

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos 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

Form C-101
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

AMENDED REPORT

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

Operator Name and Address: SAGE ENERGY COMPANY PO DRAWER 3068 MIDLAND TEXAS 79702		OGRID Number 20054
		API Number 30-025-34356
Property Code 9867	Property Name NORTH VACUUM ABO NORTH UNIT	Well No. 163

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	36	16S	3AE	660	660	SOUTH	660	WEST	LEA

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
C A	1 2	17S 17S	3AE 3AE		660 660	NORTH NORTH	1980 660	WEST EAST	LEA LEA

Proposed Pool 1 NORTH VACUUM (Abo)	Proposed Pool 2 NORTH VACUUM (Abo)
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Work Type Code N	Well Type Code O	Cable/Rotary ROTARY	Lease Type Code STATE	Ground Level Elevation 4044
Multiple NO	Proposed Depth	Formation Abo	Contractor	Spud Date 9/15/99

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/feet	Setting Depth	Secs of Cement	Estimated TOC
17 1/2	13 3/8	48#	100' +/-	400	SURFACE
11	8 5/8	24# & 32#	4600' +/-	1800	SURFACE
7 7/8	5 1/2"	15.5# & 17#	8660' +/-	500	7600'

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.
 Drill & Set 5 1/2" casing @ 8660'. Drill out shoe and drill 220° Azimuth, 2000' LATERAL (MEDIUM RADIUS) INTO THE ABO FORMATION. SET RBP and whipstock ASSEMBLY TO CUT WINDOW IN CASING & DRILL 140° Azimuth, 2000' LATERAL (MEDIUM RADIUS) INTO THE ABO FORMATION. ACIDIZE LATERALS, PUT ON PUMP.
 Blow Out Prevention System: 4-1/2" Drill Pipe Rams, Set of Blanks.
 Permit Expires 1 Year From Approval
 Date Unless Drilling Underway
 Hydrill clamped around Kelly.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: Gary Wink	Approved by: ORIGINAL SIGNED BY		
Printed name: GEORGE M. HARRIS JR.	Title: GARY WINK FIELD REP. II	Approval Date: 8-16-99	Expiration Date:
Title: ENGINEER	Date: 8/6/99	Phone: 915-683-5771	Conditions of Approval: Attached <input type="checkbox"/>

1503

DISTRICT I
P.O. Box 1990, Hobbs, NM 88241-1990

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT IV
P.O. Box 2088, Santa Fe, N.M. 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34356	Pool Code 61760	Pool Name NORTH VACUUM ABO
Property Code 9867	Property Name NORTH VACUUM ABO NORTH UNIT	Well Number 163
OGRID No. 20054	Operator Name SAGE ENERGY COMPANY	Elevation 4044

