

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
2040 Pacheco St.
Santa Fe, NM 87505

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

WELL API NO.

30-039-24174

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

NM 01806

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

Elm Ridge Exploration Co., LLC

3. Address of Operator

PO Box 156 Bloomfield, NM 87413

4. Well Location

Unit Letter J : 1650 Feet From The South Line and 2200 Feet From The East Line

Section 28 Township 26N Range 2W NMPM Rio Arriba County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

7432' GL

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

11. **NOTICE OF INTENTION TO:**

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND ABANDONMENT ☒

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent date, including estimated date of starting any proposed work) SEE RULE 1103

Elm Ridge Exploration Co. LLC has plugged and abandoned the above well as follows, from 5-20-08 to 5-24-08. Plug # 1) 5-22-08; Set 5 1/2" retainer at 6643' and test TBG to 2200 PSI, held ok. 5-23-08; pumped 17 sks of Type V neat cement below retainer, then spot 12 sks on top of retainer. Plug # 2) 5-23-08; Perf 4 holes at 5601' and set 5 1/2" retainer at 5545'. Pump 36 sks of Type V neat cement below retainer then spot 12 sks on top of retainer. Plug # 3) 5-24-08; Perf 4 holes at 4350' TIH 5 1/2" retainer on 2 7/8" TBG set at 4300'. Pump 36 sks of Type V neat cement below retainer then spot 12 sks on top of retainer. Plug # 4) 5-24-08; TIH 2 7/8" TBG open - ended to 3772' for balanced plug. Pumped 54 sks of Type V neat cement. Plug # 5) Pulled up hole to 1889' for balance plug, pumped 17 sks of Type V neat cement, reversed out of hole, this well will be turned into a water well by land owner.

SIGNATURE

Sharla O'Kelly

TITLE

Production Assistant

DATE 05/28/08

TYPE OR PRINT NAME

Sharla O'Kelly

TELEPHONE NO 505-632-3476 ext. 201

(This space for State Use)

APPROVED BY

Jose T. Chavira

Deputy Oil & Gas Inspector,

District #3

DATE SEP 11 2008

CONDITIONS OF APPROVAL, IF ANY:

