

RECEIVED

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

OCT 10 2006

Oil Conservation Division
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Submit to appropriate District Office

Form C-101

May 27, 2004

☐ AMENDED REPORT

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

¹ Operator Name and Address <p style="text-align: center;">El Paso E & P Company, L.P. PO Box 190 Raton, NM 87740</p>		² OGRID Number <p style="text-align: center;">180514</p> ³ API Number <p style="text-align: center;">30-007-20134</p>
⁴ Property Code <p style="text-align: center;">24648</p>	⁵ Property Name <p style="text-align: center;">Vermejo Park Ranch</p>	
⁹ Proposed Pool 1 <p style="text-align: center;">VERMEJO</p>		¹⁰ Proposed Pool 2 <p style="text-align: center;">RATON</p>

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	32	32N	20E	L	1840	South	35	West	Colfax

8 Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	32	32N	20E	M	50	FSL	360	FWL	Colfax

Additional Well Information

¹¹ Work Type Code <p style="text-align: center;">N</p>	¹² Well Type Code <p style="text-align: center;">G</p>	¹³ Cable/Rotary <p style="text-align: center;">Rotary/Liquid</p>	¹⁴ Lease Type Code <p style="text-align: center;">P</p>	¹⁵ Ground Level Elevation <p style="text-align: center;">8,037'</p>
¹⁶ Multiple <p style="text-align: center;">Yes</p>	¹⁷ Proposed Depth <p style="text-align: center;">2191' TVD 3951'TMD</p>	¹⁸ Formation <p style="text-align: center;">Lower Vermejo</p>	¹⁹ Contractor <p style="text-align: center;">Pense</p>	²⁰ Spud Date <p style="text-align: center;">October 15, 2006</p>
Depth to Groundwater _____		Distance from nearest fresh water well _____		Distance from nearest surface water _____
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____ Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
11"	8 5/8"	23#	348'	100 sks	Surface
7 7/8"	5 1/2"	15.5#	2310'	255 sks	Surface
4 3/4"	3 1/2"	9.3#	2049' - 3951 MD	None	Liner

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

1. Set RBP in 5 1/2" casing at 2049'.
2. Set whip stock in 5 1/2" casing at 2039'.
3. Cut window in 5 1/2" casing at 2030' - 2039'.
4. Drill a 4 3/4" hole in a 151' (38") radius curve to a 1760' horizontal lateral in the lower Vermejo coal. (Top 2188')
5. Run 3 1/2" perforated liner to the length of the lateral.
6. Retrieve whip stock and RBP. Clean out. Run production equipment back in hole. Test and return to sales.

²³ 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 NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: William M. Ordemann <i>William M. Ordemann</i> Title: Drilling Manager E-mail Address: bill.ordemann@elpaso.com Date: 10/06/2006		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="2" style="text-align: center;">OIL CONSERVATION DIVISION</th> </tr> <tr> <td colspan="2" style="text-align: center;"> Approved by: <i>Bill Martin</i> Title: DISTRICT SUPERVISOR </td> </tr> <tr> <td style="width: 50%;"> Approval Date: 10-12-06 </td> <td style="width: 50%;"> Expiration Date: 10-12-07 </td> </tr> <tr> <td colspan="2"> Conditions of Approval Attached <input type="checkbox"/> </td> </tr> </table>		OIL CONSERVATION DIVISION		Approved by: <i>Bill Martin</i> Title: DISTRICT SUPERVISOR		Approval Date: 10-12-06	Expiration Date: 10-12-07	Conditions of Approval Attached <input type="checkbox"/>	
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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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-007-20134	² Pool Code 96970	³ Pool Name STUBBLEFIELD CANYON RATON - VERMEJO GAS
⁴ Property Code 24648	⁵ Property Name VERMEJO PARK RANCH	
⁷ OGRID No. 180514	⁸ Operator Name EL PASO E&P Company, L.P.	⁶ Well Number VPR'A'-23X
		⁹ Elevation 8037'

