

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

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

1. Operator Name and Address PRIME OPERATING CO 3300 N A Street Midland, TX 79705		2. OGRID Number 18099
		3. API Number 30-025-37526
4. Property Code 35185	5. Property Name JUNE SPEIGHT-OXY	6. Well No. 001

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	22	16S	38E	C	330	N	2310	W	LEA

**8. Pool Information**

GARRETT,SAN ANDRES	27170
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**Additional Well Information**

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3714
14. Multiple N	15. Proposed Depth 6500	16. Formation San Andres	17. Contractor	18. Spud Date 11/15/2005
Depth to Ground water 40		Distance from nearest fresh water well 1000		Distance to nearest surface water 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 miles thick Clay <input type="checkbox"/> Pit Volume: 20000 bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	2050	650	0
Prod	7.875	5.5	15.5	6500	600	0

**Casing/Cement Program: Additional Comments**

8-5/8 surface casing will be set and cement circulated at 2050. 5-1/2 production casing will be set and cemented at 6500. The mud program consist of : 0-2050 Spud Mud, Mud Wt. 8.9-9.9 ppg, Viscosity 31-33, Filtrate 20-30cc and 0-6500 Brine Water, Mud Wt. 9.9-10.1, Viscosity 28, Filtrate N/C.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Hydril	3000	3000	

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 NMOC guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: David M Byrne	
	Title: System Analyst	
	Approved Date: 10/25/2005	Expiration Date: 10/25/2006
	Conditions of Approval Attached	

Printed Name: Electronically filed by Mary Lyle
Title: Eng Asst/Production
Email Address: clyle@primeenergy.com
Date: 10/25/2005
Phone: 432-682-5774

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(505) 393-6161 Fax:(505) 393-0720  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
District IV  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

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Form C-102  
Permit 16250

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-37526	2. Pool Code 27170	3. Pool Name GARRETT,SAN ANDRES
4. Property Code 35185	5. Property Name JUNE SPEIGHT-OXY	6. Well No. 001
7. OGRID No. 18099	8. Operator Name PRIME OPERATING CO	9. Elevation 3714

10. Surface Location

UL - Lot C	Section 22	Township 16S	Range 38E	Lot Idn C	Feet From 330	N/S Line N	Feet From 2310	E/W Line W	County LEA
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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00	13. Joint or Infill	14. Consolidation Code	15. 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

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## Permit Comments

Operator: PRIME OPERATING CO , 18099

Well: JUNE SPEIGHT-OXY #001

API: 30-025-37526

Created By	Comment	Comment Date
MCLYLE	Sources and Prime Operating Company advised me that they do not anticipate enough H2S from the surface to TD to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118, however H2S monitoring equipment will be on location from below surface casing to TD.	10/12/2005

# Permit Conditions of Approval

Operator: PRIME OPERATING CO , 18099

Well: JUNE SPEIGHT-OXY #001

API: 30-025-37526

OCD Reviewer	Condition
pkautz	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
pkautz	prior to any pit construction notify Gary Wink at 505-393-6161 ext 114