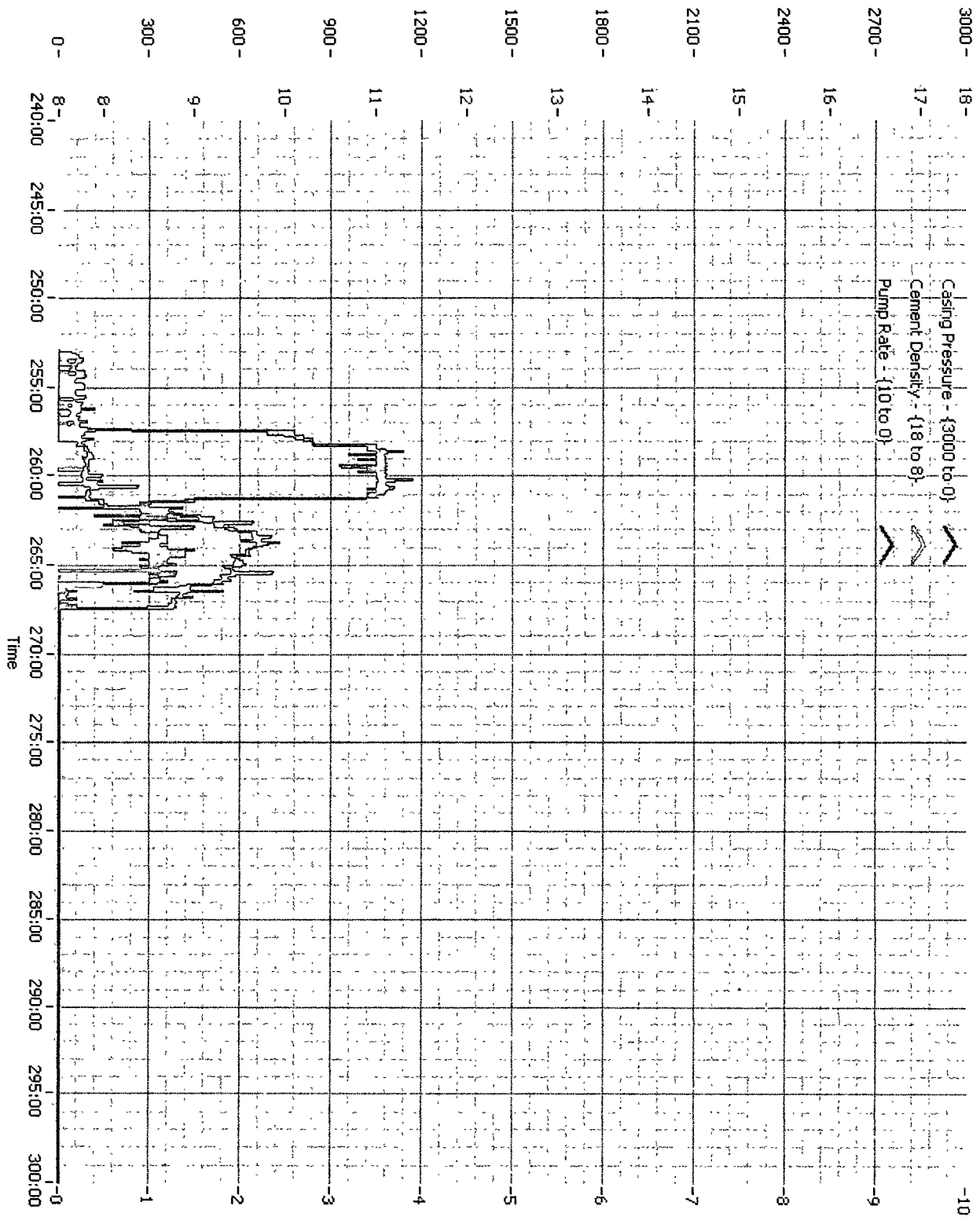
46

SUPERIOR

JOB LOG

| | | | | | |
|--|--|--------------------------------------|--|--|------------------------------------|
| COUNTRY USA | | AREA ROCKIES | | TICKET NUMBER 926 | TICKET DATE May 24, 2008 |
| SUPERVISOR Scott Kennedy | | COMPANY Elmridge Resources | | BDA / STATE NM | COUNTY Rio Arriba |
| API # 30-039-24174 | | JOB TYPE PLUG TO ABANDON | | CUSTOMER REP/PHONE # Leonard Dee | |
| LEASE / WELL # Bridge Com #1 | | CONTRACTOR Triple P #2 | | | |
| | | SECTION / TOWNSHIP / RANGE | | | |

| Date | TIME | Rate (BPM) | Volume BBLs | Pmps | | Job Description//Remarks |
|---------|-------|---------------|----------------|--------|--------|--------------------------------------|
| | | | | TUBING | CASING | |
| 5/23/08 | 8:10 | | | | | ARRIVED ON LOCATION |
| | 8:15 | | | | | LOCATION ASSESSMENT & SAFETY MEETING |
| | 8:20 | | | | | SPOT AND RIG UP EQUIPMENT |
| | | | | | | RIG IS ON BOTTOM READY |
| | 9:00 | | | | | START JOB PLUG #1 |
| | 9:05 | 1.5 | 12 | | | TEST TUBING TO 1000PSI |
| | 9:11 | 1.5 | 54 | | | ROLL WELL |
| | 10:00 | | | | | TEST CASING (DID NOT TEST) |
| | | 1.5 | 4 | | | ESTABLISH INJECTION RATE |
| | | 1.5 | 6 | | | PUMP CEMENT@15.6# 29SKS TYPE V NEAT |
| | | 1.5 | 36 | | | DISPLACEMENT 1 |
| | 10:45 | | | | | PULL OUT OF RETAINER |
| | | 1.5 | 37.7 | | | DISPLACEMENT 2 |
| | | | | | | CHECK PLUG BALANCE (PLUG GOOD) |
| | | | | | | PULL TUBING UP HOLE |
| | | | | | | SHOOT HOLES @ 5601 |
| | | | | | | start job plug two |
| | 3:25 | | | | | ESTABLISH INJECTION RATE |
| | | | | | | run AND SET RETAINER @5551 |
| | | | | | | ESTABLISH INJECTION RATE |
| | 3:32 | 1.5 | 10.8 | | | PUMP CEMENT @15.6# 48SKS TYPE V NEAT |
| | 3:40 | 2.5 | 29.6 | | | DISPLACEMENT ONE |
| | 3:48 | | | | | PULD OUT RETAINER |
| | 3:56 | 2.5 | 31.4 | | | DISPLACEMENT TWO |
| | | | | | | CHECK PLUG BALANCE (PLUG GOOD) |
| | 4:00 | 2.5 | 33 | | | PULLED UP HOLE REVERSE CIRCULATE |
| | 4:30 | | | | | PULL TUBING UP HOLE |
| | 5:00 | | | | | SHOOT HOLES AT 4350' |
| | 6:00 | 3.5 | 18 | | | ESTABLISH INJECTION RATE |
| | | | | | | END JOB FOR 5/23 |
| | 9:20 | | | | | START PLUG #3 |
| | 9:27 | 2.5 | 5 | | | ESTABLISH INJECTION RATE |
| | 9:36 | 3 | 10.1 | | | PUMP CEMENT |
| | 9:41 | 3.5 | 22.6 | | | PUMP DISPLACEMENT |
| | 9:46 | | | | | PULL OUT OF RETAINER |
| | 9:48 | 3.5 | 24.5 | | | DISPLACEMENT #2 |
| | | | | | | PLUG #4 BALANCE PLUG |
| | 11:50 | 2 | 3.5 | | | PUMP CEMENT |
| | 11:58 | 2 | 9.95 | | | PUMP DISPLACEMENT |
| | 1:00 | | | | | JOG COMPLETE |
| | 12:55 | | | | | SET ONE FINALE BALANCE PLUG |



