

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 749-1283 Fax:(575) 749-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-8178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

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

Form C-101
August 1, 2011
Permit 233046

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

1. Operator Name and Address STEWARD ENERGY II, LLC 3211 Internet Blvd Frisco, TX 75034		2. OGRID Number 371682
4. Property Code 317521		3. API Number 30-025-43682
5. Property Name SAY MY NAME STATE		6. Well No. 006H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	9	14S	38E	M	225	S	380	W	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	9	14S	38E	D	100	N	330	W	Lea

9. Pool Information

BRONCO;SAN ANDRES, SOUTH	7500
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3791
16. Multiple N	17. Proposed Depth 9950	18. Formation San Andres	19. Contractor	20. Spud Date 4/1/2017
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	2400	900	0
Prod	7.875	5.5	20	9950	2000	0

Casing/Cement Program: Additional Comments

Propose to drill a pilot hole to 6300' and run logs. Set emt plug at 4250', kick off and drill 7 7/8" lateral to 9950' MD.
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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1500	Schafer
Double Ram	3000	1500	Schafer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable. Signature: _____ Printed Name: Electronically filed by William McManm Title: _____ Email Address: bill.mcmann@stewardenergy.net Date: 3/9/2017	<p style="text-align: center;">OIL CONSERVATION DIVISION</p> Approved By: Paul Kautz Title: Geologist Approved Date: 3/13/2017 Expiration Date: 3/13/2019 Conditions of Approval Attached
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Form C-102
August 1, 2011
Permit 233046

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-43682	2. Pool Code 7500	3. Pool Name BRONCO;SAN ANDRES, SOUTH
4. Property Code 317521	5. Property Name SAY MY NAME STATE	6. Well No. 006H
7. OGRID No. 371682	8. Operator Name STEWART ENERGY II, LLC	9. Elevation 3791

10. Surface Location

UL - Lot M	Section 9	Township 14S	Range 38E	Lot Idn M	Feet From 225	N/S Line S	Feet From 380	E/W Line W	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot D	Section 9	Township 14S	Range 38E	Lot Idn D	Feet From 100	N/S Line N	Feet From 330	E/W Line W	County Lea
12. Dedicated Acres 160.00	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

	<p style="text-align: center;">OPERATOR CERTIFICATION</p> <p><i>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.</i></p> <p>E-Signed By: William McMann Title: Date: 3/9/2017</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Surveyed By: GARY JONES Date of Survey: 3/7/2017 Certificate Number: 7977</p>
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Form APD Comments

 Permit 233046

PERMIT COMMENTS

Operator Name and Address: STEWARD ENERGY II, LLC [371682] 3211 Internet Blvd Frisco, TX 75034		API Number: 30-025-43682
		Well: SAY MY NAME STATE #006H
Created By	Comment	Comment Date
MWILSON	Steward Energy II, LLC will submit NSL application to NMOCD Santa Fe for unorthodox BHL and LTP.	3/9/2017

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Form APD Conditions

Permit 233046

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: STEWART ENERGY II, LLC [371682] 3211 Internet Blvd Frisco, TX 75034	API Number: 30-025-43682
	Well: SAY MY NAME STATE #006H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	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
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	SURFACE & PRODUCTION CASING - Cement must circulate to surface
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	Only Fresh Water and Air are Valid Drilling Fluids for Surface Casing
pkautz	Operator shall notify appropriate District office when setting conductor pipe.
pkautz	The Operator is to notify NMOCDD by sundry (Form C-103) within ten (10) days of spudding a well.
pkautz	It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD.
pkautz	If an APD expires and if site construction has occurred, site remediation is required.
pkautz	Stage Tool 1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.
pkautz	Submit Gas Capture Plan form prior to spud