

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

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

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

State of New Mexico

Energy, Minerals, and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

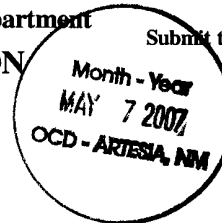
Form C-102

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 30-005-63931	² Pool Code - 75260	³ Pool Name Lottonwood Creek; Wolfcamp Gas West
⁴ Property Code 36475	⁵ Property Name DESERT STORM BOBO State Com	⁶ Well Number 1H
⁷ OGRID No. 5898	⁸ Operator Name DAVID H. ARRINGTON OIL & GAS, INC.	⁹ Elevation 3553'

¹⁰ Surface Location

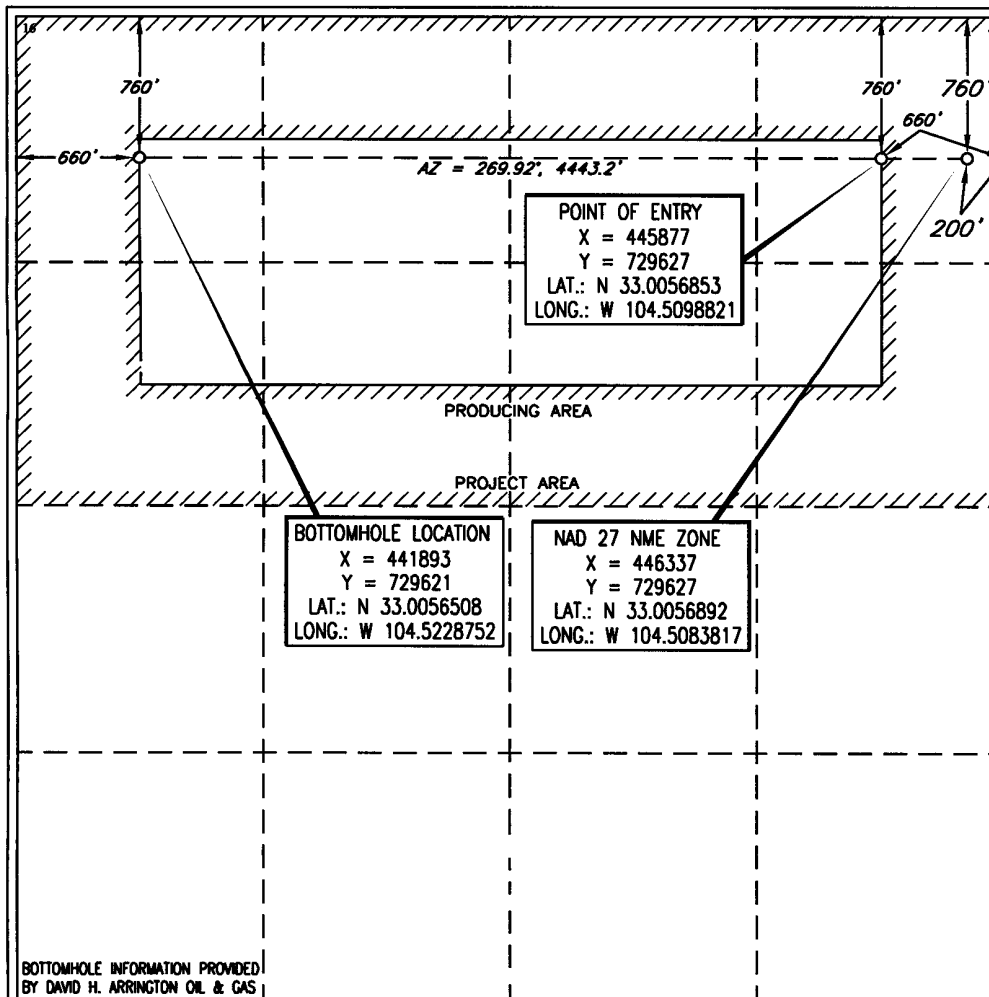
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	23	15 SOUTH	24 EAST, N.M.P.M.		760'	NORTH	200'	EAST	CHAVES

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
D	23	15 SOUTH	24 EAST, N.M.P.M.		760'	NORTH	660'	WEST	CHAVES

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

NO ALLOWABLE WELL 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.

Signature: *Debbie Freeman* Date: 5/3/07
Printed Name: Debbie Freeman

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of a survey made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey: DECEMBER 27, 2006
Signature and Seal of Professional Surveyor: *V. L. Bezner*

Certificate Number: V. L. BEZNER R.P.S. #7920
JOB # 119985 / 125 SW / E.U.O.

New Mexico Oil Conservation Division
C-102 Instructions

IF THIS IS AN AMENDED REPORT, CHECK THE BOX LABELED "AMENDED REPORT" AT THE TOP OF THIS DOCUMENT.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed contact the appropriate OCD district office. Independent subdivision surveys will not be acceptable.

