

30-015-34963-00-00

MONTURA FED COM No. 002

Company Name: J CLEO THOMPSON

Location: Sec: 15 T: 22S R: 26E Spot:

Lat: 32.3883133999174 Long: -104.275395209688

Property Name: MONTURA FED COM

County Name: Eddy

String Information

Cement Information

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Sqz
0	0			

Formation Information

St Code	Formation	Depth
Preef	Capitan Reef	0
Pdel	Delaware	2148
Pbs	Bone Spring	5070
Pbs3sd	3rd Bone Spring Sand	8270
Pwc	Wolfcamp	8692
Ppmorc	Morrow Clastics	10135
PPst	Strawn	10190
Ppat	Atoka	10487
Ppmor	Morrow	10913
Mund	Mississippian Undesignated	11643

Hole: Unknown

TD:

TVD: 0

PBD:

Arrant, Bryan, EMNRD

From: Arrant, Bryan, EMNRD
Sent: Wednesday, February 28, 2007 1:52 PM
To: 'vfreeman@jcleo.com'; 'Jim Stevens'
Cc: Sanchez, Daniel J., EMNRD; Gum, Tim, EMNRD; Brooks, David K., EMNRD
Subject: Montura Federal Com. # 2/API # 30-015-34963

Dear Vonda, Jim or To Whom It May Concern:

The New Mexico Oil Conservation Division (NMOCD) has received your C-104 (Request For Allowable and Authorization To Transport) for the above noted well.

I cannot approve NMOCD form C-104 at this time.

Please submit no later than 3/6/2007 the following information:

Completion report on NMOCD form C-105.

Notarized well deviation report.

Chloride data from mud samples during the drilling of the Capitan Reef as agreed upon in the conditions of approval of the APD.
The complete set of electric logs ran on this well.

In addition, please resubmit amended NMOCD forms C-103 and include the following information:

On these forms, please indicate the total wait on cement time, the casing pressure test and the time in minutes to test for each string of casing.

NMOCD C-103 dated 1/27/2006 does not indicate how the top of cement was determined.

Please supply us with this data also.

Please refer to the following rules for more in depth information as to what is required.

NMOCD Rules: 19.15.1.12; 19.15.3.107; 19.15.3.111; 19.15.13.1103; 19.15.13.1104; 1105(A).

If you have any questions regarding this matter, please call me.

Yours truly,

Bryan G. Arrant
District II Geologist
NMOCD-Artesia
505-748-1283 ext. 103

CC: well File

2/28/2007

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies 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		<div style="font-size: 4em; font-weight: bold; margin: 0;">S</div> <div style="margin: 0;"> State of New Mexico Minerals and Natural Resources Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 </div>		Form C-105 Revised June 10, 2003	
		WELL API NO. 30-015-34963		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
				State Oil & Gas Lease No.	
WELL COMPLETION OR RECOMPLETION REPORT AND LOG					
1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____				7. Lease Name or Unit Agreement Name MONTURA FED COM	
b. Type of Completion: NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. <input type="checkbox"/> WELL OVER BACK RESVR. <input type="checkbox"/> OTHER <input type="checkbox"/>					
2. Name of Operator THOMPSON, J. CLEO				8. Well No. 2	
3. Address of Operator P.O. BOX 12577 ODESSA, TX 79768-2577				9. Pool name or Wildcat HAPPY VALLEY, MORROW 78060	
4. Well Location Unit Letter P : 1091.5 Feet From The SOUTH Line and 994 Feet From The EAST Line Section 15 Township 22S Range 26E NMPM EDDY County					
10. Date Spudded 10/12/2006	11. Date T.D. Reached 11/19/2006	12. Date Compl. (Ready to Prod.) 01/05/2007	13. Elevations (DF& RKB, RT, GR, etc.) 3314	14. Elev. Casinghead	
15. Total Depth 11800	16. Plug Back T.D. 11760	17. If Multiple Compl. How Many Zones? _____	18. Intervals Drilled By ROTARY	Rotary Tools Cable Tools	
19. Producing Interval(s), of this completion - Top, Bottom, Name 11603 - 11641				20. Was Directional Survey Made NO	
21. Type Electric and Other Logs Run HI-RES LATERLOG ARRAY MICRO-CFL/GR, LITHO-DENSITY CN/GR				22. Was Well Cored NO	
23. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8	48	501	17 1/2	700 SX "C"	
9 5/8	36 & 40	2524	12 1/4	800 SX BLEND	
5 1/2	17	8 3/4	11800	1165 SX BLEND	
24. LINER RECORD					
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	
25. TUBING RECORD					
SIZE	DEPTH SET	PACKER SET			
2 3/8	11507	11510			
26. Perforation record (interval, size, and number) 11603 - 11641 4SPF (112 TOTAL HOLES)			27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.		
			DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	
			11603-11641	800 GALS 10% ACETIC ACID	
28. PRODUCTION					
Date First Production 01/05/2007		Production Method (Flowing, gas lift, pumping - Size and type pump) FLOWING		Well Status (Prod. or Shut-in) PRODUCING	
Date of Test 01/05/2007	Hours Tested 24	Choke Size 20/64	Prod'n For Test Period	Oil - Bbl 0	Gas - MCF 900
				Water - Bbl. 2	Gas - Oil Ratio
Flow Tubing Press. 521	Casing Pressure 0	Calculated 24-Hour Rate	Oil - Bbl. 0	Gas - MCF 900	Water - Bbl. 2
					Oil Gravity - API - (Corr.)
29. Disposition of Gas (Sold, used for fuel, vented, etc.) SOLD					Test Witnessed By AMADOR PANDO
30. List Attachments					
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief					
Signature <i>Jim Stevens</i>		Printed Name JIM STEVENS		Title OPERATIONS MANAGER Date 03/05/2007	
E-mail Address jstevens@jcleo.com					

