DISTRICT I PO Box 1980, Hobbs, NM 88240

DISTRICT II
PO Box DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico -Energy, Minerais and Natural Resources Department

P.O. Box 2088
Santa Fe. NM. 87504-2088

Form C-101 Revised February 21, 1994 Instructions on back

Appropriate District Office State Lease - 6 Copies Fee Lease - 5 Copies

|  |   |                      |  | Santa Fe,                | 14IVI 0/504                                 | 1-2000   |                |                   |                         | •                      |
|--|---|----------------------|--|--------------------------|---|--|----------------|-------------------|-------------------------|------------------------|
| ISTRICT IV 040 South Pacheco, Santa Fe, NM 87505  AMENDED REPORT   |   |                      |  |                          |   |  |                |                   |                         |                        |
|  |   |                      |  | TTO DRILL, RE-E          | ENTER, D                                    | EPEN, PLI  | JGBAGK         | OR ADD A          | 7ONE                    |                        |
|  | 1.  | OPERATOR NAME        | E AND ADDRI                            |                          | 7   |  | <del></del>    | 2. OGRID NUMBI    | ER_                     |                        |
| CROSS TIMB   | ROSS TIMBERS OPERATING COMPANY  167067  O C 3. API NUMBER |                      |  |                          |   |  |                |                   |                         |                        |
| 6001 Highway 6   |   |                      | 5-632-5200                             |                          |   | 回區   | CEI            | 3. API NUMBER     | 5-29                    | 738                    |
|  | 4. PROPERTY C   | OPERTY NAME          | <i>u</i>                               | Ach                      | VEIM  | WELL NUMBER  |                |                   |                         |                        |
|  | 226   | 41                   |  | STED                     | JE GAS CO                                   | M W  | OV 1 A         |                   | #2                      |                        |
|  |   |                      |  | 7. SURF                  | FACE LOCA                                   | AFBAIL (1  | אשעי           | 1998              | _                       | <del></del>            |
| U/I or lot no.   | Section   | Township             | Range                                  | Lot Idr                  | ACE   | Feet from  | 1 Holdison     | tr Prom           | East/West               | County                 |
|  | 27  | TOOL                 | 1 2420                                 |                          | ,   | the <b>(</b> )   | A STITUTE      | 1 - 1             | line                    |                        |
| A  | 27<br>2POPOSED  | T30N                 | R12W                                   |                          |   | 1175   | North          | 675'              | East                    | SAN JUAN               |
| 8. P   |   |                      |  | ION IF DIFFERENT         |   | <del></del>  | 1 11-4-10 mg   |                   |                         | <del></del>            |
| U/I or iocia.  | Section   | Township             | Range                                  | Lot Idr                  | A   | Feet from<br>the   | North/Sout     | th Feet from the  | East/West line          | County                 |
|  | l   |                      | l                                      |                          |   |  |                |                   | 1                       |                        |
|  |   | 9. Proposed          | d Pool 1                               |                          |   |  |                | 10. Proposed Poo  | ol 2                    |                        |
|  | B <i></i>   | ASIN FRUITLANI       | D COAL 7                               | 1629                     |   |  |                |                   |                         |                        |
| 11. Work   | Type Code   | 12/ Well Type        | - Code                                 | 13. Cable/Rotar          | ·~  | 14. Lease Ty   | me Code        | 1 15 Gr           | ound Level Ek           | Investiga              |
|  | N Code  | G                    |  | ROTARY                   |   | FEE FEE  |                | 10. 0,0           | ound Level Ele<br>5474' | evation                |
|  | fultiple  | 17. Proposed         | ,                                      | 18. Formation            | А   | 19. Contra   | ractor         | 7                 | 20. Spud Date           | e                      |
| N  | 10  | 2000'                |  | Basin Fruitland C        | Joal  | Not Awar   | ırded          |                   | 11/98                   |                        |
|  |   |                      |  |                          |   |  |                |                   |                         |                        |
|  | <del></del>   |                      | 21. Prc                                | oposed Casing a          | and Cem                                     | ent Progra   | am             |                   |                         |                        |
| Hole Si  |   | Casing Size          |  | Casing weight/foot       |   | Setting Dep  | pth            | Sacks of Cerr     | nent Estir              | mated TOC              |
| 8-3/4  |   | 7*                   |  | 23#, J-55, ST&C          |   | 200'   |                | 100               | S                       | URFACE                 |
| 6-1/4  | ·   | 4-1/2"               |  | 10.5#, J-55, ST&C        | ,   | 2000'  |                | 200               | S'                      | URFACE                 |
|  |   |                      |  |                          |   |  |                | · ·               |                         |                        |
|  | <u> </u>  |                      |  |                          |   |  |                | ı —               |                         |                        |
|  |   |                      |  |                          |   |  |                |                   |                         |                        |
| 20 Describe t  |   |                      | l                                      | is to DEEPEN or PLI      | LIC BACK                                    |  | the nre        | ductive           | l                       |                        |
| productive zor   | ne. Describe t  | he blowout prev      | ention prog                            | gram, if any. Use add    | iditional she                               | JIVE THE GALG.   | ary.           | ent productive    | zone and pr             | oposea new             |
| h.e.   | , <u> </u>  |                      | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | turing to any            | dition                                      | 76 II  | Ary.           |                   |                         | ļ                      |
| Casing/Cemer   | nt Program to   | 200': 100 sacks      | Class B of                             | ement containing 2%      | 4 CACI2, 1/4                                | PPS cellofla   | ke. Circula    | ate to surface.   |                         | ļ                      |
| Casing/Cemer   | nt Program to 2   | 2000': 100 sacks     | cs of 35/65/6                          | /6 Poz cement contai     | nining 6% gel                               | el, 5 PPS Gilse  | sonite, 1/4 Pf | PS celloflake, fo | followed by 1           | inn sacks of           |
| Class G ceme   | nt containing f   | 5 PPS gilsonite,     | 1/4 PPS cell                           | lloflake. Use 25% ex     | cess over v                                 | volume calcul  | lated from     | open hole logs    | to bring TOC            | S up to                |
| surface.   |   |                      |  |                          |   |  |                |                   |                         | •                      |
| •  |   |                      |  |                          |   |  |                |                   |                         |                        |
| A rig equippeo   | I with a double   | e BOP will be use    | ∌d.                                    |                          |   |  |                |                   |                         |                        |
|  |   | <del></del>          |  |                          | <del></del>                                 |  |                |                   |                         |                        |
| 23. I hereby certification in the control of the co |   | ation given above is | true and com                           | mplete to the best of my | 1   | OIL  | CONSER         | RVATION DIV       | /ISION                  |                        |
| Nikimorg   | arcı.   |                      |  | ,                        | APPROVE                                     | ED BY:   |                |                   |                         |                        |
| Signature:   |   |                      |  |                          |   |  | -              | 2                 |                         |                        |
| for Ml. t. T   |   |                      |  |                          | 15  | <b>ノ</b>   | 15             |                   |                         |                        |
| Printed Name: C  | GARY L. MARK  | KESTAD               | un s                                   |                          | TITLE: DEPUTY OIL & GAS INSPECTOR, DIST. #3 |  |                |                   |                         |                        |
|  | RESIDENT, PI  |                      | <del></del>                            |                          | Approval D                                  |  | ^ -            |                   |                         | <del>&gt; 11 191</del> |
| Date: 11/13/9  |   |                      | <u>(505) 63</u>                        | 7 5000                   | + ` `                                       | Approval Date 10 2 0 1000 Expiration Date: NUV 2 0 Conditions of Approval: 4020 C-104 Po 2 |                |                   |                         | - h                    |
| Date. II/10/0  | /B  | FIIOTIE              | e: (505) 632                           | 2-5200                   | Conditions                                  | of Approval.   | He             | E1) - (1)         | 17/0                    | 27                     |