1. The OCD assigned API number for this well
2. The pool code for this (proposed) completion
3. The pool name for this (proposed) completion
4. The property code for this (proposed) completion
5. The property name (well name) for this (proposed) completion
6. The well number for this (proposed) completion
7. Operator's OGRID number
8. The operator's name
9. The ground level elevation of this well
10. The surveyed surface location of this well measured from the section lines NOTE: If the United States government survey designates a Lot Number for this location use that number in the "UL or lot no." box. Otherwise use the OCD unit letter.
11. Proposed bottom hole location. If this is a horizontal hole indicate the location of the end of the hole.
12. The calculated acreage dedicated to this completion to nearest hundredth of an acre
13. Put a Y if more than one completion will be sharing this same acreage or N if this is the only completion on this acreage
14. If more than one lease of different ownership has been dedicated to the well show the consolidation code from the following table:

C	Communitization
U	Unitization
F	Forced pooling
O	Other
P	Consolidation pending

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!

15. Write in the OCD order(s) approving a non-standard location, non-standard spacing, or directional or horizontal drilling

16. This grid represents a standard section. You may superimpose a non-standard section over this grid. Outline the dedicated acreage and the separate leases within that dedicated acreage. Show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the dimensions from the section lines in the cardinal directions. (Note: A legal location is determined from the perpendicular distance to the edge of the tract.) If this is a high angle or horizontal hole show that portion of the well bore that is open within this pool.

Show all lots, lot numbers, and their respective acreage.

If more than one lease has been dedicated to this completion, outline each one and identify the ownership as to both working interest and royalty.

17. The signature, printed name, and title of the person authorized to make this report, and the date this document was signed.
18. The Registered surveyors certification. This section does not have to be completed if this form has been previously accepted by the OCD and is being filed for a change of pool or dedicated acreage.

[illegible]

CONTOUR INTERVAL 10'

