

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

Form C-101

May 27, 2004

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

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

| | | |
|---|---|--|
| ¹ Operator Name and Address El Paso E & P Comapny, L.P. PO Box 190 Raton, NM 87740 | | ² OGRID Number 180514 |
| | | ³ API Number 30-007-20859 |
| ⁴ Property Code 24648 | ⁵ Property Name Vermejo Park Ranch | |
| | | ⁶ Well No. VPR A 338 |
| ⁹ Proposed Pool 1 Stubblefield Canyon – Vermejo Gas | | ¹⁰ Proposed Pool 2 |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 20 | 31N | 21E | C | 1223 | North | 1341 | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

Additional Well Information

| | | | | |
|--|---|---|---|---|
| ¹¹ Work Type Code N | ¹² Well Type Code G | ¹³ Cable/Rotary Rotary/Air | ¹⁴ Lease Type Code P | ¹⁵ Ground Level Elevation 7,879' |
| ¹⁶ Multiple Yes | ¹⁷ Proposed Depth 2,370' | ¹⁸ Formation Vermejo | ¹⁹ Contractor Pense | ²⁰ Spud Date July 2, 2007 |
| 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# | 330' | 100 sks | Surface |
| 7 7/8" | 5 1/2" | 15.5# | 2,370' | 375 sks | 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.
3. Drill 7 7/8" hole to 2,370' with air. Run open hole logs.
4. Set 5 1/2" production casing to TD and cement to surface. Cement volumes calculated from open hole logs.
5. 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 best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . | | OIL CONSERVATION DIVISION | |
| Printed name: William M. Ordemann <i>WMO 6-27-07</i> | | Approved by: <i>Ed Martin</i> | |
| Title: Drilling Superintendent | | Title: DISTRICT SUPERVISOR | |
| E-mail Address: Bill.Ordemann@Elpaso.com | | Approval Date: 6/30/08 Expiration Date: 6/30/08 | |
| Date: 6/26/07 | Phone: (505)445-6724 | 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 30-007-20859 | ² Pool Code 96970 | ³ Pool Name STUBBLEFIELD CANYON RATON - VERMEJO GAS |
| ⁴ Property Code 24648 | ⁵ Property Name VERMEJO PARK RANCH | ⁶ Well Number VPR'A'-338 |
| ⁷ OGRID No. 180514 | ⁸ Operator Name EL PASO E&P Company, L.P. | ⁹ Elevation 7879' |

¹⁰ Surface Location

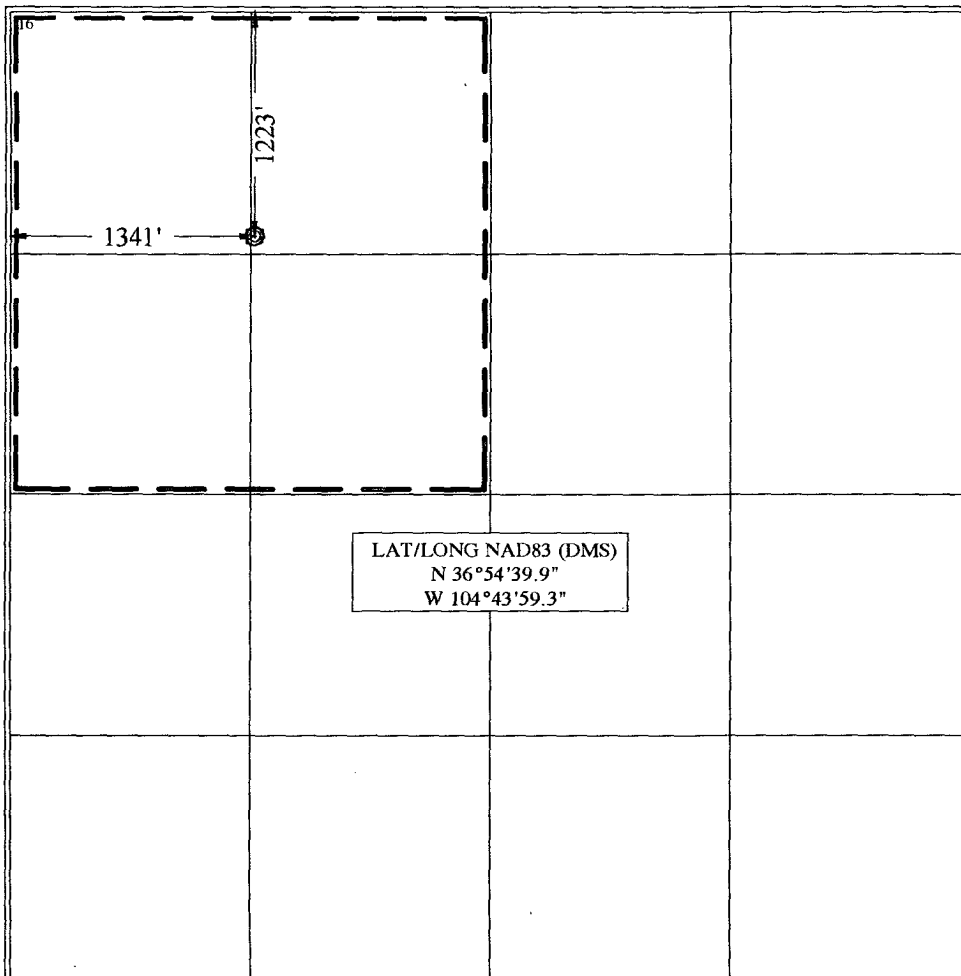
| | | | | | | | | | |
|--------------------|---------------|--------------------|----------------|--------------|-----------------------|---------------------------|-----------------------|------------------------|------------------|
| UL or lot no. C | Section 20 | Township T 31 N | Range R 21E | Lot Idn C | Feet from the 1223 | North/South line NORTH | Feet from the 1341 | East/West line WEST | County 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 line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|

| | | | |
|-------------------------------|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres | 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



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. Ordeman 6-27-07
Signature Date

WILLIAM M. ORDEMAN
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.

June 20, 2007

Date of Survey

Signature and Seal of Professional Surveyor:

Jim Shields
Certificate Number NM LS NO. 5103