

1. Operator Name and Address READ & STEVENS INC P. O. Box 1518 Roswell, NM 88202		2. OGRID Number 18917
		3. API Number 30-015-38255
4. Property Code 38378	5. Property Name OXY 19 STATE	6. Well No. 001

UL - Lot C	Section 19	Township 19S	Range 29E	Lot Idn C	Feet From 990	N/S Line N	Feet From 1980	E/W Line W	County EDDY
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MILLMAN;YATES-SR-ON-GB-SA, EAST	46555
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9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3371
14. Multiple N	15. Proposed Depth 2550	16. Formation Grayburg	17. Contractor	18. Spud Date 11/30/2010
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mills thick Clay <input type="checkbox"/> Pit Volume: 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"/>				

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	375	235	0
Prod	7.875	5.5	15.5	2550	380	0

We propose to drill 12 1/4" hole to 360' with fresh water. Then drill 7 7/8" hole to 2500' w/ brine water. TOC will be at surface for both casing strings.

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	Cameron

Conditions of Approval Attached

Consent to publish

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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-102
Permit 122117

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-38255	2. Pool Code 46555	3. Pool Name MILLMAN;YATES-SR-QN-GB-SA, EAST
4. Property Code 38378	5. Property Name OXY 19 STATE	6. Well No. 001
7. OGRID No. 18917	8. Operator Name READ & STEVENS INC	9. Elevation 3371

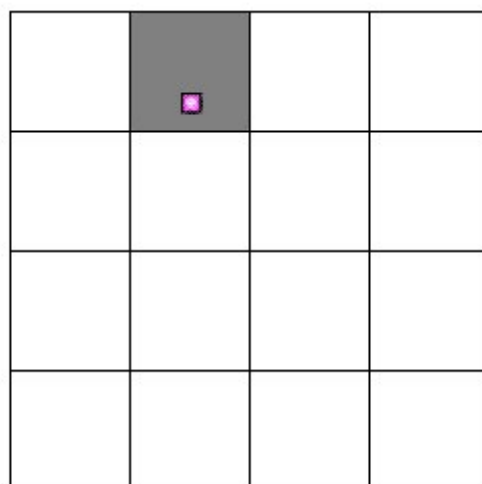
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	19	19S	29E		990	N	1980	W	EDDY

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



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: David Luna
Title: Petroleum Engineer
Date: 11/5/2010

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: 10/27/2010
Certificate Number: 3239

Permit Comments

Operator: READ & STEVENS INC , 18917

Well: OXY 19 STATE #001

API: 30-015-38255

Created By	Comment	Comment Date
dluna	C-144 CLEZ & H2S Contingency plan will be sent to the OCD Carlsbad office.	10/22/2010

Permit Conditions of Approval

Operator: READ & STEVENS INC , 18917

Well: OXY 19 STATE #001

API: 30-015-38255

OCD Reviewer	Condition
Artesia	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string