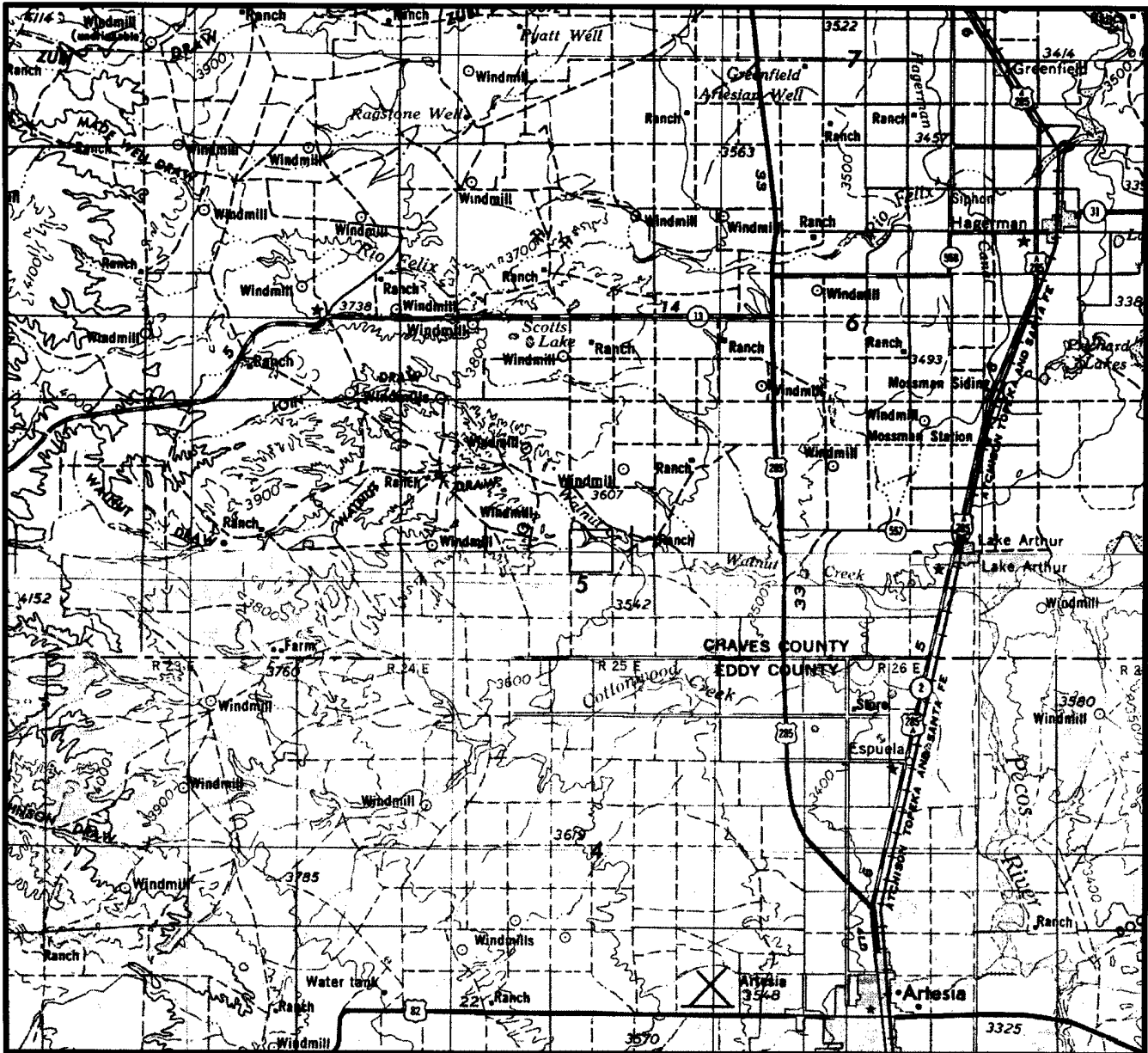
LONG. LONG.: W 104.5083817



Surveying & Mapping for the Oil & Gas Industry

2903 N. BIG SPRING
MIDLAND, TX. 79705
(800) 767-1653

VICINITY MAP



SECTION 23 TWP 15-S RGE 24-E
 SURVEY NEW MEXICO PRINCIPAL MERIDIAN
 COUNTY CHAVES STATE NM
 DESCRIPTION 760' FNL & 200' FEL

OPERATOR DAVID H. ARRINGTON OIL & GAS, Inc.
 LEASE DESERT STORM BOBO #11H

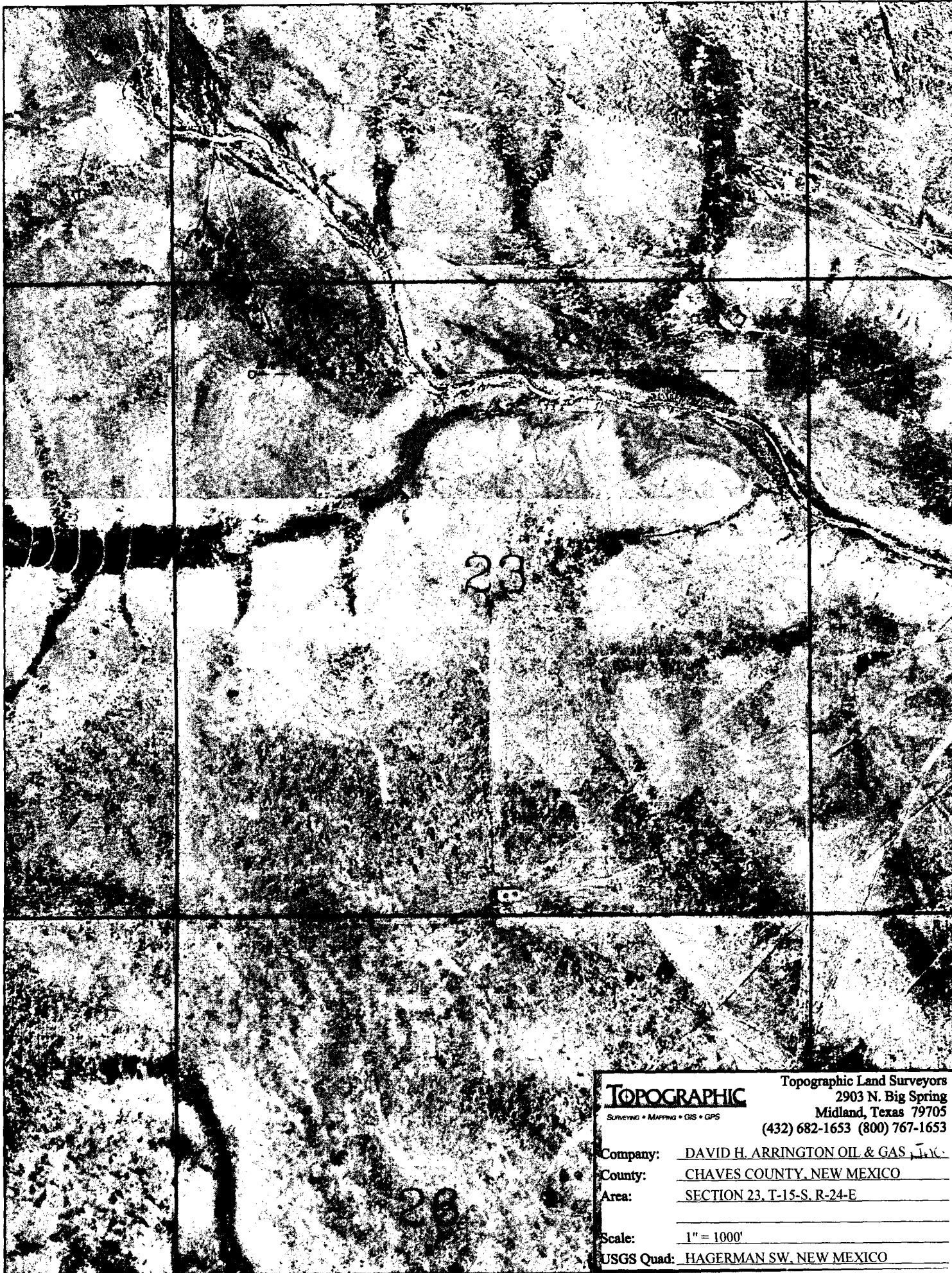
DISTANCE & DIRECTION FROM INTERSECTION OF HWY.
285 & HWY. 82, GO NORTH ±11.2 MILES ON HWY. 285,
THENCE WEST ±1.0 MILES ON JACKSON ROAD, THENCE
NORTH 0.2 MILES, THENCE NORTHWEST 0.7 MILES, THENCE
WEST 0.3 MILES ON TRAIL ROAD TO A POINT ±800'
NORTH OF THE LOCATION.