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn "B"
T. Salt	T. Strawn 10190	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka 10660	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand 2445	T. Todilto	T.
T. Drinkard	T. Bone Springs 5070	T. Entrada	T.
T. Abo	T. 3rd Bone Spgs 8040	T. Wingate	T.
T. Wolfcamp 8700	T. Morrow 11135	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from 2445 to 5070
No. 2, from 11135 to 11800
No. 3, from to
No. 4, from to

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology

From	To	Thickness In Feet	Lithology



December 19, 2006

Mr. Jim Stevens
J. Cleo Thompson
117 W. Yukon Road
Odessa, Texas 79768

Dear Mr. Stevens,

Alliance Drilling Fluids would like to acknowledge that the water used while drilling through the Capitan Reef on the Montura Federal Com. #2 well in Eddy Co. New Mexico was fresh water. We have documentation that states our field service engineers tested the fluid on 10/11/2006 through 10/22/2006. The water in question had a range of 400-800 mg/l chlorides. These tests were taken from 40' all the way to 3314'. If needed, we will make available the documents we have in order to corroborate this.

Sincerely,

Shawn Savage
Vice President
Alliance Drilling Fluids LLC.



DRILLING INC. Oil Well Drilling Contractor

Post Office Box 160 • Artesia, NM 88211-0160 • Office (505) 748-8704 • Fax (505) 748-8719

November 21, 2006

J. Cleo Thompson
117 Yukon Road
Odessa, TX 79760

Re: Montura Fed Com #2
Sec. 15, T-22-S, R-26-E
Eddy County, New Mexico

Attn: Jim Stevens

The following is a Deviation Survey on the referenced well in Eddy County, New Mexico:

148' - 1/2 °	1829' - 1 1/4 °	5816' - 2 3/4 °	6681' - 1.6 °	8055' - 1.1 °
331' - 1 °	1924' - 3/4 °	6008' - 2 °	6709' - 2.7 °	8450' - 1 1/4 °
497' - 1 °	2090' - 1 1/4 °	6017' - 2.3 °	6771' - 1.2 °	8950' - 1 1/2 °
641' - 1/2 °	2174' - 1/2 °	6115' - 1.5 °	6834' - 1.4 °	9449' - 2 °
796' - 1 3/4 °	2331' - 1 1/4 °	6146' - 2.2 °	6928' - .9 °	9576' - 2 °
890' - 3/4 °	2487' - 1 °	6177' - 1.9 °	7053' - 0.9 °	9952' - 1 1/4 °
1015' - 1 °	2646' - 1 °	6245' - 2.0 °	7209' - 0.9 °	10,451' - 2 1/2 °
1140' - 1 °	3441' - 3/4 °	6276' - 1.7 °	7366' - 0.3 °	10,923' - 2 1/2 °
1265' - 3/4 °	3940' - 3/4 °	6307' - 1.2 °	7532' - 1.3 °	11,393' - 1 1/2 °
1390' - 1 1/2 °	4395' - 1/4 °	6338' - 1.7 °	7616' - .8 °	11,771' - 1 1/2 °
1516' - 1 1/4 °	4941' - 1/4 °	6427' - 1.8 °	7710' - .9 °	
1611' - 1 °	5395' - 1 1/2 °	6521' - 1.5 °	7803' - 1.4 °	
1705' - 2 °	5565' - 1/2 °	6584' - 1.7 °	7897' - 1.4 °	

Sincerely,

Gary W. Chappell
Contracts Manager



OFFICIAL SEAL

Barbara L. Carey

NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: Sept. 1, 2009

STATE OF NEW MEXICO
COUNTY OF EDDY

The foregoing was acknowledged before me this 1st day of September, 2006 by Gary W. Chappell.