{1}PLUG TO ABANDON - Relative Time Chart [36-000926-00-1-RT-5]

**BREAK THROUGH**

CEMENT JOB SUMMARY SHEET

Job Type

PLUG TO ABANDON

| Casing Conductor | Size | Weight | Thread | Grade | Depth |
|---------------------|--------|--------|--------|-------|-------|
| Surface | 9 5/8" | 36# | 8rd | | 215' |
| Intermediate | | | 8rd | | |
| Production | 5 1/2" | 15.5# | | | 7913' |
| Drill Pipe/Tbg | | | | | |
| Open Hole | 7 7/8" | N/A | N/A | N/A | 7913' |

CEMENT INFORMATION

| | | | |
|-----------------------|-----------------------|----------------------|----------------------|
| Spacer Bbls | 20 | Spacer Type | H20 |
| Cement 1 Additives | TYPE V Neat | | 29 Sacks 29 |
| | Weight (lb/gal) 15.60 | Yield (cuft/sk) 1.18 | Water (gal/sk) 5.20 |
| Cement 2 Additives | | | 48 Sacks 48 |
| | Weight (lb/gal) 15.60 | Yield (cuft/sk) 1.18 | Water (gal/sk) 5.20 |
| Cement 3 Additives | | | 48 Sacks 48 |
| | Weight (lb/gal) 15.60 | Yield (cuft/sk) 1.18 | Water (gal/sk) 5.20 |
| Cement 4 Additives | | | 54 Sacks 54 17 |
| | Weight (lb/gal) 15.60 | Yield (cuft/sk) 1.18 | Water (gal/sk) 5.20 |
| Displacement | H20 | 8.33 (lb/gal) | |

CEMENTING EQUIPMENT

| | | | |
|--------------|------------------------|--------------|-----|
| Provider | SUPERIOR WELLS SERVICE | | |
| Guide Shoe | ea. | Centralizers | ea. |
| Float Shoe | ea. | Turbos | ea. |
| Float Collar | ea. | Stop Ring | ea. |
| Insert Float | ea. | Threadlock | ea. |

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

AFFIDAVIT OF RESPONSIBILITY
CONVERSION TO WATER-WELL

STATE OF NM)
County of Rio Arriba) ss.

Terry Lindeman, being first duly sworn according to law, upon his oath deposes and says:

1. That he is District Super of Elm Ridge Exploration, CO LLC
(Title) (Operator)
whose address is P.O. Box 156 Bloomfield, NM 87413
2. That Elm Ridge Exploration is the operator of a well drilled on land be-
(Operator)
longing to W.L. Stevenson, whose address is 1800 E. 74 Box 70, Linderoth
(Landowner)
NM, 87029, said well being drilled to test for hydrocarbons and/or
carbon dioxide gas and described as the Bridge Com No. 1, being located 1650
feet from the South line and 2200 feet from the East line of Section 28,
Township 21N, Range 2 West, NMPM,
County, New Mexico.
3. That said well was drilled to a total depth of 7915' feet, and that cas-
ing has been set and cemented as follows:
See attached P&A procedure.
4. That operator and landowner have made an agreement whereby operator
(is) (is not) to back fill pits, level location, and clear it of all junk. The agreement
further provides that operator is to plug said well back to a plugged-back total depth of
1885 feet and transfer well to landowner for his use as a water-well. Operator will
leave casing in the well as follows:
See wellbore diagram

5. That when operator has complied with the provisions of Paragraph 4 above
it will so notify the Oil Conservation Commission of the State of New Mexico on Com-
mission Form C-103, together with a signed statement from the landowner that the
provisions of Paragraph 4 above have been complied with to his satisfaction.

