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

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

District IV

State of New Mexico Energy Minerals and Natural Resources

Form C-101 May 27, 2004

Oil Conservation Division 1220 South St. Francis Dr.

RECEIVED

☐ AMENDED REPORT

Submit to appropriate District Office

Santa Fe NM 875

Santa Fe, NM 87505 NOV 1 9 7004

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN PLOGBACK OR ADD A ZONE Operator Name and Address OGRID Number 224400 Edge Petroleum Operating Company, Inc API Number 30 -1301 Travis, Suite 2000 Houston, Texas 77002 Property Name Property Code Red Lake 28 K State artes ia 10 Proposed Pool 2 9 Proposed Pool 1 Red Lake: Glorieta-Yeso, Northean Red Lake: Oueen - Grayburg - San Andres **Surface Location** Feet from the North/South line Feet from the East/West line UL or lot no. Section Township Range Lot John County 17-S 1650 West Eddv 28 28-E South 1650 ⁸ Proposed Bottom Hole Location If Different From Surface Lot Idn Feet from the North/South line Feet from the East/West line UL or lot no Township Range County Additional Well Information 11 Work Type Code 12 Well Type Code 13 Cable/Rotary ¹⁴ Lease Type Code 15 Ground Level Elevation S 3686 N R ²⁰ Spud Date 16 Multiple 18 Formation 19 Contractor ¹⁷ Proposed Depth 3755 United Drilling December 15, 2004 N Yeso Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water 190 Over 1000' Over 1000' mils thick Clay Pit Volume: Pit Liner: Synthetic Drilling Method: Closed-Loop System Fresh Water Brine Diesel/Oil-based Gas/Air ²¹ Proposed Casing and Cement Program Hole Size **Casing Size** Casing weight/foot Setting Depth Sacks of Cement Estimated TOC 12-1/4" 8-5/8" 24# 400' 300' Surface 7-7/8" 5-1/2" 14# 3755 450 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. Drill, case and complete well in the Glorieta-Yeso, Northeast formation. BOP's include: 1) Hydrill Double Ram 10" X 3000 psi

2) Double Ram 10" X 3000 psi

3) Choke Manifold 3" X 3000 psi

4) Three Station Accumulator Closing Unit with Remote Control Sources at Edge Petroleum Operating Company, Inc. advised me that they do not anticipate enough H2S from the surface to TD to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118, however H2S monitoring equipment will be on location from below surface casing to TD. Mud program attached. ²³ I hereby certify that the information given above is true and complete to the best OIL CONSERVATION DIVISION of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines , a general permit , or an Approved by: (attached) alternative OCD-approved plan TIM W. GUM Printed name: Randell K. Ford Title: DISTRICT II SUPERVISOR Title: Consultant Approval Date: DEC 02 2004 Expiration Date: NFC 0 2 2005 E-mail Address: randell@rkford.com Date: November 15, 2004 Phone: (432) 682-0440 Conditions of Approval Attached

State of New Mexico

DISTRICT I 1625 N. FRENCH DR., HORBS, NM 88240

Energy, Minerals and Natural Resources Department

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505 Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV WELL LOCATION AND ACREAGE DEDICATION PLAT ☐ AMENDED REPORT 1220 S. ST. PRANCES DR., SANTA FE, NM 67505 Pool Code API Number Pool Name Property Name Well Number **Property Code** RED LAKE 28 K STATE OGRID No. Operator Name Elevation EDGE PETROLEUM OPERATING COMPANY, INC. 3686

Surface Location

-	UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	K	28	17-S	28-E		1650	SOUTH	1650	WEST	EDDY

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
Dedicated Acres Joint or Infill Consolidation Code Order No.									
40									

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

OR A NON-STANDARD UNIT HAS BEEN AFFR			
GEODETIC COORDINATES NAD 27 NME Y=655732.9 N X=546034.6 E	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.		
LAT. = 32°48'09.39" N LONG. = 104°11'00.65" W	Signature Randell K. Ford		
	Printed Name Consultant Title November 11, 2004 Date		
	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 supervison, and that the same is true and correct to the best of my belief.		
1650'	NOVEMBER 2, 2004 Date Surveyed JR Signature & Seal of Professional Surveyor Sam B Eulm 11/08/04		
	Certificate No. GARY. 21850N 12841		



