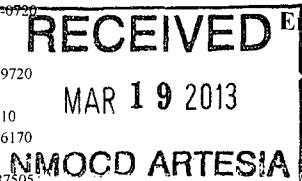


District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-6920  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Form C-101  
Revised December 16, 2011



Energy Minerals and Natural Resources

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Permit

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

|  |  |   |                                 |
|--|--|---|---------------------------------|
| <sup>1</sup> Operator Name and Address<br><br>Lynx Petroleum Consultants, Inc.<br>P.O. Box 1708<br>Hobbs, NM 88240 |  | <sup>2</sup> OGRID Number<br><br>13645      |                                 |
|  |  | <sup>3</sup> API Number<br><br>30-015-31797 |                                 |
| <sup>4</sup> Property Code<br><br>312173   | <sup>5</sup> Property Name<br><br>WALTERTHON FEE |   | <sup>6</sup> Well No<br><br>001 |

## <sup>7</sup> Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet from | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| A        | 21      | - 22S    | 27E   |         | 860       | NORTH    | 948       | EAST     | EDDY   |

## <sup>8</sup> Pool Information

|                                |       |
|--------------------------------|-------|
| CARLSBAD; WOLFCAMP, EAST (GAS) | 74160 |
|--------------------------------|-------|

## Additional Well Information

|                                    |  |  |                                 |  |
|------------------------------------|--|--|---------------------------------|--|
| <sup>9</sup> Work Type<br>PLUGBACK | <sup>10</sup> Well Type<br>GAS         | <sup>11</sup> Cable/Rotary<br>ROTARY   | <sup>12</sup> Lease Type<br>FEE | <sup>13</sup> Ground Level Elevation<br>3109' GL |
| <sup>14</sup> Multiple             | <sup>15</sup> Proposed Depth<br>10965' | <sup>16</sup> Formation<br>Wolfcamp    | <sup>17</sup> Contractor        | <sup>18</sup> Spud Date<br>6/14/01               |
| Depth to Ground water              |  | Distance from nearest fresh water well |                                 | Distance to nearest surface water                |

## <sup>19</sup> Proposed Casing and Cement Program

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
|      | 17 1/2    | 13 3/8      | 48#              | 401           | 425 sx          | Circ Surface  |
|      | 12 1/4    | 9 5/8       | 36#              | 1755          | 600 sx          | Circ Surface  |
|      | 8 3/4     | 7           | 23               | 9032          | 1600 sx         | Circ Surface  |
|      | 6 1/8     | 4 1/2       | 11.6             | 11990         | 300 sx          | 10860' CBL    |

## Casing/Cement Program: Additional Comments

|  |
|--|
|  |
|--|

## Proposed Blowout Prevention Program

|   |                  |   |              |
|---|------------------|---|--------------|
| Type  | Working Pressure | Test Pressure   | Manufacturer |
| DOUBLE RAM HYDRAULIC  | 5000             | 7500  | SCHAFFER     |
| I hereby certify that the information given above is true and complete to the best of my knowledge and belief.<br>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 checked="" type="checkbox"/> . |                  | OIL CONSERVATION DIVISION<br>Approved By: <i>T.C. Shepard</i><br>Title: <i>Geologist</i><br>Approved Date: <i>3/26/2013</i> Expiration Date: <i>3/20/2015</i> |              |
| Signature: <i>Debbie McKelvey</i><br>Printed name: DEBBIE MCKELVEY<br>Title: AGENT<br>E-mail Address: debmckelvey@earthlink.net   |                  |   |              |
| Date: 3/18/13   |                  | Phone: 575-392-3575   |              |
| Conditions of Approval Attached   |                  |   |              |

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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 August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|   |  |   |
|---|--|---|
| <sup>1</sup> API Number<br>30-015-31797 | <sup>2</sup> Pool Code<br>74160                                | <sup>3</sup> Pool Name<br>CARLSBAD;WOLFCAMP, EAST (GAS) |
| <sup>4</sup> Property Code<br>312173    | <sup>5</sup> Property Name<br>WALTERTHON FEE                   | <sup>6</sup> Well Number<br>001 ✓                       |
| <sup>7</sup> OGRID No.<br>13645         | <sup>8</sup> Operator Name<br>LYNX PETROLEUM CONSULTANTS, INC. | <sup>9</sup> Elevation<br>3109' GL                      |

| <sup>10</sup> Surface Location |         |          |       |         |               |                  |               |                |        |
|--------------------------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no.                  | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| A                              | 21      | 22S      | 27E   |         | 860           | NORTH            | 948           | EAST           | EDDY   |

| <sup>11</sup> 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 |
|  |                               |                                  |                         |         |               |                  |               |                |        |
| <sup>12</sup> Dedicated Acres<br>320                         | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> 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.