Elm Ridge Exploration CO LLC
(Operator)

By [Signature]
Subscribed and sworn to before me this 15 day of April, A. D. 2008

[Signature]
Notary Public in and for the County of Saguan

STATE OF New Mexico)
County of Saguan) ss.

W.L. Stevens, being first duly sworn according to law, upon
his oath deposes and says that when the provisions of Paragraphs 4 and 5 above have been
complied with, he will accept the above-described well for his use as a water-well, and
that he will assume all responsibility for the well, the location, and the conversion of the
well to a water-well.

W.L. Stevenson
(Landowner)
Subscribed and sworn to before me this 15 day of April, A. D. 2008

[Signature]
Notary Public in and for the County of Saguan

Wellbore Diagram
 Bridge Com #1
 SE/4 Sec. 28, T26N, R2W
 Rio Arriba Co., NM
 API #30-039-24174

After

Top Plug will not be
 set. *TSD*

Nacimiento 1835'

Ojo Alamo 3395'
 Kirtland 3592'
 Fruitland Coal 3626'
 Pictured Cliffs 3722'

Chacra 4300'

Cliff House 5551'
 Manefee 5588'

Point Lookout 5896'

Mancos 6210'

12-1/4" OH
 9-5/8" 36/40# set @ 215'
 Circulated cmt to surface

5-1/2" DV Tool @ 3893'

5-1/2" DV Tool @ 6300'
 TOC at DV tool

Top Perf: 6696'

Bottom Perf: 7628'

PBTD 7687' KB
 TD 7915' KB
 5-1/2" 15.5/17# K-55 set @ 7913' KB

Plugging Program for Bridge Com #1


Plug 1: MOL & RU. NU BOP. PU 2-3/8" workstring and TIH with bit and scraper to 6670'. TOOH with workstring. TIH with 5-1/2" retainer and set at 6646'. Squeeze 17 sx below retainer and spot 12 sx above retainer to cover 50' across perfs. PU and reverse circulate with 2 tubing volumes of water. TOOH.

Plug 2: TIH with bit and scraper to 5650'. TOOH. Perf 4 holes @ 5601'. Set 5-1/2" retainer at 5551'. Squeeze 36 sx below retainer and spot 12 sx on top of retainer to cover top of Mesaverde, inside and outside casing. PU and reverse circulate with 2 tubing volumes of water. TOOH.

Plug 3: TIH with bit and scraper to 4400'. TOOH. Perf 4 holes @ 4350'. Set 5-1/2" retainer at 4300'. Squeeze 36 sx below retainer and spot 12 sx on top of retainer to cover top of Chacra, inside and outside casing. PU and reverse circulate with 2 tubing volumes of water. TOOH.

Plug 4: PU to 3772'. Spot 54 sx balanced plug to cover tops of Pictured Cliffs, Fruitland Coal, and Ojo Alamo inside casing. PU and reverse circulate with 2 tubing volumes of water.

Plug 5: PU to 1885'. Spot 17 sx balanced plug to cover tops of Nacimiento inside casing. PU and reverse circulate with 2 tubing volumes of water.

 ~~Plug 6: PU to 315'. Mix and pump 36 sx or sufficient volume to bring cement to surface, inside 5-1/2" casing.~~

NOTE: All cement volumes include excess.

30-039-24174

File Number: SJ-3830

Sub Basin: _____

NEW MEXICO OFFICE OF THE STATE ENGINEER
APPLICATION FOR PERMIT TO USE UNDERGROUND WATERS
IN ACCORDANCE WITH SECTIONS 72-12-1.1, 72-12-1.2, or 72-12-1.3 NEW MEXICO STATUTES

1. APPLICANT

Name: W. L. Stevenson Name: _____
 Address: HCR 74 Box 170 Address: _____
 City: Lindrith City: _____
 State: NM Zip: 87029 State: _____ Zip: _____
 Phone: _____ Phone: _____
 Contact: _____

2. LOCATION OF WELL (A or B required, C required, if applicable, D required)

A. NAD 83 (Select Appropriate Coordinate System and Zone) →

NOTE: State Plane units - feet, UTM units - meters

X = _____, Y = _____

B. Latitude: 36 d 27 m 12.11 sLongitude: 107 d 3 m 15.35 s(Enter Lat/Long to at least 1/10th of a second)

| | |
|-------------|-------------------------------|
| State Plane | <u> </u> NM West Zone |
| | <u> </u> NM Central Zone |
| | <u> </u> NM East Zone |
| UTM | <u> </u> UTM Zone 13N |
| | <u> </u> UTM Zone 12N |

RCVD APR 17 '08

OIL CONS. DIV.