Newpark Drilling Fluids, LLC



Edge Petroleum Corporation

Red Lake "28" K State No. 1 Section 28, T-17-S, R-28-E Eddy County, New Mexico

Mud Program Summary

<u>Depth</u>	<u>Hole</u> Size	<u>Casing</u> <u>Size</u>	<u>Mud</u> _Wt.	<u>Viscosity</u>	Fluid Loss	<u>pH</u>
0' – 400'	1 2-1/4 "	8 -5/8 "	8.6-9.0	34-36	N/C	N/C
400' - 2,500'	7-7/8"	-	9.0-9.5	28-38	N/C	9-10
2,500' - 3,850'	7-7/8"	5-1/2"	9.4-9.5	30-38	10-8	9-10

Potential Problems

Surface Interval 0 - 400'

- Moderate seepage
- Poorly consolidated formations, may require higher than normal viscosity.

Open Hole Interval 400' - 2,500'

• Moderate seepage.

Production Interval 2,500' - 3,850'

• Moderate seepage.

EDGE PETROLEUM OPERATING COMPANY INC.

WELL SUMMARY

LEASE:

RED LAKE 28 K STATE

SURF LOC: SWNESW SEC 28 T17S R28E

ENGR: RIG:

JIM KEISLING

WELL: AREA: FIELD:

No. 1 EDDY CO., NM RED LAKE SHALLOW

BHL: STRAIGHT HOLE

ELEV.

3600'

AREA: FIELD:	EDDY CO., NM RED LAKE SHA	LI OW		X: Y:				ELEV. KB:	3600'	
DIRECTIONAL		SANDS/ MARKERS	TVD	PTH MD	CASING	F	HOLE SIZE	CASING DETAILS	MUD WT. & TYPE	MAXIMUM DOGLEG SEVERITY
			400	400			12-1/4"	16" Conductor 8-5/8", 24.0 ppf J-55, STC	SPUD MUD 8.8 PPG	1 ⁰ /100
									9.0-9.5 ppg nondispersed	
		Yates	645'	645'						
		Queen	1260'	1260'			7 7/8"			
		Grayburg	1695'	1695'						
		Premier	1945'	1945'						
		San Andres	1975'	1975'						
							:			
					研 查					
		Glorieta	3350'	3350'						
07774:0:-	E-LOGS	Yeso	3455'	3455'				5 1/2", 14#,		
STRAIGHT HOLE	Triple Combo 400' to 3755'	ΤĐ	3755'	3755'				J-55, STC 0'-3755'	9.5 ppg	2 ⁰ /100°

SECTION 28, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M., NEW MEXICO EDDY COUNTY. 600' 150' NORTH **OFFSET** 3686.0 RED LAKE 28 K STATE #1 150' WEST 150' EAST OFFSET 🖸 0 □ OFFSET 3686.91 3686.0' ELEV. 3686.3' LAT.=32°48'09.39" N LONG.=104°11'00.65" W 150' SOUTH **OFFSET** 3685.8 EXIST TRAIL ROAD -600' DIRECTIONS TO LOCATION FROM THE INTERSECTION OF U.S. HWY #82 AND 100 100 200 Feet ST. HWY. #360, GO WEST ON U.S. HWY. #82 FOR APPROX. 1.1 MILES TO A CALICHE ROAD ON THE Scale:1"=100' RIGHT. TURN RIGHT (NORTH) AND GO APPROX. 0.3 MILES TO A TRAIL ROAD ON THE RIGHT. TURN EDGE PETROLEUM OPERATING COMPANY, INC. RIGHT (EAST) AND GO APPROX. 0.3 MILES. PROPOSED LOCATION IS APPROX. 300' NORTH. RED LAKE 28 K STATE #1 WELL LOCATED 1650 FEET FROM THE SOUTH LINE AND 1650 FEET FROM THE WEST LINE OF SECTION 28, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M., PROVIDING SURVEYING SERVICES EDDY COUNTY, NEW MEXICO. **SINCE 1948** IOHN WEST SURVEYING COMPANY Survey Date: 11/2/04 Sheet Sheets 412 N. DAL PASO HOBBS, N.M. 88240 W.O. Number: 04.11.1454 Dr By: J.R. Rev 1:N/A