TOPOGRAPHIC LAND SURVEYORS

Surveying & Mapping for the Oil & Gas Industry

2903 N. BIG SPRING
 MIDLAND, TX. 79705
 (800) 767-1653



TOPOGRAPHIC

Surveying • Mapping • GIS • GPS

Topographic Land Surveyors

2903 N. Big Spring

Midland, Texas 79705

(432) 682-1653 (800) 767-1653

Company: DAVID H. ARRINGTON OIL & GAS, L.P.

County: CHAVES COUNTY, NEW MEXICO

Area: SECTION 23, T-15-S. R-24-E

Scale: 1" = 1000'

USGS Quad: HAGERMAN SW, NEW MEXICO

David H. Arrington Oil & Gas Inc.
Desert Storm Bobo State Com 1H
SHL - 760' FNL & 200' FEL
Penetration Point - 760' FNL & 660' FEL
BHL - 760' FNL & 660' FWL
S23, T15S, R24E
Chaves County, NM

Drilling Plan

1. Ground elevation above sea level: 3553'
2. Proposed drilling depth: 8823' TMD
3. Estimated tops of geological markers:

Red Beds	100'
San Andres	400'
Glorietta	1690'
Tubb	3010'
Abo Shale	3700'
Abo Carbonate	4000'
Wolfcamp	4625'

4. Possible mineral bearing formations:

Abo/Wolfcamp Gas/Oil

5. Casing Program

<u>Hole size</u>	<u>Interval</u>	<u>OD of Casing</u>	<u>Weight</u>	<u>Grade</u>	<u>Thread</u>	<u>TOC</u>
12-1/4"	40' - 1100'	8-5/8"	32#	J55	LTC	Surf
7-7/8"	1100' - 8823'	5-1/2"	17#	I80	LTC	Surf

Drill 7-7/8" vertical hole to ~4025' and begin 9.22 BUR to 4838'. Change out assembly for a BUR of 6.56 and land curve @ 5067' MD (4655' TVD). Drill ahead to a total measured depth of ~ 8823'. Run 5-1/2" production string to TD and cement to surface.

6. Cementing and Setting Depth

<u>String</u>	<u>Depth</u>	<u>Sks</u>	<u>Slurry</u>	
8-5/8" Surface	1100'	410	Lead:	Light C (65:35:6) w/ 5 pps gilsonite, 3% salt & 2% CaCl ₂ (12.4 / 2.06)
		200	Tail:	C w/ 2% CaCl ₂ (14.8 / 1.34)

If necessary, will run a temperature survey and 1" to surface with C w/ 2% CaCl₂.

5-1/2" Production	8823'	590	Lead:	Interfill C w/ 1/8# pps Poly-E-Flake (11.9 / 2.45)
		360	Tail:	Howco Acid Soluble Cement w/ 10# silicalite 50/50 blend, 0.5% Halad 344, 0.2% HR-601 & 0.25 pps D-Air 3000 (14.8 / 2.68)

Both casing strings will be cemented to surface.

7. Pressure Control Equipment: After setting 8-5/8" casing and installing 3000 psi casing head, NU 11" 5000 psi double ram BOP and 3000 psi annular BOP, and test with clear fluid to 3000 psi using 3rd party testers.