Grant (If Applicable) _____

C. Subdivision _____ Recorded in County of Rio Arriba
 Lot No. _____, Block No. _____ **DIST. 3**

D. On land owned by: W. L. Stevenson

E. Tract No. _____, Map No. _____ of the _____ Hydrographic Survey

F. Is this well within a municipality? No if yes, where? _____

G. Give State Engineer File Number if existing well: _____

H. _____ $\frac{1}{4}$ _____ $\frac{1}{4}$ _____ $\frac{1}{4}$ Section 28 Township 26N Range 02WI. Other Wellbore Diagram Bridge Com #1 (See Item 5, Page 2)**3. USE OF WATER (check use applied for)** Domestic use for one household X Livestock watering Domestic well to accompany a house or other dwelling unit constructed for sale. Domestic use to serve _____ households Drinking and sanitary uses that are incidental to the operations of a governmental, commercial, or non-profit facility Prospecting, mining or drilling operations to discover or develop natural resources Construction of public works, highways and roads

2008 APR 15 PM 4:46

STATE ENGINEER OFFICE
AZTEC, NEW MEXICOTrn Desc: _____ File Number: SJ-3830Log Due Date: April 15, 2009 Trn Number: _____

Form: wr-01

File Number: SJ-3830
Sub Basin: _____

NEW MEXICO OFFICE OF THE STATE ENGINEER
APPLICATION FOR PERMIT TO USE UNDERGROUND WATERS
IN ACCORDANCE WITH SECTIONS 72-12-1.1, 72-12-1.2, or 72-12-1.3 NEW MEXICO STATUTES

4. WELL INFORMATION

Name of well driller and driller license number:

Gas Well to Water Well WD#: _____

Approximate depth 1885 feet; Outside diameter of casing _____ inches.

____ Replacement well

____ Repair or Deepen:

____ Clean out well to original depth

____ Deepen well from _____ to _____ feet

____ Other _____

____ Supplemental well

5. ADDITIONAL STATEMENTS OR EXPLANATIONS:

This is an existing well; gas well to water well conversion. Conversion paperwork was provided from
OCD.

STATE ENGINEER OFFICE
AZTEC, NEW MEXICO
2008 APR 15 PM 4:46

ACKNOWLEDGEMENT

(I, We) W. L. Stevenson / _____ affirm that the
(Please Print)
foregoing statements are true to the best of (my, our) knowledge and belief.

W.L. Stevenson

Applicant Signature

Applicant Signature

ACTION OF THE STATE ENGINEER

This application is approved subject to the attached general and specific conditions of approval.

Witness my hand and seal this 15th day of April, 20 08.

John R. D'Antonio, Jr. P.E., State Engineer

By: [Signature]

Robert B. Genualdi, P. E.

**NEW MEXICO OFFICE OF THE STATE ENGINEER
APPLICATION FOR PERMIT TO USE UNDERGROUND WATERS
IN ACCORDANCE WITH SECTIONS 72-12-1.1, 72-12-1.2, AND 72-12-1.3 NEW MEXICO STATUTES**

INSTRUCTIONS

1. The application shall be made in the name of the actual user of the well for the purpose specified in the application.
2. The application shall be filed with the appropriate filing fee.
3. A separate application must be filed for each well to be drilled or used.
4. If well to be used is an existing well, an explanation (and the file number, if possible) should be given under Remarks (Item 5).
5. If well is to be used for livestock watering on state or federal land, proof of the following must be included as part of the application: (a) applicant is legally entitled to place his or her livestock on the land where the water is to be used, (b) applicant has been granted access to the drilling site and has permission to occupy the portion of the land as is necessary to drill and operate the well.
6. An application to drill a well on land owned by another person, the state of New Mexico, the federal government, or another entity shall be accompanied by written consent of the landowner.
7. For an application for drinking and sanitary uses that are incidental to the operations of a governmental, commercial, or non-profit facility, the applicant shall demonstrate that no alternative water supply is reasonably accessible or available.
8. An application for a 72-12-1.1 domestic well to serve multiple households shall be filed with documentation listing the number of households to be served by the well, the owner's contact information for each household to be served, and a description of the legal lot of record for each household to be served. A copy of a well share agreement may be filed to support the claim that the 72-12-1.1 domestic well will serve more than one household.
9. The Office of the State Engineer may require an application to be filed with a deed or purchase contract and plat of survey on file with the appropriate county.
10. See General Conditions of Approval for more information.