Attached:

District I PO Box 1980, Hobbs, NM 88241-1980

District II PO Drawer DD, Artesia, NM 88211-0719

District III 1000 Rio Brazes Rd., Aztec. NM 87410

District IV PO Box 2088, Santa Fe, NM 87504-2088 State of New Mexico Energy, Minerals & Natural Resources Department

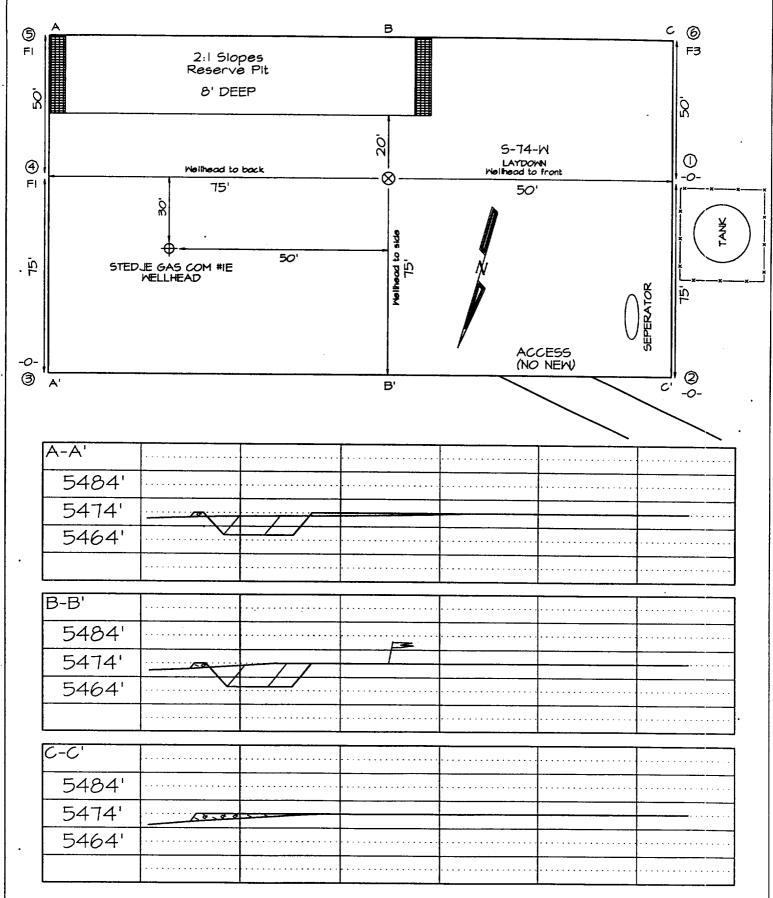
OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

Revised February 21, 1994
Instructions on back
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Fee Lease - 3 Copies

\_\_\_ AMENDED REPORT

|                               |                                      |   | WELL                     | LOCAT              | ION AND  | ACREAGE DED                    | ICATION PL                  | _AT   |                             |   |  |
|-------------------------------|--------------------------------------|---|--------------------------|--------------------|--|--------------------------------|-----------------------------|---|-----------------------------|---|--|
| 30.04                         | API Numbe                            | 973   | 8                        | *Pool Cod<br>71629 | · · · · · · · · · · · · · · · · · · ·          | Pool Name BASIN FRUITLAND COAL |                             |   |                             |   |  |
| 1Property                     | Code                                 | 110   | 0                        |                    | i  | ty Name                        |                             | T   |                             | 11 Number                                   |  |
| 22641                         |                                      | STEDJE GAS COM  |                          |                    |  |                                |                             | 5   |                             |   |  |
| 'OGRID No.<br>167067          |                                      |   | *Operate                 | MDANV              | *Elevation                                     |                                |                             |   |                             |   |  |
| 10,00                         |                                      | CROSS TIMBERS OPERATING COMPAN<br>. 10 Surface Location |                          |                    |  |                                |                             |   | 5474 '<br>                  |   |  |
| UL or lot no.                 | Township Range Lot Idn Feet from the |   |                          |                    | North/South line                               | East/Wes                       | t line                      | County  |                             |   |  |
| . А                           | A 27                                 |   | N   12W   1175           |                    | 1175   | NORTH                          | 675                         | EAST  |                             | SAN JUAN                                    |  |
|                               |                                      |   | Bottom                   | Hole L             |  | If Different                   |                             | ace   |                             | <u> </u>                                    |  |
| UL or 3ot no.                 | Section                              | Township  | Range                    | Lot Idn            | Feet from the                                  | North/South line               | Feet from the               | East/Nes  | t line                      | County                                      |  |
| <sup>12</sup> Dedicated Acres | 711                                  | <sup>19</sup> Joint or I                                | nfill <sup>34</sup> Cone | olidation Code     | s SOrder No.                                   |                                |                             | <u> </u>  |                             |   |  |
| NO ALLOW                      | ABLE W                               | ILL BE<br>OR A  | ASSIGNE<br>NON-SI        | D TO TH            | IS COMPLET<br>UNIT HAS E                       | ION UNTIL ALL<br>BEEN APPROVED | INTERESTS H<br>BY THE DIVI  | IAVE BEE  | EN CON                      | ISOL IDATED                                 |  |
| 16                            |                                      |   | 518                      | 6.28'/             |  |                                | <sup>17</sup> OPER          | ATOR (  | CERTI                       | FICATION                                    |  |
|                               |                                      | [<br>!  |                          | $\chi$             |  | <del>/</del> -                 | I hereby carritrue and comp | lify that the polete to the b   | information<br>cest of my k | contained herein is<br>knowledge and belief |  |
