District 1 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

Date: 11/28/06

Phone:(505)445-6724

Energy Minerals and Natural Resources DEC 0.4 2006

Submit to appropriate District Office

Oil Conservation Division

1220 South St. RainCisnBervation Division

☐ AMENDED REPORT

Form C-101

May 27, 2004

Santa Fe, NM187905 St. Francis Drive 1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fo, NM 9750 APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE Operator Name and Address OGRID Number 180514 El Paso E & P Comapny, L.P. PO Box 190 API Number Raton, NM 87740 30-007-2073 Property Code Property Name Vermejo Park Ranch VPR A 290 24648 9 Proposed Pool 1 10 Proposed Pool 2 Stubblefield Canyon - Vermejo Gas Surface Location North/South line Feet from the East/West line Feet from the Lot Idn County UL or lot no Section Township Range P South 875 Colfax 31N 20E 873 East 3 P ⁸ Proposed Bottom Hole Location If Different From Surface Feet from the North/South line UL or lot no Township Feet from the East/West line County Additional Well Information 12 Well Type Code 13 Cable/Rotary 14 Lease Type Code 15 Ground Level Elevation Work Type Code Rotary/Air 8030' \mathbf{G} N Proposed Depth 8 Formation Spud Date Multiple Ontractor Contractor 2,620 Vermejo Pense February 1, 2007 Yes Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water Liner: Synthetic mils thick Clay Pit Volume Drilling Method: Fresh Water Brine Diesel/Oil-based Gas/Air Closed-Loop System ²¹ Proposed Casing and Cement Program Casing weight/foot Setting Depth Sacks of Cement Estimated TOC Hole Size Casing Size 8 5/8" 11" 330' 23# 100 sksSurface 375 sks 7 7/8" 5 1/2" 15.5# 2,620 Surface 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. Drill 11" hole to +/- 330' with air. 2. Set 8 5/8" surface casing and cement to surface with 100 sks of cement. Drill 7 7/8" hole to 2,620' with air. Run open hole logs. 3. Set 5 ½" production casing to TD and cement to surface. Cement volumes calculated from open hole logs. 4. Perforate and stimulate the Vermejo and/or Raton Coals. Clean out well bore and run production equipment. ²³ I hereby certify that the information given above is true and complete to the OIL CONSERVATION DIVISION best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines \square , a general permit \square , or Approved by: an (attached) alternative OCD-approved plan . William M. Ordemann Printed name: 11-24-06 Expiration Date: 12.6.07 Title: **Drilling Manager** E-mail Address: Bill.Ordemann@Elpaso.com

Conditions of Approval Attached

District I

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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 Pool Code Pool Name <u>30-007-2073</u>9 96970 STUBBLEFIELD CANYON RATON ~ VERMEJO GAS Property Code ⁵ Property Name Well Number 24648 VERMEJO PARK RANCH VPR'A'-290 OGRID No. 8 Operator Name Elevation 180514 EL PASO E&P Company, L.P. 8030' Surface Location Lot Idn North/South line East/West line County UL or lot no. Section Township Feet from the Feet from the Range R 20 E SOUTH 873 875 **EAST** COLFAX P T 31 N 3 ¹¹ Bottom Hole Location If Different From Surface Lot Idn Feet from the North/South line UL or lot no. Feet from the East/West line Section Township Range County 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 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

16				17 OPERATOR CERTIFICATION 1 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 unlessed 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 heretofare entered by the division.
	N 36°:	NAD27 (DMS) 56'44.9" 47'39.3"		Signature Date 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. New 17, 2006
			•— 875' — 	Date of Survey Signature and Seal of Professional Surveyor: Certificate Number NM LS NO. 5103