FEE SCHEDULE

72-12-1.1 Application = \$125.00
Replacement well = \$ 75.00
Supplemental well = \$125.00
Repair or Deepen = \$ 75.00
Amend Domestic Use = \$ 75.00

Application for permit, well records and requests for information in the following basins should be addressed to the **Office of the State Engineer** at:

Bluewater, Estancia, Gallup, Middle Rio Grande, Northern Tularosa, and Sandia Basins
District No. 1. 121 Tijeras NE, Suite 2000, Albuquerque, NM 87102 Phone # 505-764-3888

Capitan, Carlsbad, Casey Lingo, Curry County, Fort Sumner, Hagerman Canal, Hondo, Jal, Lea County, Peñasco, and Portales Basins
District No. 2. 1900 West Second St., Roswell, NM 88201 Phone # 505-622-6521

Animas, Cloverdale, Gila-San Francisco, Hachita, Lordsburg Valley, Mimbres, Mount Riley, Nutt-Hockett, Playas, San Simon, Virden Valley, and Yaqui Basins
District No. 3. P.O. Box 844, Deming, NM 88031 Phone # 505-546-2851

Lower Rio Grande, Southern Tularosa, Hueco, Las Animas Creek, Salt, and Hot Springs Basins
District No. 4. 1680 Hickory Loop, Suite J, Las Cruces, NM 88005. Phone # 505-524-6161

San Juan Basin
District No. 5. 100 Gossett Drive, Suite A, Aztec, NM 87140 Phone # 505-334-4571

Canadian River, Clayton, Northern Rio Grande, Upper Pecos, and Tucumcari Basins
District No. 6. P.O. Box 25102, Santa Fe, NM 87504-5102 Phone # 505-827-6120

2008 APR 15 PM 4:46

STATE ENGINEER OFFICE
AZTEC, NEW MEXICO

Trn Desc: _____ File Number: SJ-3830
Log Due Date: April 15, 2009 Trn Number: _____
Form: wr-01

File Number: SJ-3830
Sub Basin: _____

**NEW MEXICO OFFICE OF THE STATE ENGINEER
APPLICATION FOR PERMIT TO USE UNDERGROUND WATERS
IN ACCORDANCE WITH SECTIONS 72-12-1.1, 72-12-1.2, or 72-12-1.3 NEW MEXICO STATUTES**

GENERAL CONDITIONS OF APPROVAL

- 06A The maximum amount of water that may be appropriated under this permit is {approved_diversion} acre-feet in any year.
- 06B The well shall be drilled by a driller licensed in the State of New Mexico in accordance with Section 72-12-12 New Mexico Statutes Annotated. A licensed driller shall not be required for the construction of a driven well; provided, that the casing shall not exceed two and three-eighths (2 3/8) inches outside diameter (Section 72-12-12).
- 06C Driller's well record must be filed with the State Engineer within 20 days after the well is drilled or driven. Well record forms will be provided by the State Engineer upon request.
- 06D The casing shall not exceed 7 inches outside diameter except under specific conditions in which reasons satisfactory to the State Engineer are shown.
- 06E To request a change to the use of water authorized under this permit, the permittee shall file an application with the State Engineer.
- 06F An application for a new 72-12-1.1 domestic well permit where the proposed point of diversion is to be located on the same legal lot of record as an operational 72-12-1.1 domestic well shall be treated as an application for a supplemental well.
- 06G If artesian water is encountered, all rules and regulations pertaining to the drilling and casing of artesian wells shall be complied with.
- 06H The drilling of the well and amount and uses of water permitted are subject to such limitations as may be imposed by a court or by lawful municipal or county ordinance which are more restrictive than the conditions of this permit and applicable State Engineer regulations.
- 06I The permittee shall utilize the highest and best technology available to ensure conservation of water to the maximum extent practical.
- 06J The well shall be set back a minimum of 50 feet from an existing well of other ownership unless a variance has been granted by the State Engineer. The State Engineer may grant a variance for a replacement well or to allow for maximum spacing of the well from a source of groundwater contamination. The well shall be set back from potential sources of contamination in accordance with rules and regulations of the New Mexico Environment Department.
- 06K Pursuant to Section 72-8-1 NMSA, the permittee shall allow the State Engineer and his representatives entry upon private property for the performance of their respective duties, including access to the well for meter reading and water level measurement.
- 06L The permit is subject to cancellation for non-compliance with the conditions of approval or if otherwise not exercised in accordance with the terms of the permit.
- 06M The right to divert water under this permit is subject to curtailment by priority administration as implemented by the State Engineer or a court.
- 06N In the event of any change of ownership to this permit the new owner shall file a change of ownership form with the State Engineer in accordance with Section 72-1-2.1 NMSA.
- 06O This well permit shall automatically expire unless the well is completed and the well record is filed with the State Engineer within one year of the date of issuance of the permit. It is the responsibility of the permit holder to ensure that the well record has been properly filed with the State Engineer.

