

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

JUN 18 2007

☐ AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, ~~PLUG BACK~~, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address REEF EXPLORATION, L.P. 508 WEST WALL, SUITE 100 MIDLAND, TEXAS 79701		<sup>2</sup> OGRID Number 246083
<sup>3</sup> Property Code 36538	<sup>4</sup> Property Name STATE 36	<sup>5</sup> API Number 30-015-35673
<sup>9</sup> Proposed Pool 1 LIVINGSTON RIDGE DELAWARE		<sup>10</sup> 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
M	36	22 S	31 E		660	SOUTH	660	WEST	EDDY

**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**

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code 0	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code STATE	<sup>15</sup> Ground Level Elevation 3449
<sup>16</sup> Multiple NO	<sup>17</sup> Proposed Depth 8700	<sup>18</sup> Formation DELAWARE	<sup>19</sup> Contractor TBO	<sup>20</sup> Spud Date 6-15-07
Depth to Groundwater 950		Distance from nearest fresh water well 1000' OR MORE		Distance from nearest surface water 1000' OR MORE
<input checked="" type="checkbox"/> Pit Liner. Synthetic X <u>12</u> mls thick Clay <input type="checkbox"/> Pit Volume <u>2000</u> bbls Drilling Method Closed-Loop System <input type="checkbox"/> Fresh Water X Brine X Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

**21 Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2	13 3/8	48# H-40 @ 700	900	835	SURFACE
12 1/4	8 5/8	32# K-55	4500	1270	SURFACE
9 7/8	5 1/2	17 L-80	8700	750	4500

- 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.
- 23 Drill Delaware well to +/-8700. Circulate cement to surface on 8 5/8" casing Test all significant shows & evaluate w/adequate logging programs
- 24 Abandonment, if necessary, will be performed in accordance w/prudent practices and regulatory requirements A double ram series 900 BOP and choke
- 25 Manifold will be used from the 8 5/8" casing point to total depth. After logging and evaluation at total depth, the decision will be made as to whether or not
- 26 To run production casing Production casing will be 5 1/2 and will be run at total depth. Completion will be from perforation in the 5 1/2 casing in the Delaware
- 27 Formation

*Set surface casing in gas hydrate section of Rustler*

<sup>23</sup> 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 NMOC guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Signature.

*Colleen Germany*

Printed name COLLEEN GERMANY

Title AGENT

E-mail Address oilreportsinc@oilreportsinc.com

Date 6-15-07

Phone 505-393-2727

**OIL CONSERVATION DIVISION**

Approved by:

**BRYAN G. ARRANT**

**DISTRICT II GEOLOGIST**

Title:

Approval Date:

JUN 20 2007

Expiration Date.

JUN 20 2008

Conditions of Approval Attached ☐

DISTRICT I  
1623 N. French Dr., Hobbs, NM 88240

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

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

OIL CONSERVATION DIVISION  
1220 South St. Frances Dr.  
Santa Fe, NM 87505

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-	Pool Code 39360	Pool Name LIVINGSTON RIDGE DELAWARE, --
Property Code 36538	Property Name STATE "36"	Well Number 5
OGRID No. 246083	Operator Name REEF EXPLORATION, L.P.	Elevation 3449'

Surface Location

UL or lot No. M	Section 36	Township 22 S	Range 31 E	Lot Idn	Feet from the 660	North/South line SOUTH	Feet from the 660	East/West line WEST	County EDDY
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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 40	Joint or Infill	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

<p>Plane Coordinate X = 684,037.6 Y = 488,798.2 Geodetic Coordinate Lat. 32°20'32.69" N Long. 103°44'14.76" W (NAD '27)</p>				

OPERATOR CERTIFICATION

I hereby certify 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  
Colleen Germany  
Printed Name

15-07  
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes ofveys made by me or under my n and that the same is true and o the best of my belief

