<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

State of New Mexico

Form C-101 Permit 81533

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. Ope	2. OGRID Number			
REAI	18917			
P	3. API Number			
ROS	30-05-29058			
4. Property Code 36619	5. Property Name TOWER 16 STATE COM	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
Н	16	115	31E	Н	1980	N	660	E	CHAVES

8. Pool Information

TV-PENN (GAS)	1 265601
I AT ENIN (OVD)	00500

Additional Well Information

	501		2 Million Well	IIIOIIIIIIIIII	0.6		
9. Work Type New Well	10. Well GAS	30.000	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 4486		
14. Multiple N	15. Propos 113	2000 Takes	16. Formation Mississippi Lime		18. Spud Date 12/1/2008		
Depth to Ground	Depth to Ground water			Distance from nearest fresh water well			
t: Liner: Synthetic mils thick Closed Loop System			Clay Pit Volume:	bbls Drilling Method: Fresh Water ▼ Brine	Diesel/Oil-based Gas/Air		

19. Proposed Casing and Cement Program

	Туре	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Š	Surf	17.5	13.375	48	375	400	0
3	Int1	12.25	9.625	36	3600	1100	0
Ĭ	Prod	7.875	5.5	17	11300	1300	3400

Casing/Cement Program: Additional Comments

Proposed Blowout Prevention Program

**************************************			195
Туре	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	5000	Unknown
Annular	5000	5000	Unknown

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	OIL CONSERVATION DIVISION				
NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .	Approved By: Paul Kautz				
Printed Name: Electronically filed by John Maxey	Title: Geologist				
Title: Operations Mgr	Approved Date: 10/21/2008 Expiration Date: 10/21/2010				
Email Address: read@lookingglass.net					
Date: 9/30/2008 Phone: 505-622-3770					

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

<u>District II</u>

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720

<u>District III</u> 1000 Rio Brazos Rd., Azzec, NIM 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

State of New Mexico

Form C-102 Permit 81533

Energy, Minerals and Natural Resources

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

10.5		or president and the second
1. API Number	2. Pool Code	3. Pool Name
30-05-29058	86560	TV;PENN (GAS)
4. Property Code	5. Property Nan	ne 6. Well No.
36619	TOWER 16 STAT	ECOM 001
7. OGRID No.	8. Operator Nan	ne 9. Elevation
18917	READ & STEVEN	IS INC 4486

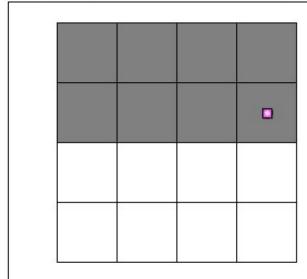
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
Н	16	11S	31E		1980	И	660	E	CHAVES

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Т	'ownship	Range	Lot	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
0.7550.75	ated Acres		13. 1	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



OPERATOR CERTIFICATION

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(s) 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.

E-Signed By: John Maxey Title: Operations Mgr Date: 9/30/2008

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.

Surveyed By: Ronald Eidson Date of Survey: 7/20/2007 Certificate Number: 3239

Permit Comments

Operator: READ & STEVENS INC , 18917 Well: TOWER 16 STATE COM #001

API: 30-05-29058

Created By	Comment	Comment Date
DMULL	OCD received form C-144, "Pit Registration". OCD Permit Number P1-00571.	10/21/2008