|  |   |
|--|---|
|  | <p><b><sup>17</sup> OPERATOR CERTIFICATION</b></p> <p>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.</p> <p><i>Debbie McKelvey</i> 3/18/13<br/>Signature Date</p> <p>DEBBIE MCKELVEY, AGENT<br/>Printed Name</p> <p>debmckelvey@earthlink.net<br/>E-mail Address</p> |
|  | <p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>6/6/2001<br/>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:<br/>RONALD J. EIDSON<br/>ON FILE<br/>01-11-0718<br/>Certificate Number</p>   |
|  |   |
|  |   |

LYNX PETROLEUM CONSULTANTS, INC.  
WOLFCAMP RECOMPLETION H<sub>2</sub>S PRECAUTIONS  
Walterthon Fee No. 1

I. HYDROGEN SULFIDE TRAINING

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing operations on this well:

1. The hazards and characteristics of hydrogen sulfide (H<sub>2</sub>S).
2. The proper use and maintenance of personal protective equipment and life support systems.
3. The proper use of H<sub>2</sub>S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
4. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

1. The effects of H<sub>2</sub>S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.

II. H<sub>2</sub>S SAFETY EQUIPMENT AND SYSTEMS

1. Well Control Equipment :
  - A. A 5000 psig WP Blowout preventer with blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit will be furnished.
2. H<sub>2</sub>S detection and monitoring equipment :
  - A. 2 – portable H<sub>2</sub>S monitors positioned on location for best coverage and response. These units have warning lights and audible sirens when H<sub>2</sub>S levels of 20 ppm are reached.

## WOLFCAMP RECOMPLETION H<sub>2</sub>S PRECAUTIONS

Walterthon Fee No. 1

Page 2

3. Visual warning systems :
  - A. A wind direction indicator will be in place on the pulling unit doghouse.
4. Mud program :
  - A. The working fluid for this recompletion will be 2% KCL treated fresh water.
5. Metallurgy :
  - A. Tubing, wellhead, and blowout preventers shall be suitable for H<sub>2</sub>S service.
  - B. All elastomers used for packing and seals shall be H<sub>2</sub>S trim.
6. Communication :
  - A. Communications in company vehicles are provided by cellular telephones.  
Cell1: 575-390-9063      Cell2: 575-390-9065
  - B. Land line (telephone) communications at Hobbs office.  
Phone: 575-392-6950
  - C. Emergency Numbers  
911  
Carlsbad Sheriff's Dept.: 575-887-1888  
Carlsbad Hospital: 575-887-4100  
Carlsbad Fire Dept.: 575-885-3125  
Maljamar Fire Dept.: 575-676-4100  
Hobbs Hospital: 575-492-5000  
New Mexico State Police: 575-392-5588
8. Well testing :
  - A. No drill stem tests are being contemplated during this operation.

Existing Wellbore  
03/18/13

Elevation: 3109GL KB: +18'

17-1/2" Hole

401' - 13-3/8", ST&C Casing  
Cemented w/425 sxs. Circulated to Surf.

12-1/4" Hole

1755' - 9-5/8", J-55, 36#, ST&C Casing.  
Cemented w/600 sxs. Circulated to Surface

8-3/4" Hole

9032' - 7", P-110 & N-80, 11.6#, LT&C Casing.  
Cemented w/1600 sxs. Circulated to Surface

TOC by CBL 10860'

6-1/8" Hole

Perfs/Atoka 11029'-11344' Overall

C.I.B.P. @ 11450' capped w/35' cement plug  
Perfs/Morrow 11466'-71', 11480'-82', 11485'-88'

C.I.B.P. @ 11495'  
Junk in hole; Spear, 2 Drill Collars, Bumper Sub  
Top of Junk @ +/-11557'  
TWR Packer & 2-7/8" liner assembly @ 11644'  
TD of Sidetrack hole at 11760'

C.I.B.P. @ 11700'

Perfs/Morrow 11888'-98', 11732'-50'

PBTD @ 11415'