MY COMMISSION EXPIRES

Sept. 1, 2009

Barbara L. Carey
NOTARY PUBLIC

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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 and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.	30-015-34963
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name MONTURA FED COM	
8. Well Number	002
9. OGRID Number	11181
10. Pool name or Wildcat HAPPY VALLEY (MORROW) 78060	

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	<div>Month-Year MAR - 6 2007 OCD - ARTESIA, NM</div>
2. Name of Operator THOMPSON, J. CLEO	
3. Address of Operator P.O. BOX 12577 ODESSA, TX 79768-2577	
4. Well Location Unit Letter <u>P</u> : <u>1091.5</u> feet from the <u>SOUTH</u> line and <u>994</u> feet from the <u>EAST</u> line Section <u>15</u> Township <u>22S</u> Range <u>26E</u> NMPM County <u>EDDY</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3317	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

SPUD WELL ON OCTOBER 11, 2006.
10-14-06 RUN 13 3/8 CASING

Casing Report: Run 12 joints 13 3/8, 48#, H-40, 8rd, ST&C casing. Total Length 504.95', Casing Set @ 501'.
Cement Report: Pump 200 sxs THX SET, 300 sxs 35/65, 200 sxs C 2% CaCl, plug down @ 8pm, DID NOT CIRC.
PLUG #1 - 50 sxs "C" 4% CaCl
WOC, TIH WITH 1" TAG @ 388'. WAIT ON BJ CMT BULK TRUCK.

RESUBMIT PER BRYAN ARRANT 2/28/07
CASING PRESSURE TEST AND MINUTES: 1000 PSI, 15 MINUTES
WOC TIME: 8.25 HOURS

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Vonda Freeman TITLE AGENT DATE 10/16/2006

Type or print name VONDA FREEMAN E-mail address: vfreeman@jcleo.com Telephone No. (432)550-8887
For State Use Only

APPROVED BY: FOR RECORDS ONLY TITLE _____ DATE MAR 06 2007
Conditions of Approval (if any): _____

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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, NM 87505

WELL API NO.	30-015-34963
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	MONTURA FED COM
8. Well Number	002
9. OGRID Number	11181
10. Pool name or Wildcat	HAPPY VALLEY (MORROW) 78060

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator THOMPSON, J. CLEO	
3. Address of Operator P.O. BOX 12577 ODESSA, TX 79768-2577	
4. Well Location Unit Letter P : 1091.5 feet from the SOUTH line and 994 feet from the EAST line Section 15 Township 22S Range 26E NMPM County EDDY	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3317	

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☒

OTHER: ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

10-20-06 RUN 9 5/8 CASING

Casing Report: Run shoe joint 40# N80 and 58 jts 36# J-55', Casing Set @ 2524'

Cement Report: Test lines. Pump 600 sxs 35//65/6 C+5 lb salt + 1 lb CF+5 lb LCM1, Tail w/200 sx C + 1% CaCl2, plug down @12:30pm, CIRC 200 sx to pit.

WOC, cut off 13 3/8, cut off 9 5/8, weld on head & test to 1500 psi, NU BOP & pressure test BOP.

RESUBMIT PER BRYAN ARRANT 2/28/07

CASING PRESSURE TEST AND MINUTES: 1500 PSI, 15 MINUTES

WOC TIME: 2 HOURS

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Vonda Freeman TITLE AGENT DATE 11/22/2006

Type or print name VONDA FREEMAN
For State Use Only

E-mail address: vfreeman@jcleo.com

Telephone No. (432)550-8887

APPROVED BY: **FOR RECORDS ONLY**

TITLE

DATE **MAR 06 2007**

Conditions of Approval (if any):

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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 and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-34963

5. Indicate Type of Lease
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
MONTURA FED COM

8. Well Number 002

9. OGRID Number 11181

10. Pool name or Wildcat
HAPPY VALLEY (MORROW) 78060

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

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

2. Name of Operator
THOMPSON, J. CLEO

3. Address of Operator P.O. BOX 12577
ODESSA, TX 79768-2577

4. Well Location
Unit Letter P : 1091.5 feet from the SOUTH line and 994 feet from the EAST line
Section 15 Township 22S Range 26E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3317

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water

Pit Liner Thickness: mil Below-Grade Tank: Volume bbls: Construction Material

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

11-19-06 RUN 5 1/2 CASING

Casing Report: Run 5 1/2 17# N-80, casing Set @ 11,800'.