8. Proposed Mud Circulating System

<u>Interval</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>FL</u>	<u>Type Mud System</u>
40' - 1100'	8.5 - 8.6	32 - 38	NC	Fresh water gel/lime slurry. Add paper for seepage. If losses occur, utilize 15-25 lb/bbl LCM. If necessary, spot LCM pill for losses. If not regained, dry drill to depth.
1100' - 8823'	8.4 - 9.3	28 - 38	NC-12	Fresh water-cut brine. Drill out w/ cut brine using paper and high viscosity sweeps for seepage and hole cleaning. At ~ 3,500' mud up utilizing starch/PAC system. Add XCD polymer for viscosity and white starch for fluid loss control. Sweep as necessary for hole cleaning.

Proposed Drilling Plan:

Drill 12-1/4" surface hole to 1100'. Run 8-5/8" and cement to surface.

Drill 7-7/8" vertical hole to ~4025' and begin 9.22 BUR to 4838'. Change out assembly for a BUR of 6.56 and land curve @ 5067' MD (4655' TVD). Drill ahead to a total measured depth of ~ 8823'. Run 5-1/2" production string to TD and cement to surface.

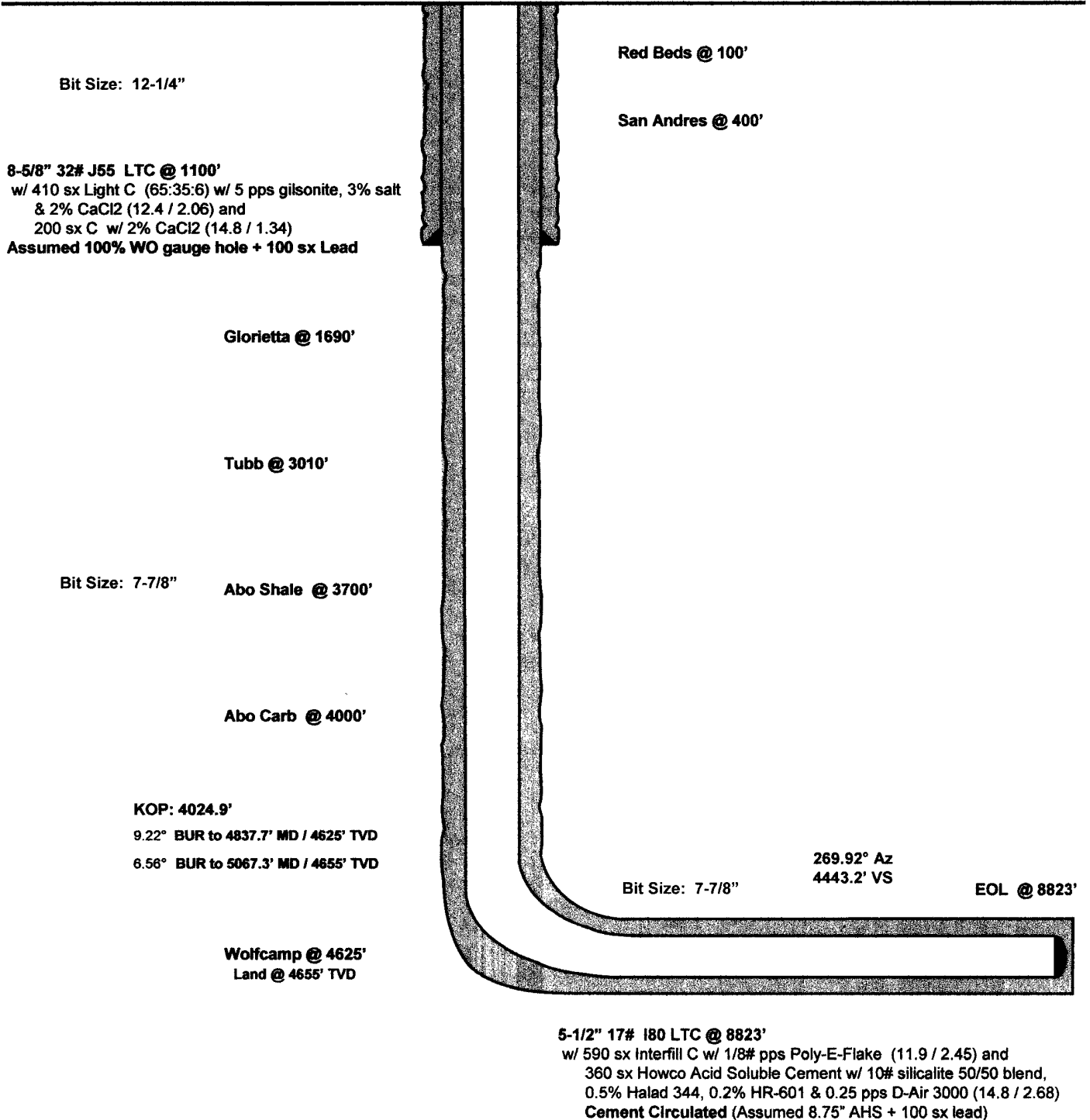
Desert Storm Bobo State Com 1H
Cottonwood Creek Field
Chaves County, New Mexico