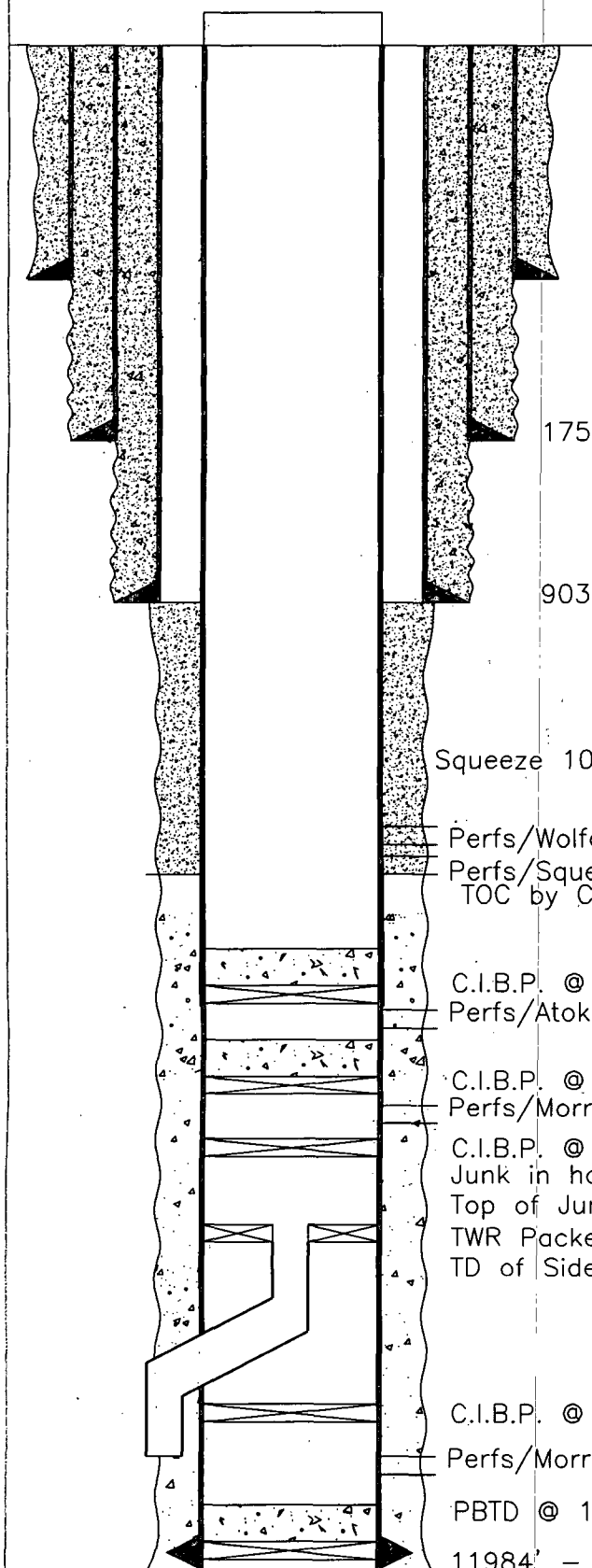
11984' - 4 1/2", 11.6#, P-110  
Cement w/300 sxs. Class 'H'

T.D. @ 11984

|                       |
|-----------------------|
| Lynx Petroleum Cons.  |
| Walterthon Fee No. 1  |
| 860' FNL & 948' FEL   |
| Sec. 21, T-22S, R-27E |
| Eddy County, N.M.     |

Proposed Wellbore Wolfcamp Recompletion  
03/18/13

Elevation: 3109GL KB: +18'



17-1/2" Hole  
401' - 13-3/8", ST&C Casing  
Cemented w/425 sxs. Circulated to Surf.

12-1/4" Hole  
1755' - 9-5/8", J-55, 36#, ST&C Casing.  
Cemented w/600 sxs. Circulated to Surface

8-3/4" Hole  
9032' - 7", P-110 & N-80, 11.6#, LT&C Casing.  
Cemented w/1600 sxs. Circulated to Surface

*T/wc*  
*03/18/13*

Squeeze 10460'-9032' w/100 sx. Class H

Perfs/Wolfcamp 10254'-75', 10180'-90', 9731'-9904' OA  
Perfs/Squeeze Holes @ 10460'  
TOC by CBL 10860'

6-1/8" Hole  
C.I.B.P. @ 11000' capped w/35' cement plug  
Perfs/Atoka 11029'-11344' Overall  
C.I.B.P. @ 11450' capped w/35' cement plug  
Perfs/Morrow 11466'-71', 11480'-82', 11485'-88'  
C.I.B.P. @ 11495'  
Junk in hole; Spear, 2 Drill Collars, Bumper Sub  
Top of Junk @ +/-11557'  
TWR Packer & 2-7/8" liner assembly @ 11644'  
TD of Sidetrack hole at 11760'

C.I.B.P. @ 11700'  
Perfs/Morrow 11888'-98', 11732'-50'

PBTD @ 11415'  
11984' - 4 1/2", 11.6#, P-110  
Cement w/300 sxs. Class 'H'

T.D. @ 11984

|                       |
|-----------------------|
| Lynx Petroleum Cons.  |
| Walterthon Fee No. 1  |
| 860' FNL & 948' FEL   |
| Sec. 21, T-22S, R-27E |
| Eddy County, N.M.     |