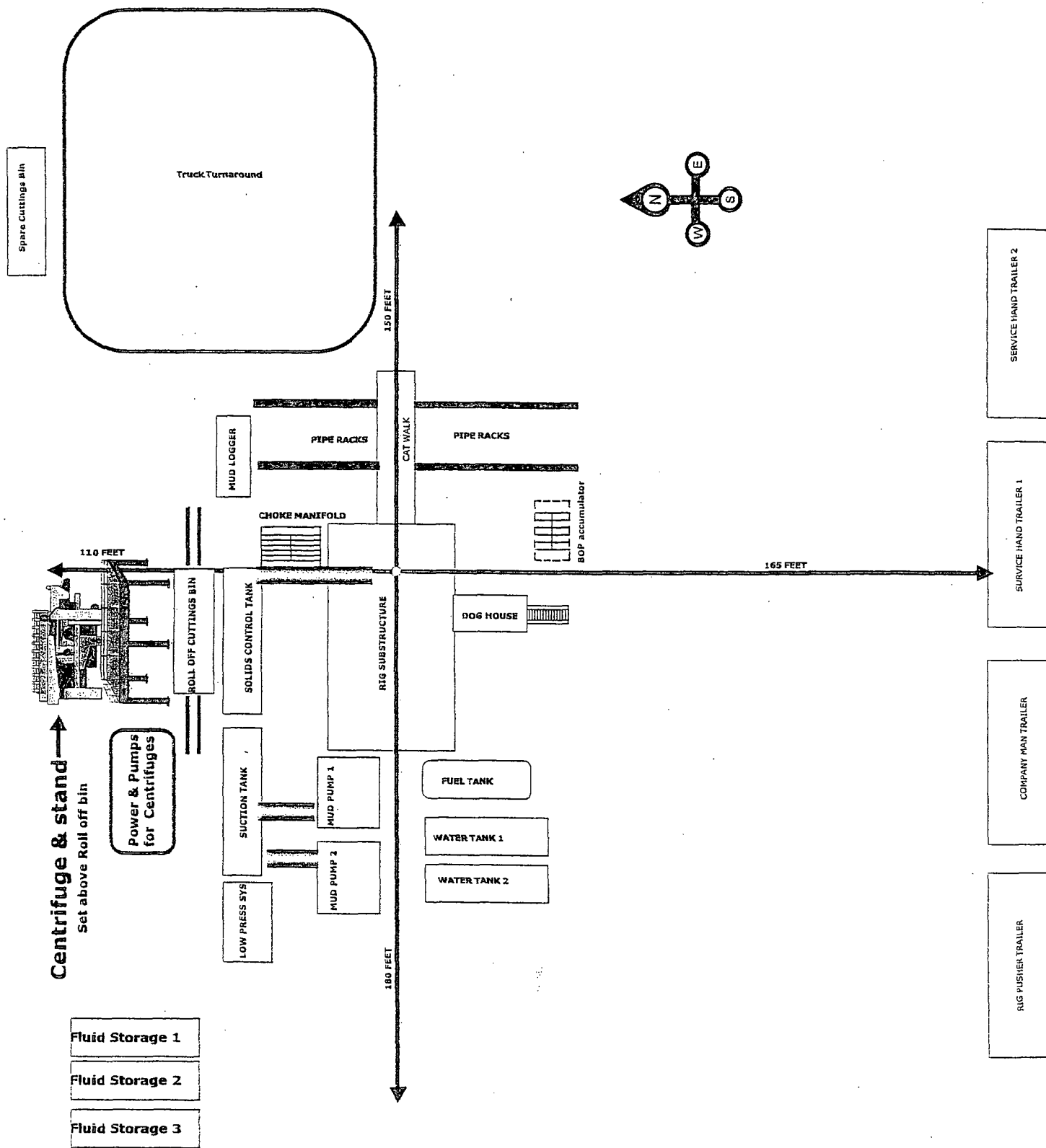


FIGURE K4-1. Typical choke manifold assembly for 2M and 3M rated working pressure service — surface installation.

Closed Loop Oil Well



Note: The Rig and Closed System Company for this well have not been selected thus the set up shown is simply generic.

Operations and Maintenance Plan

Closed loop equipment will be inspected and monitored on a daily basis by each drilling rig tour and by those hired specifically to operate the equipment. Any leak or release detected will be repaired immediately and proper NMOCD official will be notified within the 48 hour requirement. A large release will require EMKEY COMPANIES representatives to contact the OCD at the Artesia office 575-748-1283 as stated by NMOCD Rule 116.

During and after drilling operations, liquids and all drill cuttings and drilling fluids will be transported to an approved disposal site such as R-360 located approximately 30 miles East of Carlsbad, New Mexico or other approved disposal sites.