

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  
Energy Minerals and Natural Resources

Form C-101  
May 27, 2004

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

Submit to appropriate District Office

AMENDED REPORT

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

<sup>1</sup> Operator Name and Address ELK OIL COMPANY POST OFFICE BOX 310 ROSWELL, NEW MEXICO 88202-0310		<sup>2</sup> OGRID Number 7147	
		<sup>3</sup> API Number 30 - 025-26946	
<sup>4</sup> Property Code 003974	<sup>5</sup> Property Name NORTHEAST KEMNITZ		<sup>6</sup> Well No. 5
<sup>9</sup> Proposed Pool 1 KEMNITZ MORROW (GAS) <del>ATOKA</del> <i>SOUTH</i>		<sup>10</sup> Proposed Pool 2 <i>&lt;7942D&gt;</i>	

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L.	23	16S	34E		1980	SOUTH	660	WEST	LEA

<sup>8</sup> Proposed 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

**Additional Well Information**

<sup>11</sup> Work Type Code P	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary N/A	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 4075 GR
<sup>16</sup> Multiple NO	<sup>17</sup> Proposed Depth N/A	<sup>18</sup> Formation MORROW	<sup>19</sup> Contractor N/A	<sup>20</sup> Spud Date N/A
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water NONE
Pit: Liner: Synthetic <input type="checkbox"/> _____mils thick Clay <input type="checkbox"/> Pit Volume: _____bbls Drilling Method: _____ Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

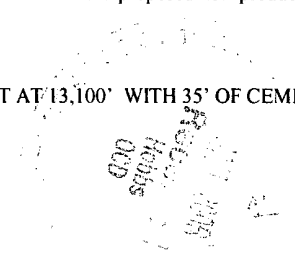
<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
N/A					

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.  
 THE PRESENT PRODUCTIVE ZONE, KEMNITZ MORROW, HAS BECOME UNECONOMICAL TO PRODUCE. PLAN TO PLUG BACK TO THE KEMNITZ ATOKA FORMATION.  
 (1) RIG UP PULLING UNIT, TRIP OUT OF HOLE WITH TUBING AND PACKER. TRIP IN HOLE WITH CIBP, SET AT 13,100' WITH 35' OF CEMENT ON TOP.  
 (2) PERFORATE ATOKA ZONE FROM 12,740' - 12,744'. TRIP IN HOLE WITH PACKER AND TUBING.  
 (3) ACIDIZE AND TEST. IF PRODUCTIVE PLACE BACK ON PRODUCTION.

Permit Expires 1 Year From Approval  
Date Unless Drilling Underway  
Plugback

<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 <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	<b>OIL CONSERVATION DIVISION</b>	
	Approved by: 	Title: PETROLEUM ENGINEER
Printed name: ELK OIL COMPANY, JOSEPH J. KELLY, PRESIDENT	Approval Date: JAN 24 2006	Expiration Date:
Title: 		
E-mail Address: elkoiil@prtn.net		
Date: 01/18/06	Phone: (505)623-3190	Conditions of Approval Attached <input type="checkbox"/>



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

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-025-01911		<sup>2</sup> Pool Code 79440 29420		<sup>3</sup> Pool Name KEMNITZ MORROW (GAS) South	
<sup>4</sup> Property Code 003974		<sup>5</sup> Property Name NORTHEAST KEMNITZ			<sup>6</sup> Well Number 5
<sup>7</sup> OGRID No. 7147		<sup>8</sup> Operator Name ELK OIL COMPANY			<sup>9</sup> Elevation 4075' GR

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	23	16S	34E		1980	SOUTH	660	WEST	LEA

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres 320		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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.

16						<b><sup>17</sup> OPERATOR CERTIFICATION</b>	
	SEE ORIGINAL SURVEY DATED JUNE 21, 1980 ELK OIL COMPANY					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	Date 01/18/06
						Printed Name ELK OIL COMPANY, JOSEPH J. KELLY, PRESIDENT	
					<b><sup>18</sup> SURVEYOR CERTIFICATION</b>		
					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 of Survey		
					Signature and Seal of Professional Surveyor:		
					Certificate Number		