STATE ENGINEER OFFICE
ALBUQUERQUE, NEW MEXICO
2009 APR 15 PM 4:45

Trn Desc: _____ File Number: SJ-3830
Log Due Date: April 15, 2009 Trn Number: _____
Form: wr-01

NEW MEXICO OFFICE OF THE STATE ENGINEER
APPLICATION FOR PERMIT TO USE UNDERGROUND WATERS
IN ACCORDANCE WITH SECTIONS 72-12-1.1, 72-12-1.2, or 72-12-1.3 NEW MEXICO STATUTES
CONDITIONS OF APPROVAL
(Livestock Watering)

FILE NUMBER: SJ-3830
PERMITTEE(S): W. L. Stevenson

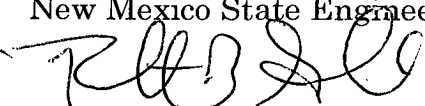
This application is approved subject to the following conditions of approval:

1. If applicable, the well shall be constructed to artesian well specifications and the State Engineer shall be notified before the casing is landed or cemented. (Condition 06-2)
2. The total diversion from all wells under this permit shall not exceed 3.0 acre-feet per annum. (Condition 06-10)
3. This permit authorized diversion of water for the sole purpose of watering livestock. The total diversion of water under this permit shall not exceed 3.0 acre-feet per year. (Condition 06-14)
4. Well Record shall be due on or before April 15, 2009.

Witness my hand and seal this 15th day of April, A.D., 2008.

John R. D'Antonio, Jr.
New Mexico State Engineer

By:


Robert B. Genualdi, Water Rights Division
District 5

STATE ENGINEER'S OFFICE
ALBUQUERQUE, NEW MEXICO
2008 APR 15 PM 4:46

Trn Desc.: _____ File Number: SJ-3830
Log Due Date: April 15, 2009 Trn Number: _____

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

AFFIDAVIT OF RESPONSIBILITY
CONVERSION TO WATER-WELL

STATE OF NM)
County of Rio Arriba) ss.

Terry Lindeman, being first duly sworn according to law, upon his oath deposes and says:

1. That he is District Super of Elm Ridge Exploration, CO LLC
(Title) (Operator)
whose address is P.O. Box 156, Bloomfield, NM 87413.
2. That Elm Ridge Exploration is the operator of a well drilled on land be-
(Operator)
longing to W.L. Stevenson, whose address is Box 74 Box 70, Lindrih
(Landowner)
NM, 87029, said well being drilled to test for hydrocarbons and/or
carbon dioxide gas and described as the Bridge Com No. 1, being located 1650
feet from the South line and 2200 feet from the East line of Section 28,
Township 26N, Range 2 West, NMPM, _____
County, New Mexico.
3. That said well was drilled to a total depth of 7915' feet, and that cas-
ing has been set and cemented as follows:

See attached PeA procedure.

4. That operator and landowner have made an agreement whereby operator
(is) (is not) to back fill pits, level location, and clear it of all junk. The agreement
further provides that operator is to plug said well back to a plugged-back total depth of
1885 feet and transfer well to landowner for his use as a water-well. Operator will
leave casing in the well as follows:

See wellbore diagram

5. That when operator has complied with the provisions of Paragraph 4 above
it will so notify the Oil Conservation Commission of the State of New Mexico on Com-
mission Form C-103, together with a signed statement from the landowner that the
provisions of Paragraph 4 above have been complied with to his satisfaction.

Elm Ridge Exploration CO LLC
(Operator)

Subscribed and sworn to before me this 15 day of April, A. D. 2008.

[Signature]
Notary Public in and for the County of San Juan

STATE OF New Mexico)
County of San Juan) ss.

W.L. Stevens, being first duly sworn according to law, upon
his oath deposes and says that when the provisions of Paragraphs 4 and 5 above have been
complied with, he will accept the above-described well for his use as a water-well, and
that he will assume all responsibility for the well, the location, and the conversion of the
well to a water-well.

W.L. Stevenson
(Landowner)
Subscribed and sworn to before me this 15 day of April, A. D. 2008.

[Signature]
Notary Public in and for the County of San Juan

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

RCVD APR 21 '08

OIL CONS. DIV.

DIST. 3

AFFIDAVIT OF RESPONSIBILITY
CONVERSION TO WATER-WELL

STATE OF NM)
County of Rio Arriba) ss.