CIRC CASING " WAITING ON BJ CEMENTERS "

RIG UP CEMENT HEAD & CEMENT 1st STAGE - LEAD 425 sks 65-35-6, TAIL WITH 740 sks 15-61-11 " DID NOT BUMP PLUG "

DROP BOMB, OPEN DV TOOL, CIRC 55sks CEMENT OFF DV TOOL, CIRC

CEMENT 2nd STAGE - LEAD 600sks 35-65-6, TAIL WITH 400sks "C" NEAT

PLUG DOWN @ 2:30 am.

NIPPLE DOWN BOP

RESUBMIT PER BRYAN ARRANT 2/28/07

TEMPERATURE SURVEY: TOC @ 1100'

CSG PRESSURE TEST AND TIME: N/A

WOC TIME: 0

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Vonda Freeman TITLE AGENT DATE 11/27/2006

Type or print name VONDA FREEMAN

E-mail address: vfreeman@jcleo.com

Telephone No. (432)550-8887

For State Use Only

APPROVED BY: **FOR RECORDS ONLY**

TITLE DATE **MAR 06 2007**

Conditions of Approval (if any):

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
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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

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

Month - Year
FEB 27 2007
OCD - ARTESIA, NM

Form C-104
Revised June 10, 2003

Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address THOMPSON, J. CLEO P.O. BOX 12577 ODESSA, TX 79768-2577		² OGRID Number 11181
		³ Reason for Filing Code/ Effective Date NW
⁴ API Number 30 -015-34963	⁵ Pool Name HAPPY VALLEY, MORROW	⁶ Pool Code 78060
⁷ Property Code 34849	⁸ Property Name MONTURA FED COM	⁹ Well Number 2

II. ¹⁰ Surface Location

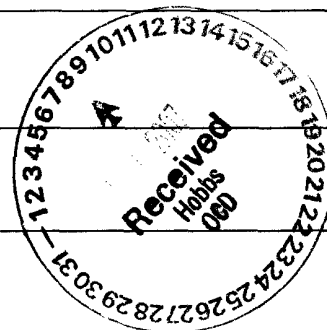
UL or lot no. P	Section 15	Township 22S	Range 26E	Lot.Idn	Feet from the 1091.5	North/South Line SOUTH	Feet from the 994	East/West line EAST	County EDDY
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¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Lse Code F	¹³ Producing Method Code F	¹⁴ Gas Connection Date 01/05/2007	¹⁵ C-129 Permit Number 11181(OGRID)	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
015694	NAVAJO		O	
	EL PASO		G	



IV. Produced Water

²³ POD	²⁴ POD ULSTR Location and Description
-------------------	--

V. Well Completion Data

²⁵ Spud Date 10/11/2006	²⁶ Ready Date 01/05/2007	²⁷ TD 11800	²⁸ PBTD 11760	²⁹ Perforations 11603-11641	³⁰ DHC, MC
³¹ Hole Size	³² Casing & Tubing Size	³³ Depth Set	³⁴ Sacks Cement		
17 1/2	13 3/8, 48# H-40	501	700		
12 1/4	9 5/8, 36 & 40# J-55	2524	800		
8 3/4	5 1/2, 17#, P-110	11800	1165		

VI. Well Test Data

³⁵ Date New Oil 01/05/2007	³⁶ Gas Delivery Date 01/05/2007	³⁷ Test Date 01/05/2007	³⁸ Test Length 24	³⁹ Tbg. Pressure 521	⁴⁰ Csg. Pressure 0
⁴¹ Choke Size 20/64	⁴² Oil 0	⁴³ Water 2	⁴⁴ Gas 900	⁴⁵ AOF	⁴⁶ Test Method FLOWING

⁴⁷ 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: <i>Vonda Freeman</i>		OIL CONSERVATION DIVISION	
Printed name: VONDA FREEMAN		Approved by: BRYAN G. ARRANT	
Title: AGENT		Title: DISTRICT II GEOLOGIST	
E-mail Address: vfreeman@jcleo.com		Approval Date: MAR 06 2007	
Date: 02/07/2007	Phone: (432)550-8887		