

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 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
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit 242052

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

1. Operator Name and Address STEWARD ENERGY II, LLC 2600 N Dallas Parkway Frisco, TX 75034		2. OGRID Number 371682
4. Property Code 317585		3. API Number 30-025-44038
5. Property Name POLLOS HERMANOS STATE COM		6. Well No. 002H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
O	10	14S	38E	O	226	S	1350	E	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
J	3	14S	38E	J	2301	S	1350	E	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 Private	15. Ground Level Elevation 3777
16. Multiple N	17. Proposed Depth 13000	18. Formation San Andres	19. Contractor	20. Spud Date 10/15/2017
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	850	0
Prod	7.875	5.5	20	13000	2000	0

Casing/Cement Program: Additional Comments

Propose to drill to approximately 4600', set cmt plug, kick off and drill 7 7/8" lateral to 13000' 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 ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable. Signature:	OIL CONSERVATION DIVISION
Printed Name: William McMann	Approved By: Paul Kautz
Title:	Title: Geologist
Email Address: bill.mcmann@stewardenergy.net	Approved Date: 9/22/2017 Expiration Date: 9/22/2019
Date: 9/21/2017 Phone: 214-297-0516	Conditions of Approval Attached

District I
1535 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-0161 Fax: (575) 393-0720
District II
811 S. Flair St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9770
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3463 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-	² Pool Code 7500	³ Pool Name BRONCO; SAN ANDRES, SOUTH
⁴ Property Code	⁵ Property Name POLLOS HERMANOS	⁶ Well Number 2H
⁷ GRID No. 371682	⁸ Operator Name STEWARD ENERGY II, LLC	⁹ Elevation 3777'

Surface Location

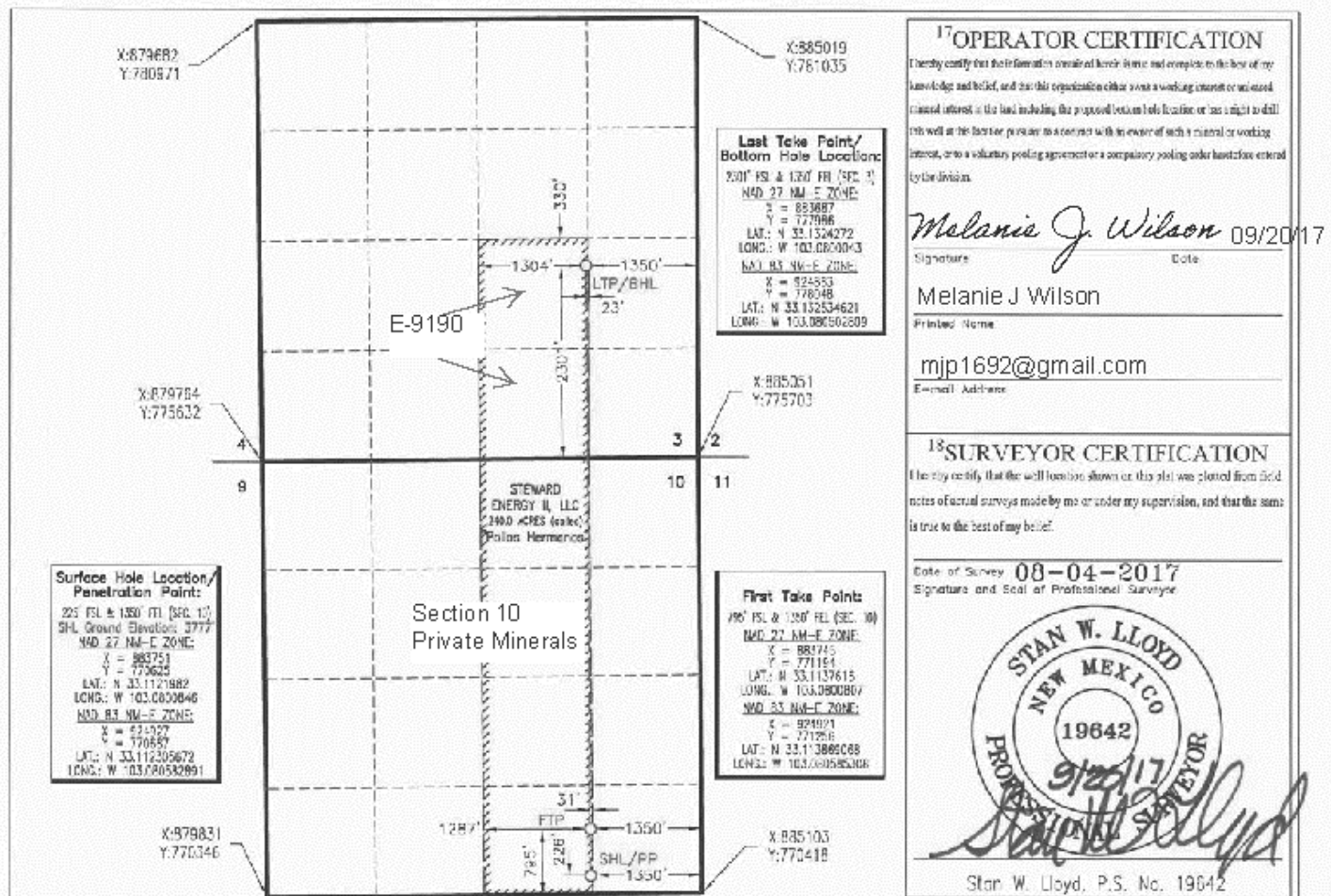
UL or lot no.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
0	10	14-S	38-E	-	226'	SOUTH	1350'	EAST	LEA

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
J	3	14-S	38-E	-	2301'	SOUTH	1350'	EAST	LEA

¹² Dedicated Acres 240.0	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.



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

Form APD Comments

Permit 242052

PERMIT COMMENTS

Operator Name and Address: STEWARD ENERGY II, LLC [371682] 2600 N Dallas Parkway Frisco, TX 75034		API Number: 30-025-44038
		Well: POLLOS HERMANOS STATE COM #002H

Created By	Comment	Comment Date
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Form APD Conditions

Permit 242052

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

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: STEWARD ENERGY II, LLC [371682] 2600 N Dallas Parkway Frisco, TX 75034	API Number: 30-025-44038
	Well: POLLOS HERMANOS STATE COM #002H

OCD Reviewer	Condition
pkautz	The operator shall keep a copy of the approved form C-101 and a copy of these conditions of approval at the well site.
pkautz	Will require a directional survey with the C-104
pkautz	Will require a administrative order for non-standard location prior to placing the well on production.
pkautz	Pit construction and closure must satisfy all requirements of your approved plan.
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	Operator shall notify appropriate District office when setting conductor pipe.
pkautz	1)- The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 20 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104
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	Lost Circulation - Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186
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	Gas Capture Plan - Operator to Submit Gas Capture Plan ASAP.