Surface Location

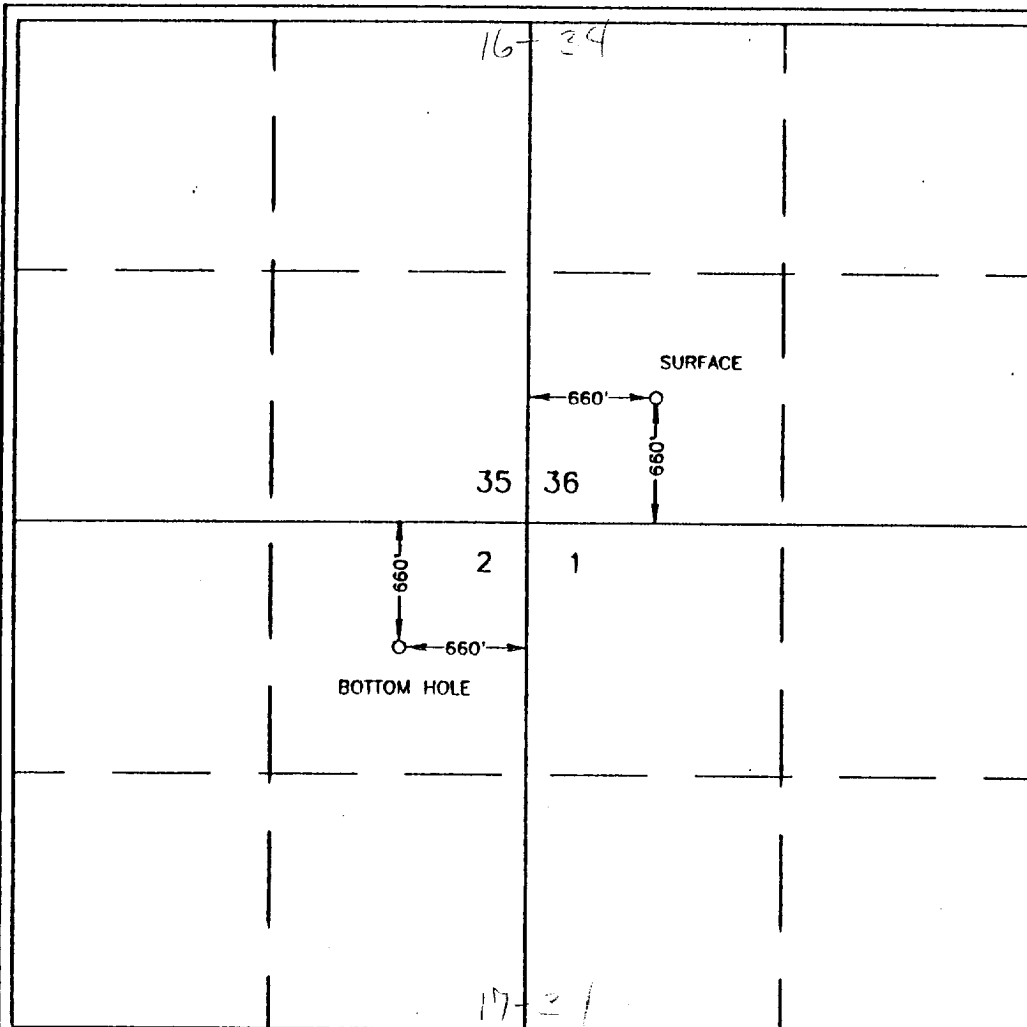
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	36	16 S	34 E		660	SOUTH	660	WEST	LEA

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
A	2	17 S	34 E		660	NORTH	660	EAST	LEA

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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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 the the information contained herein is true and complete to the best of my knowledge and belief.

George M. Harris Jr.
Signature

GEORGE M. HARRIS JR
Printed Name

ENGINEER
Title

8/6/99
Date

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.

FEBRUARY 11, 1998
Date Surveyed

DMCC

Signature: *Ronald S. Eason*
