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 ergy Minerals and Natural Resources

Form C-101 May 27, 2004

Oil Conservation Division JUN 18 2007 it to appropriate District Office 1220 South St. Francis Dr. Santa Fe, NM 87505 OCD-ARTESTA AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE													
		<sup>1</sup> Operator Nam		-			153888	<sup>2</sup> 00	RID Numbe	r			
		Corporation e., Ste. 160	Texas 7	5206				30- 005 <sup>°</sup> API Number 63953					
Prope			Property	Name				T_	∖ <sup>°</sup> ₩e	ll No.			
<u> </u>					am's Ranch /6					<b>N</b> #1			
:	San	15	Progosed Pool 1	; Gray	<sup>10</sup> Proposed Pool 2								
J <sup>7</sup> Surface Location													
UL or lot no. 1	or lot no. Section Township Range 1 16 14S 28E		-	Lot Ida	Feet for 1980	am the		outh line	Feet from the Ea		t/West line	County Chaves	
<sup>8</sup> Proposed Bottom Hole Location If Different From Surface													
UL or lot no.			Lot Idn	Feet fo	am the North/South line		1	Feet from the Eas		t/West line	County		
Additional Well Information													
	Type Code N		<sup>12</sup> Well Type Co G		<sup>13</sup> Cable/Rotary R			<sup>14</sup> Lease Type Code S			<sup>15</sup> Ground Level Elevation 3567 '		
<sup>16</sup> Mi	ultiple N		<sup>17</sup> Proposed Dep 2000 *	<sup>18</sup> Formation Gravbure				<sup>19</sup> Contractor		<sup>20</sup> Spud Date 6/01/2007			
Depth to Groundwater				Distance from	ncarest fresh	-0-			Distance from	neares	est surface water		
Pit: Liner Syntheticmils thick ClayPit Volume:bbls Drilling <u>Method</u> :													
Closed-Loop System  Eresh Water  Brine  Diesel/Oil-based  Gas/Air													
<sup>21</sup> Proposed Casing and Cement Program													
Hole Si			Casing Size	Casing weight/foot		Setting Depth		Sacks of Cement		Estimated TOC			
12 1/2		<u> </u>		24#		250		250		surface			
8 3/4		5 1/2		15.5#						surface			
						· · · · · · · · · · · · · · · · · · ·							
<sup>22</sup> Describe the proposed program. If this application is to DEEPEN									<u>l</u>				
Describe the bl	owout prev	ention pro	gram, if any. Use a	dditional sheets	if necessary.								
MIRU Drilling Contractor. Drill an 1800' Grayburg well, 1980' FSL & 660' FEL of Sec. 16, T14S, R28E													
of Chaves County, New Mexico. Drill a 12 1/2" hole 250'. Run 8 5/8-24# pipe. Cement to surface													
with 250 sacks. Drill a 8 3/4" hole to 1800' and run 5 1/2- 15.5# casing. Cement to surface with													
300 sacks of cement. Perforate as needed.													
<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 NMOCD guidelines , a general permit , or an							OIL CONSERVATION DIVISION						
Signature: Undrea Molinar						DISTRICT II GEOLOGIST							
Printed name: Andrea Molinar								18 18 1 m	-0-3nn3				
Title. Regulatory Analyst						Approval Date: JUN 2 8 2007 Expiration Date JUN 2 8 2008							
		nar@primexx.						<u>.</u>	~ •	·· ~ o 2008			
Date: June 12, 2007 Phone (214)369-5909							Conditions of Approval Attached						

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240 DISTRICT II 1501 W. Grand Avenus, Artesia, NM 88210

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

DISTRICT IV 1220 S. St. Francis Dr., Sania Fe, NM 87505 State of New Mexico Energy, Minerals and Natural Resources Department Form C-102 Revised October 12, 2005

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, New Mexico 87505 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 1°\$50 Pool Name Gray DUN ams Property Code Property Name Well Number SAMS RANCH "16" 1 OGRID No. **Operator** Name Elevation 153888 PRIMEXX OPERATING CORP. 3567' Surface Location UL or lot No. Section Range Lot Idn Feet from the North/South line East/West line Township Feet from the County 1980 CHAVES 1 16 14 S 28 E SOUTH 660 EAST Bottom Hole Location If Different From Surface Section Lot Idn Feet from the UL or lot No. Township Range North/South line East/West line Feet from the County 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 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working inderest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a working agreement or a compulsory pooling order heretofore entered by the division. drea Molinar 5/16/07 Date Andrea Molinar Printed Name SURVEYOR CERTIFICATION SURFACE LOCATION I hereby certify that the well location shown LAT-N33'06'05.7" on this plat was plotted from field notes of LONG-W104'07'49.6" actual surveys made by me or under my (NAD-83) supervison and that the same is true and -660' correct to the best of my belief. 2007 Date S Sign Prof 980 8100 Certificate No. Gary L. Jones 7977 BASIN SURVEYS



Operating Corporation Energy Partners, Ltd. Energy Corporation Pipeline, U S A., L.P Pipeline Corporation JUN 18 2007 OCD-ARTESIA

June 12, 2007

Bryan G. Arrant District II Geologist New Mexico Oil Conservation Division 1301 West Grand Avenue Artesia, NM 88210

Re: Sam's Ranch - Application for Permit to Drill

Dear Mr. Arrant

I am submitting this letter to inform the State of New Mexico Oil & Gas Conservation Division that in our review to drill the Sam's Ranch 16 #1, a H2S Well Contingency Plan will not be required. If you have any questions please feel free to call the number listed below or email me at <u>andrea.molinar@primexx.com</u>. Thank you for your assistance in this matter.

Sincerely,

Andrea Molinar

Andrea Molinar Regulatory Analyst Primexx operating Corporation