Terry Lindeman, being first duly sworn according to law, upon his oath deposes and says:

1. That he is District Super of Elm Ridge Exploration, COLLC
(Title) (Operator)
whose address is P.O. Box 156, Bloomfield, NM 87413.
2. That Elm Ridge Explora is the operator of a well drilled on land be-
(Operator)
longing to W.L. Stevenson, whose address is 1800 E. 74 Box 70, Lindrith
(Landowner)
NM, 87029, said well being drilled to test for hydrocarbons and/or
carbon dioxide gas and described as the Bridge Corn No. 1, being located 1650
feet from the South line and 2200 feet from the East line of Section 28,
Township 26N, Range 2 West, NMPM,
County, New Mexico.
3. That said well was drilled to a total depth of 7915' feet, and that cas-
ing has been set and cemented as follows:
See attached P&A procedure.

4. That operator and landowner have made an agreement whereby operator
(is) (is not) to back fill pits, level location, and clear it of all junk. The agreement
further provides that operator is to plug said well back to a plugged-back total depth of
1885 feet and transfer well to landowner for his use as a water-well. Operator will
leave casing in the well as follows:
See wellbore diagram

5. That when operator has complied with the provisions of Paragraph 4 above
it will so notify the Oil Conservation Commission of the State of New Mexico on Com-
mission Form C-103, together with a signed statement from the landowner that the
provisions of Paragraph 4 above have been complied with to his satisfaction.

Elm Ridge Exploration COLLC
(Operator)

Subscribed and sworn to before me this 15 day of April, A. D. 2008.

[Signature]
Notary Public in and for the County of San Juan

STATE OF New Mexico)
County of San Juan) ss.

W.L. Stevens, being first duly sworn according to law, upon
his oath deposes and says that when the provisions of Paragraphs 4 and 5 above have been
complied with, he will accept the above-described well for his use as a water-well, and
that he will assume all responsibility for the well, the location, and the conversion of the
well to a water-well.

Subscribed and sworn to before me this 15 day of April, A. D. 2008.

W.L. Stevenson
(Landowner)
[Signature]
Notary Public in and for the County of San Juan

Wellbore Diagram
 Bridge Com #1
 SE/4 Sec. 28, T26N, R2W
 Rio Arriba Co., NM
 API #30-039-24174

After

Top Plug will not be
 set. *Top*

12-1/4" OH
 9-5/8" 36/40# set @ 215'
 Circulated cmt to surface

Nacimiento 1835'

RCVD APR 21 '08
 OIL CONS. DIV.
 DIST. 3

Ojo Alamo 3395'
 Kirtland 3592'
 Fruitland Coal 3626'
 Pictured Cliffs 3722'

5-1/2" DV Tool @ 3893'

Chacra 4300'

Cliff House 5551'
 Menefee 5588'

Point Lookout 5896'

Mancos 6210'

5-1/2" DV Tool @ 6300'
 TOC at DV tool

Top Perf: 6696'

Bottom Perf: 7628'

PBTD 7667' KB
 TD 7915' KB
 5-1/2" 15.5/17# K-55 set @ 7913' KB

BridgeCom1WBD
 2/12/2008

Plugging Program for Bridge Com #1


Plug 1: MOL & RU. NU BOP. PU 2-3/8" workstring and TIH with bit and scraper to 6670'. TOOH with workstring. TIH with 5-1/2" retainer and set at 6646'. Squeeze 17 sx below retainer and spot 12 sx above retainer to cover 50' across perms. PU and reverse circulate with 2 tubing volumes of water. TOOH.

Plug 2: TIH with bit and scraper to 5650'. TOOH. Perf 4 holes @ 5601'. Set 5-1/2" retainer at 5551'. Squeeze 36 sx below retainer and spot 12 sx on top of retainer to cover top of Mesaverde, inside and outside casing. PU and reverse circulate with 2 tubing volumes of water. TOOH.

Plug 3: TIH with bit and scraper to 4400'. TOOH. Perf 4 holes @ 4350'. Set 5-1/2" retainer at 4300'. Squeeze 36 sx below retainer and spot 12 sx on top of retainer to cover top of Chacra, inside and outside casing. PU and reverse circulate with 2 tubing volumes of water. TOOH.

Plug 4: PU to 3772'. Spot 54 sx balanced plug to cover tops of Pictured Cliffs, Fruitland Coal, and Ojo Alamo inside casing. PU and reverse circulate with 2 tubing volumes of water.

Plug 5: PU to 1885'. Spot 17 sx balanced plug to cover tops of Nacimiento inside casing. PU and reverse circulate with 2 tubing volumes of water.

 ~~Plug 5: PU to 315'. Mix and pump 36 sx or sufficient volume to bring cement to surface, inside 5-1/2" casing.~~

NOTE: All cement volumes include excess.