Surface Lateral Terminus
760' FNL 760' FNL
200' FEL 660' FWL
S-23
T15S, R24E

Proposed Wellbore

API: 30-005-

KB: 3572'
GL: 3553'



TD: 8823'

MEE: 05/03/07

OPERATOR:		David H. Arrington Oil & Gas Inc.								TARGET N-S		Directional					
WELL:		Desert Storm Bobo State Com 1H				Chaves County				TARGET E-W							
LOCATION: SURF		760' FNL & 200' FEL, S23, T15S, R24E								TARGET RADIUS							
LOCATION: BHL		760' FNL & 660' FWL, S23, T15S, R24E								TARGET DISPLACEMENT							
COMMENTS:										TARGET CLOSURE							
Preliminary Directional Plan								MAG DEC. (-/+)				TARGET TVD		Horizontal		4655.00	
								GRID CORR. (-/+)				DIP AZ				0.00	
								TOTAL CORR. (-/+)				DIP DEG UP+DN-				0.00	
DATE:		TIME:										TARGET INCLINATION		90.00			
MINIMUM CURVATURE CALCULATIONS(SPE-3362)						PROPOSED DIRECTION			269.92		TARGET TRACKING						
											TO CENTER						
SVY				TRUE				DLS/		ABOVE(+)		CLOSURE		CLOSURE		BUILD	
NUM		MD		AZM		TVD		100		BELOW(-)		DIR		DISTANCE		RATE/	
		INC				SECT				LEFT(-)		(DEG AZ)		(FEET)		%/100'	
						N-S		E-W								WALK	
																RATE/	
																%/100'	
1		0.00		269.92		0.0		0.0		0.0							
KOP		4024.90		269.92		4024.9		0.0		0.0		630.1		0.0		63.43	
3		4124.90		269.92		4124.5		8.0		0.0		530.5		0.0		269.92	
4		4224.90		269.92		4221.5		31.9		0.0		433.5		0.0		269.92	
5		4324.90		269.92		4313.4		71.0		-0.1		341.6		0.0		269.92	
6		4424.90		269.92		4397.8		124.4		-0.2		257.2		0.0		269.92	
7		4524.90		269.92		4472.7		190.5		-0.3		182.3		0.0		269.92	
8		4624.90		269.92		4535.9		267.8		-0.4		119.1		0.0		269.92	
9		4724.90		269.92		4586.0		354.3		-0.5		69.0		0.0		269.92	
10		4824.90		269.92		4621.5		447.6		-0.6		33.5		0.0		269.92	
HL		4837.70		269.92		4625.0		460.0		-0.6		30.0		0.0		269.92	
12		4937.70		269.92		4645.4		557.8		-0.8		9.6		0.0		269.92	
EOC		5067.27		269.92		4655.0		686.9		-1.0		0.0		0.0		269.92	
14		5167.27		269.92		4655.0		786.9		-1.1		0.0		0.0		269.92	
15		5500.00		269.92		4655.0		1119.6		-1.6		0.0		0.0		269.92	
16		6000.00		269.92		4655.0		1619.6		-2.3		0.0		0.0		269.92	
17		6500.00		269.92		4655.0		2119.6		-3.0		0.0		0.0		269.92	
18		7000.00		269.92		4655.0		2619.6		-3.7		0.0		0.0		269.92	
19		7500.00		269.92		4655.0		3119.6		-4.4		0.0		0.0		269.92	
20		8000.00		269.92		4655.0		3619.6		-5.1		0.0		0.0		269.92	
21		8500.00		269.92		4655.0		4119.6		-5.8		0.0		0.0		269.92	
BHL		8823.60		269.92		4655.0		4443.2		-6.2		0.0		0.0		269.92	

David H. Arrington Oil & Gas, Inc.
214 W. Texas Ave, Suite 400
Midland, TX 79701
432-682-6685 Office 432-682-4139 Fax

May 4, 2007

Oil Conservation Division
Attn: Mr. Bryan Arrant
1301 Grand Ave.
Artesia, NM 88210

RE: David H. Arrington Oil & Gas, Inc., **Desert Storm Bobo State Com #1H**;
Cottonwood Creek; Wolfcamp, UL A, Sec 24, T15S, R24E, in Chaves County, NM.

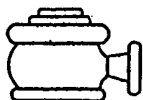
It is not anticipated that we will encounter any H2S during the drilling or completion of the above referenced well.

We are respectfully requesting an exemption from H2S requirements as per NMOCD Rule 118. The anticipated TVD is 4645', the TMD is 8823' for this proposed horizontal well. In the event the OCD determines the need for a contingency plan, we will comply with the requirements of the NMOCD Rule 118.