Date: 10/5/04

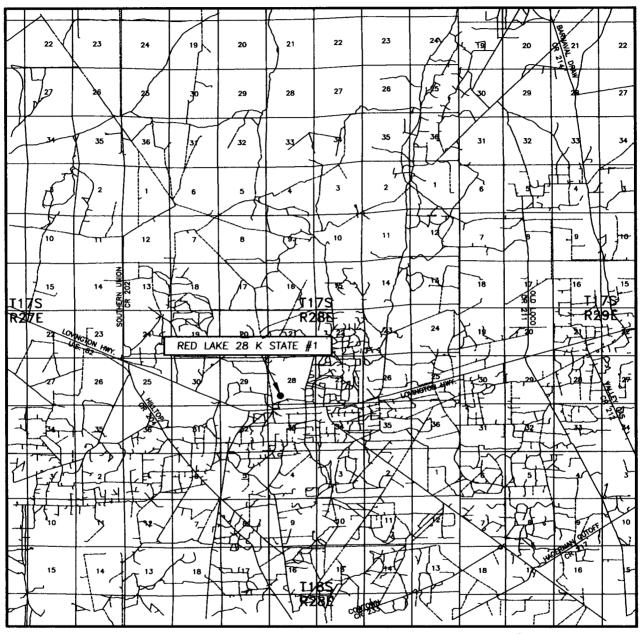
04111454

Disk: CD#10

Scale: 1"=100

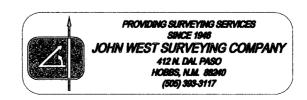
(505) 393-3117

VICINITY MAP



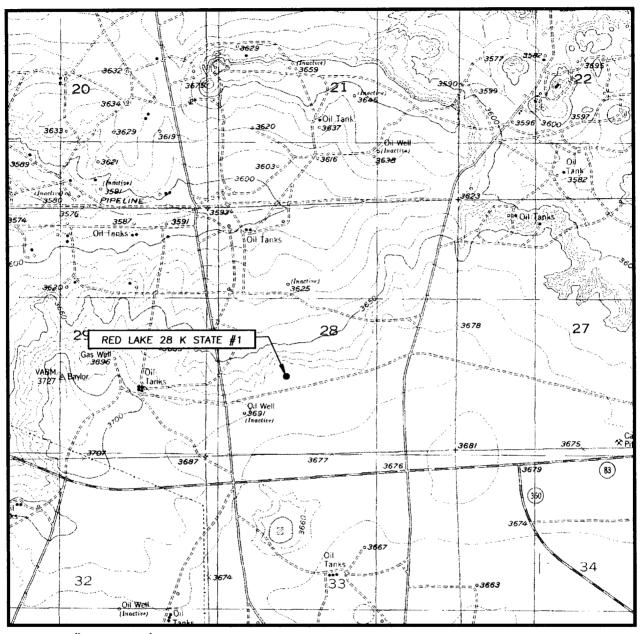
SCALE: 1" = 2 MILES

SEC. <u>28</u>	_ TWP. <u>17-S_</u> RGE. <u>28-E</u>
SURVEY	N.M.P.M.
COUNTY_	EDDY
DESCRIPTI	ON 1650' FSL & 1650' FWL
ELEVATION	3686'
OPERATOR	EDGE PETROLEUM OPERATING COMPANY, INC.
LFASE	RED LAKE 28 K STATE





LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: RED LAKE, N.M. - 10'

SEC. 28 TWP. 17-S RGE. 28-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1650' FSL & 1650' FWL

ELEVATION 3686'

EDGE PETROLEUM

OPERATOR OPERATING COMPANY, INC.

LEASE RED LAKE 28 K STATE

U.S.G.S. TOPOGRAPHIC MAP

RED LAKE, N.M.