| _                             |                                      |   |                          |                    |  |                                |                             |   |                             |   |  |
|                               |                                      | <br>!   |                          | 1                  |  | !                              |                             |   |                             |   |  |
| 4 11                          |                                      |   |                          | '/                 |  | 6                              | 15'                         | Jany Minkester  |                             |   |  |
| 2547\                         |                                      | /   | · <del></del>            | 7                  |  |                                | Signatur                    |   | Monkes                      |   |  |
| 25,                           |                                      |   |                          | <b>/</b>           |  |                                | ·                           | Gary L. Markestad   |                             |   |  |
|                               |                                      |   |                          | l                  |  |                                |                             | Printed Name Vice-President / Production  |                             |   |  |
|                               |                                      |   |                          | .                  |  | -                              | Title                       | Title   |                             |   |  |
|                               |                                      |   |                          |                    |  |                                | V I /                       | 11/12/48  |                             |   |  |
| <del>-</del> -                |                                      | <del></del>   |                          | 27 <sub>t</sub>    |  |                                |                             | FYOR C  | ERTI                        | FICATION                                    |  |
|                               |                                      |   |                          |                    |  |                                | I hereby cent Was plotted f | <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. |                             |   |  |
|                               |                                      | <u> </u>  |                          |                    | NOV 1  | \$ 1998 U                      | correct to th               | e best of my  | belief.                     | some 12 cross said                          |  |
|                               |                                      |   |                          | . ,                | ന <b>െ                                    </b> | All (2004                      |                             |   |                             |   |  |
| . [                           |                                      |   |                          |                    | 1,70   | איטש פאי                       |                             | OCTOBER 16, 1998  Date of Survey  Signature and Seel of Project Divinor   |                             |   |  |
| 1.4                           |                                      |   | · <del></del>            |                    |  | -                              | Signature and               | Seal of Per   | EDW                         | 2   |  |
| 263                           |                                      |   | •                        |                    |  |                                |                             | W. W.   | MEXIC                       | 72/   |  |
| •                             |                                      |   |                          |                    |  |                                | /:                          | Zh2/  | 857                         | 5 (0)                                       |  |
|                               |                                      |   |                          |                    |  |                                |                             |   |                             |   |  |
|                               |                                      | •   | E^-                      | 7.4 00'            |  | 1                              |                             |   | A                           |   |  |
|                               |                                      |   | 20,                      | 74.08              |  |                                | Certific                    | ate Opp   | DEESSION                    | ,A~/  |  |