Thank you,

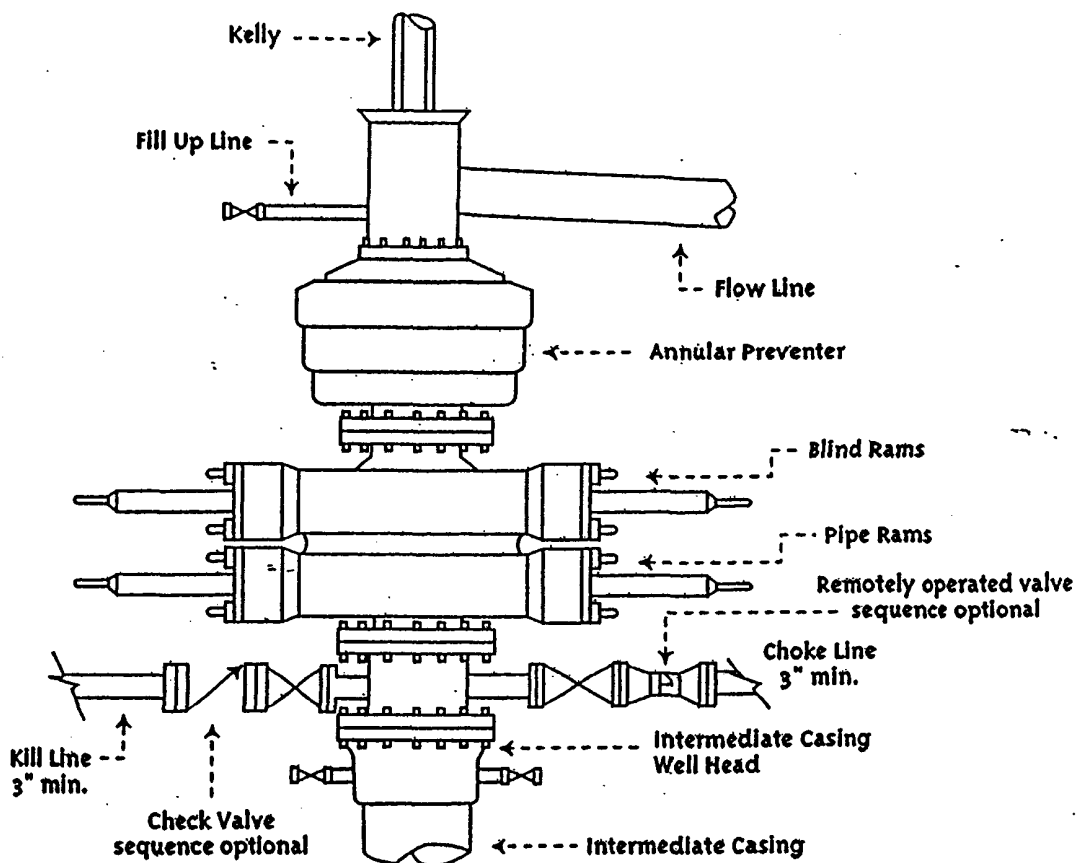


Debbie Freeman
David H. Arrington Oil & Gas
PO Box 2071
Midland, TX 79702
432-682-6685 ext 357

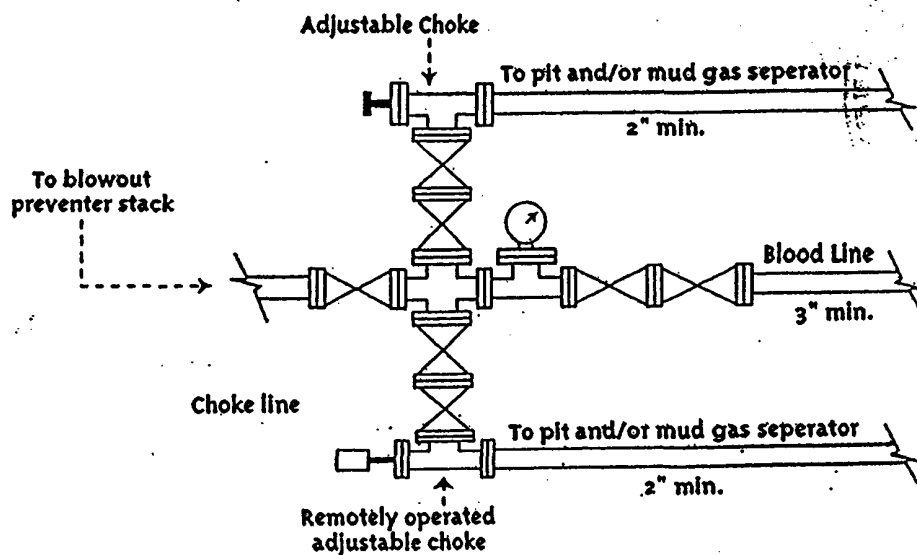


David H. Arrington Oil & Gas, Inc.