¹⁰ Surface Location

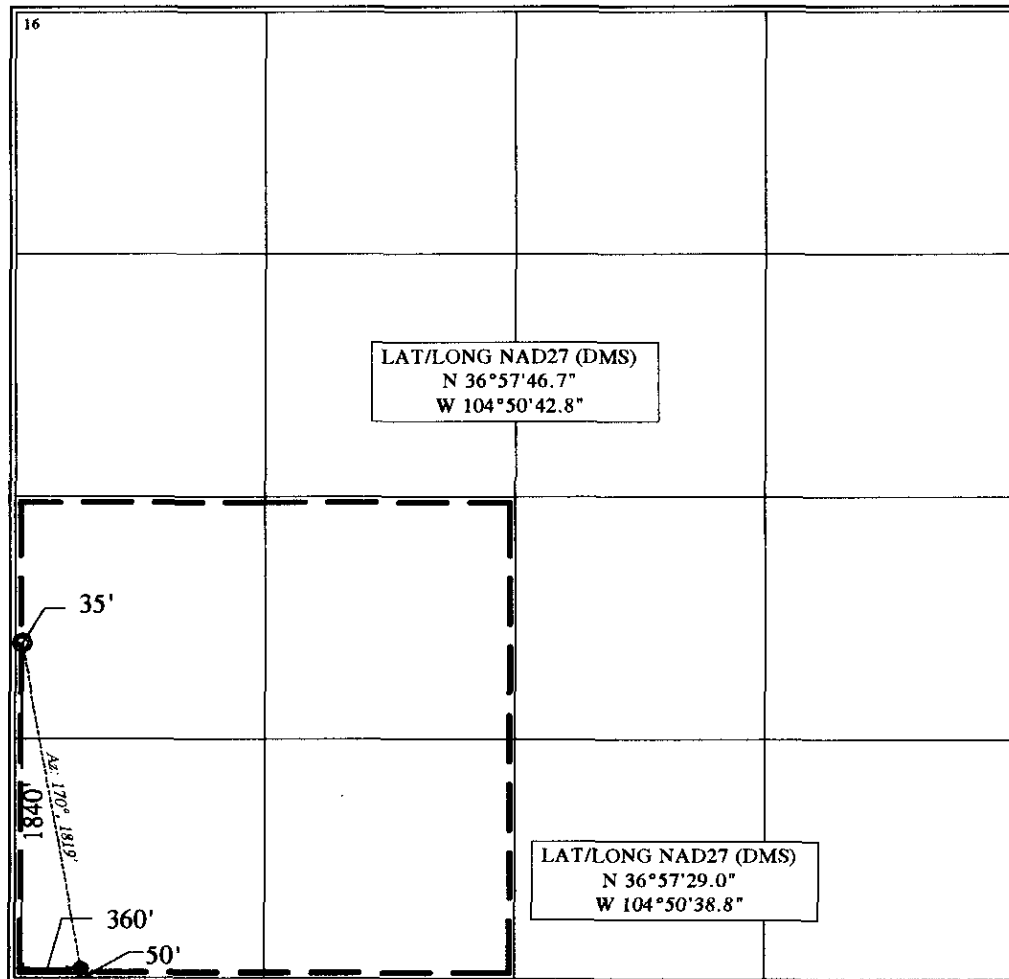
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	32	T 32 N	R 20 E	L	1840	SOUTH	35	WEST	COLFAX

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West lin	County
M	32	T 32 N	R 20 E	M	50	FSL	360	FWL	COLFAX

¹² Dedicated Acres	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



¹⁷ 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 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.

William M Ordemann 10-6-06
Signature Date

WILLIAM M ORDEMANN
Printed Name

¹⁸ 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.

October 5, 2006

Date of Survey

Signature and Seal of Professional Surveyor:

Qu Shilds
Certificate Number NM LSN 5103