## CROSS TIMBERS OPERATING COMPANY STEDJE GAS COM #2, 1175' FNL & 675' FEL SECTION 27, T30N, R12W, NMPM, SAN JUAN COUNTY, NEW MEXICO GROUND ELEVATION: 5474' DATE: OCTOBER 16, 1998



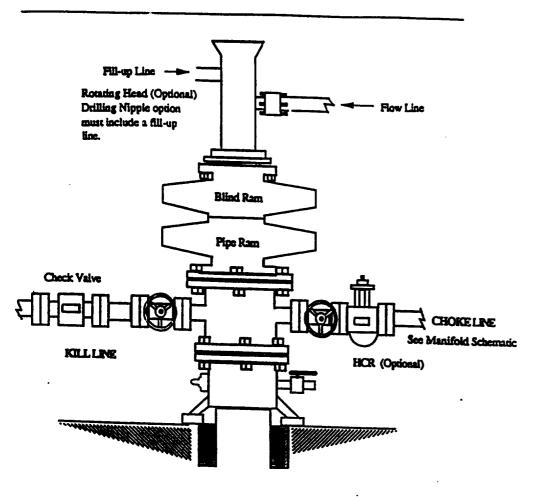
Note: Contractor should call One–Call for location of any marked or unmarked buried pipelines or cables on well pad and/or access road at least two (2) working days prior to construction

## CROSS TIMBERS OPERATING COMPANY STEDJE GAS COM A #1

1175' FNL- 675' FEL, Sec. 27, T30N-R12W Proposed Basin Fruitland Coal Well



## BOPE SCHEMATIC FOR DRILLING OPERATIONS CLASS I - NORMAL PRESSURE CROSS TIMBERS OPERATING COMPANY STANDARD



## CHOKE MANIFOLD SCHEMATIC FOR DRILLING OPERATIONS 2M & 3M SERVICE CROSS TIMBERS OPERATING COMPANY STANDARD