Professional Surveyor

RONALD S. EASON
Professional Surveyor

2-13-98
98-11-0238

State No. JOHN W. EASON 676
RONALD S. EASON 3239
Professional Surveyor 12641

DISTRICT I
P.O. Box 1880, Hobbs, NM 88241-1880

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

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Santa Fe, New Mexico 87504-2088

AMENDED REPORT

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Property Code 9867	Property Name NORTH VACUUM ABO NORTH UNIT		Well Number 163
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Surface Location

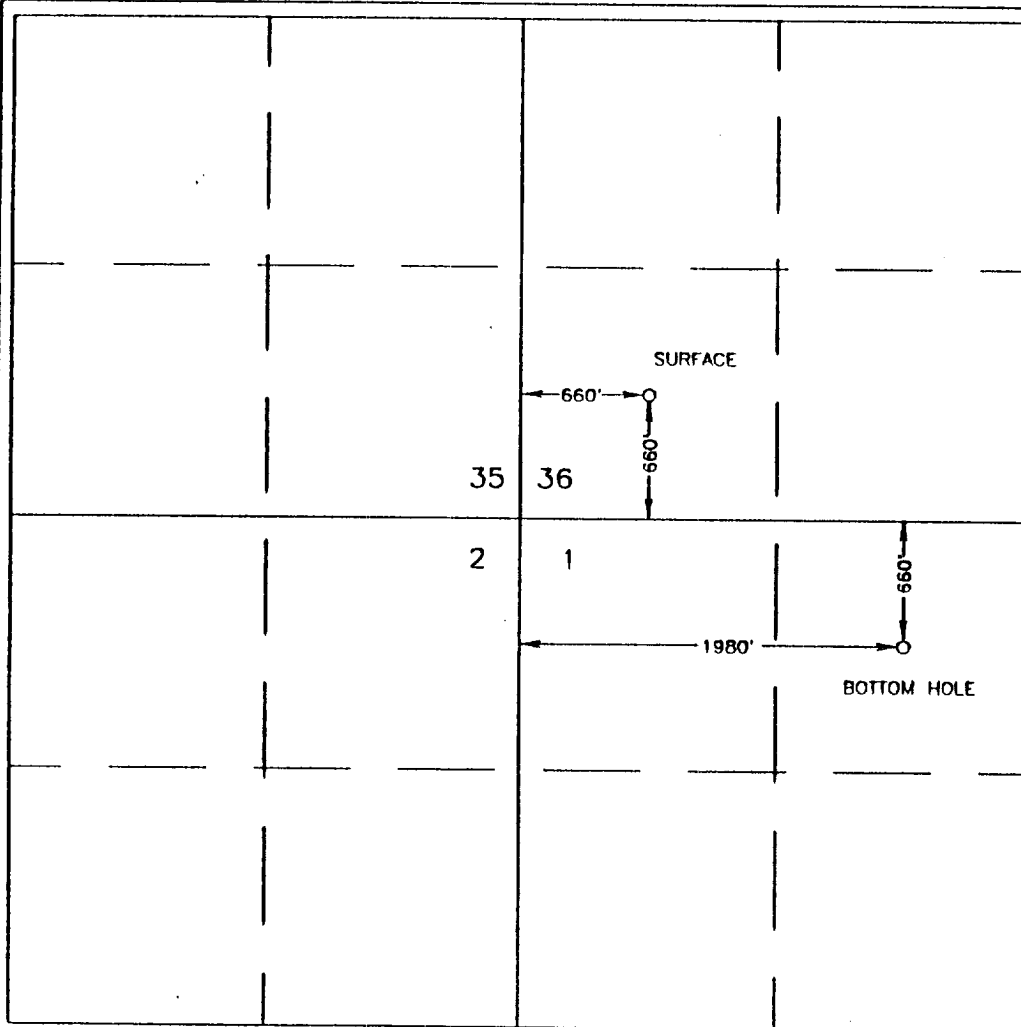
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M	36	16 S	34 E		660	SOUTH	660	WEST	LEA