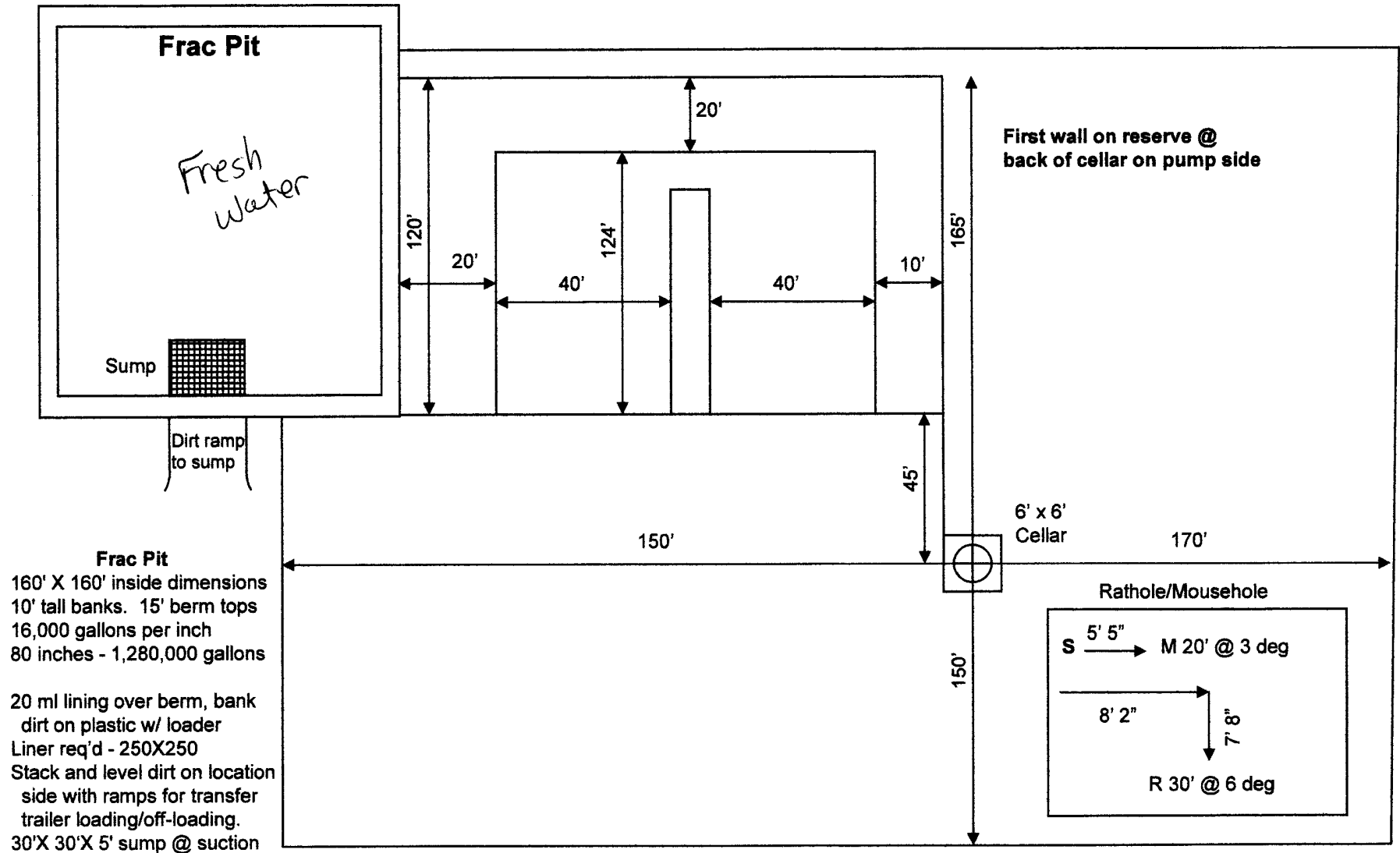
Typical 5,000 psi Pressure System
Schematic
Annular Double Ram Preventer Stack



Typical 3,000 psi choke manifold assembly with at least these minimum features



Patterson Rig 624 Location Layout w/ Frac Pit



New Mexico Office of the State Engineer
POD Reports and Downloads

Township: 15S Range: 24E Sections: 13,14,23,24

NAD27 X: 446337 Y: 729627 Zone: C Search Radius: 1

County: CH Basin: Number: Suffix:

Owner Name: (First) (Last) ☐ Non-Domestic ☐ Domestic ☒ All

POD / Surface Data Report

Avg Depth to Water Report

Water Column Report

Clear Form

iWATERS Menu

Help

AVERAGE DEPTH OF WATER REPORT 05/03/2007

(Depth Water in Feet)

Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	Min	Max	Avg
-----	-----	-----	-----	------	---	---	-------	-----	-----	-----

No Records found, try again