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
C	1	17 S	34 E		660	NORTH	1980	WEST	LEA

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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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

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George M. Harris, Jr.
Signature

GEORGE M. HARRIS, JR.
Printed Name

ENGINEER
Title

8/6/99
Date

SURVEYOR CERTIFICATION

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FEBRUARY 11, 1998
Date Surveyed

DMCC

Signature & Seal of Professional Surveyor
Ronald G. Edson

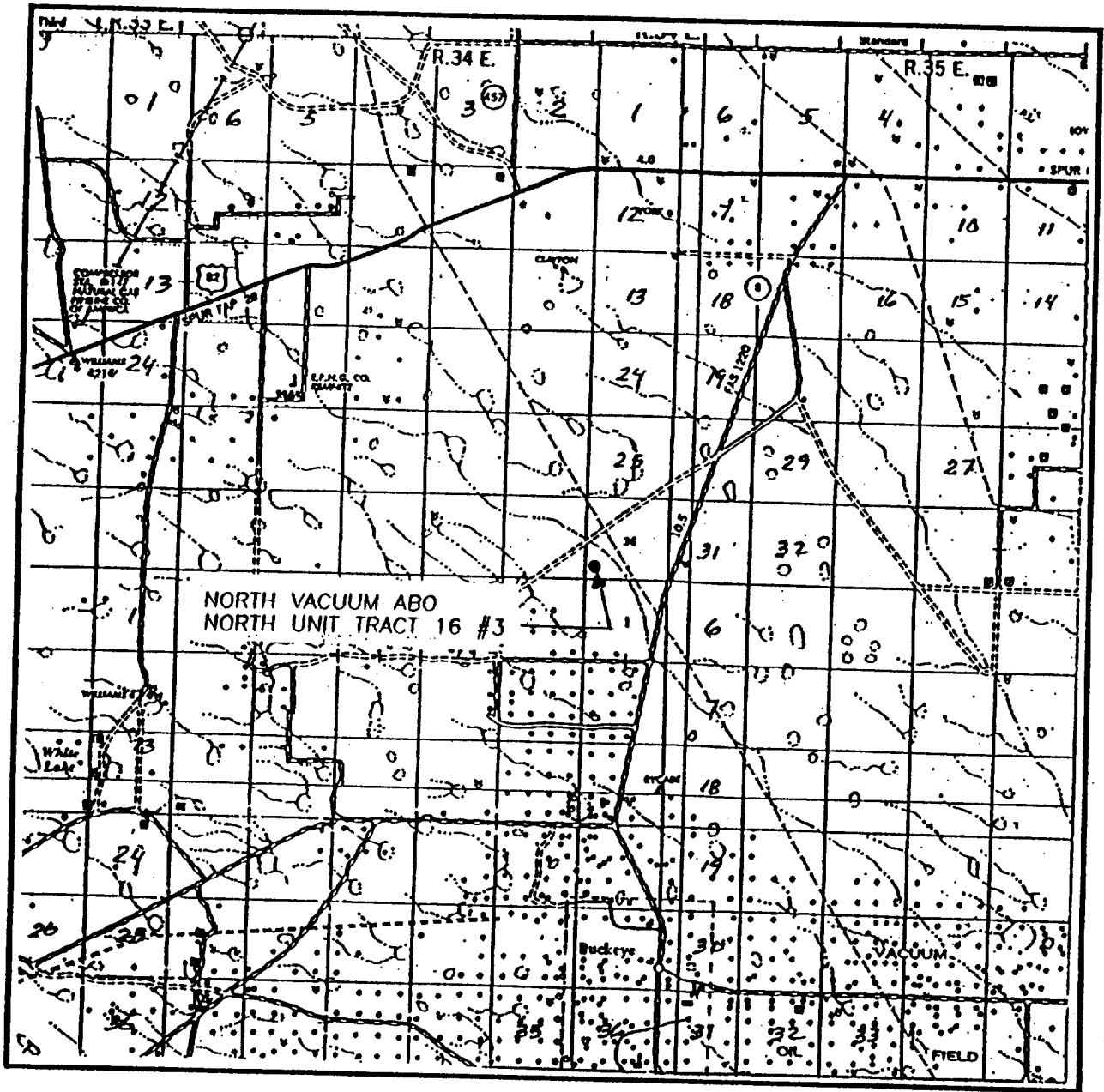
RONALD G. EDSON
Professional Surveyor

2-13-98
Date

98-11-0238
Certificate No.

JOHN W. GIBSON
676
RONALD G. EDSON
3239
GARY L. EDSON
12641

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 36 TWP. 16-S RGE. 34-E
 SURVEY N.M.P.M.
 COUNTY LEA
 DESCRIPTION 660' FSL & 660' FWL
 ELEVATION 4044
 OPERATOR SAGE ENERGY COMPANY
 LEASE NORTH VACUUM ABO
NORTH UNIT TRACT 16

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117

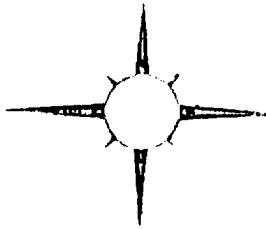


Job Number: P98-119
 Company: Sage Energy Company
 Lease/Well: NVANU #163
 Location: Lee County
 Rig Name: Unknown

Declination: 9.13° East (est.)
 Grid: Assumed True
 File Name: G:\NVANU3.SVY
 Date/Time: July 23, 1998
 State/Country: New Mexico



Map Drawn to True North



Magnetic to True North Correction
 9.13° East (estimated)

KOP 39.39°/100' Build
 0.00' MD 0.00' TVD
 0.00° Inc. 0.00° Az.
 0.00' S 0.00' E

Original Hole Casing Point
 8656.00' MD 8656.00' TVD
 0.00° Inc. 0.00° Az.
 0.00' S 0.00' E

Begin 87.92° Hold Section
 8854.20' MD 8776.36' TVD
 87.92° Inc. 140.00° Az.
 0.00' S 0.00' E

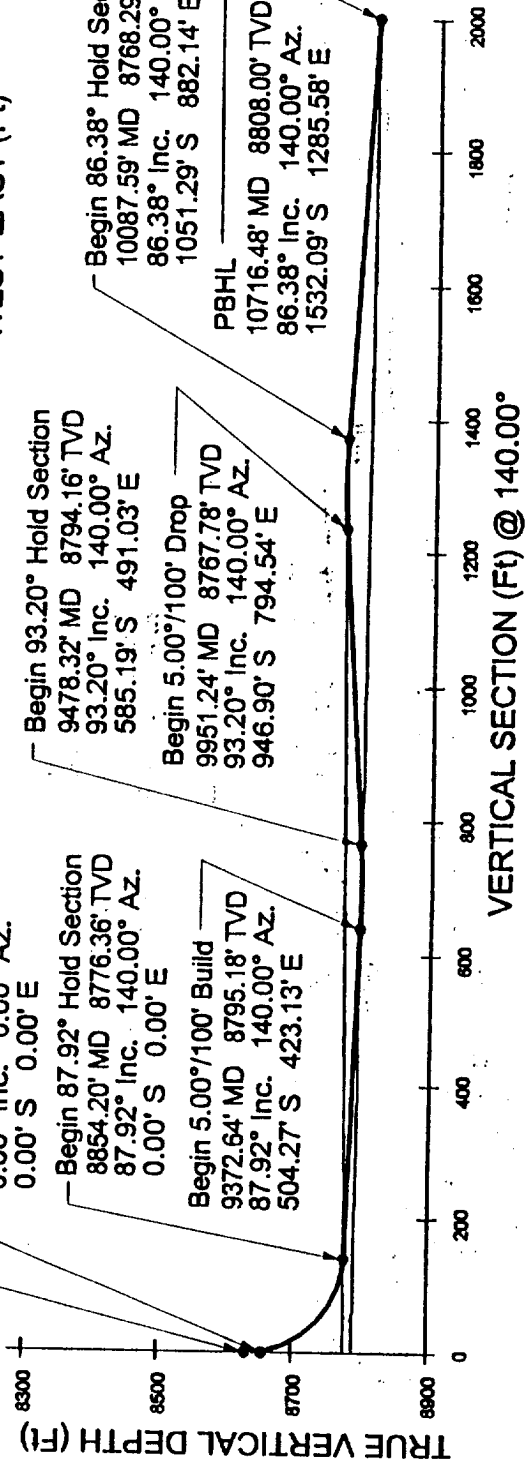
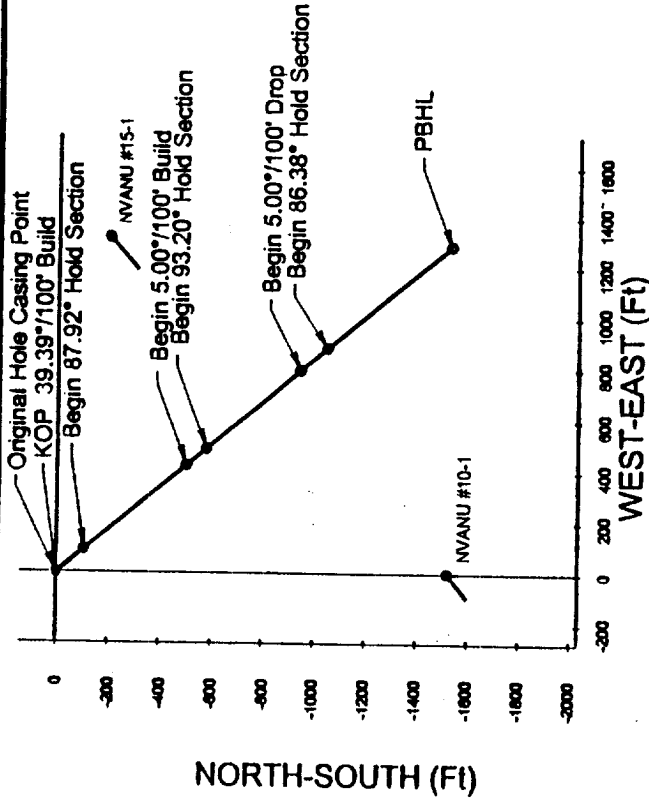
Begin 5.00°/100' Build
 9372.64' MD 8795.18' TVD
 87.92° Inc. 140.00° Az.
 504.27' S 423.13' E

Begin 93.20° Hold Section
 9478.32' MD 8794.16' TVD
 93.20° Inc. 140.00° Az.
 585.19' S 491.03' E

Begin 5.00°/100' Drop
 9951.24' MD 8767.78' TVD
 93.20° Inc. 140.00° Az.
 946.90' S 794.54' E

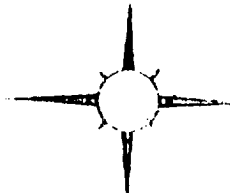
Begin 86.38° Hold Section
 10087.59' MD 8768.29' TVD
 86.38° Inc. 140.00° Az.
 1051.29' S 882.14' E

PBHL
 10716.48' MD 8808.00' TVD
 86.38° Inc. 140.00° Az.
 1532.09' S 1285.58' E



Company: Sage Energy Company
 Lease/Well: NVANU #48 / 63
 Location: Lee County
 Rig Name: Unknown
 State/Country: New Mexico

Grid: Assumed True
 File Name: G:\99\PROP-1\990110\SP90119\NVANU3R2.SVY
 Date/Time: 21-Jun-99 / 11:46
 Declination: 9.13° East (est.)



DIAMONDBACK
 DIRECTIONAL
 A SWC COMPANY

Map Drawn to True North

Magnetic to True North Correction
 9.13° East (est.)