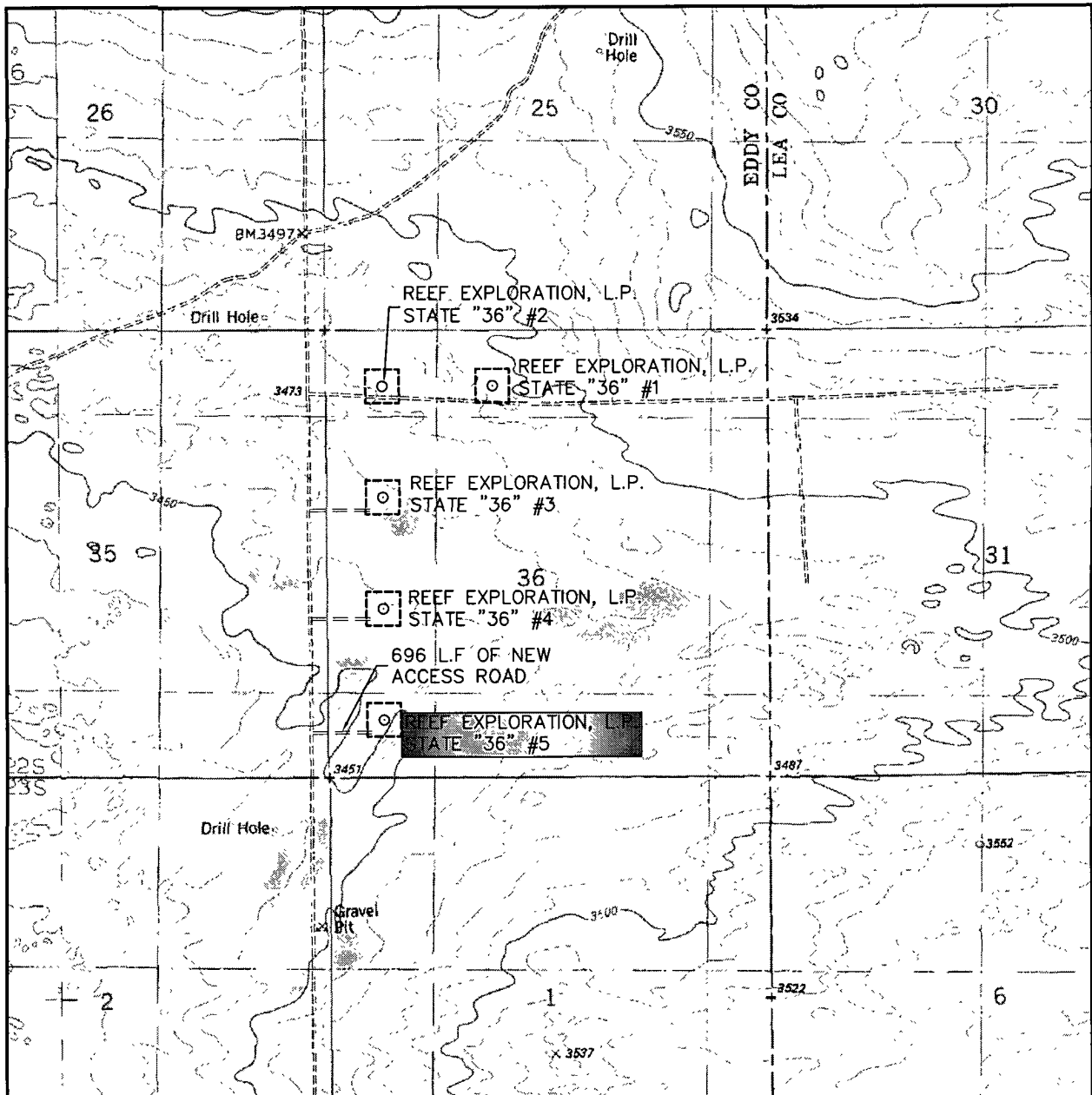
May 25, 2007  
Date of Survey

Signature & Seal of Professional Surveyor

W.O. Num: 2007-0572  
Certificate No. MACON-McDONALD 12185

NOTE:  
1) Plane Coordinates shown hereon are Transverse Mercator Grid and Conform to the "New Mexico Coordinate System", New Mexico East Zone, North American Datum of 1927. Distances shown hereon are mean horizontal surface values.

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
BOOTLEG RIDGE - 10'

SEC. 36 TWP. 22-S RGE. 31-E

SURVEY \_\_\_\_\_ N.M.P.M.

COUNTY \_\_\_\_\_ EDDY

DESCRIPTION 660' FSL & 660' FWL

ELEVATION \_\_\_\_\_ 3449'

OPERATOR REEF EXPLORATION, L.P.

LEASE \_\_\_\_\_ STATE "36"

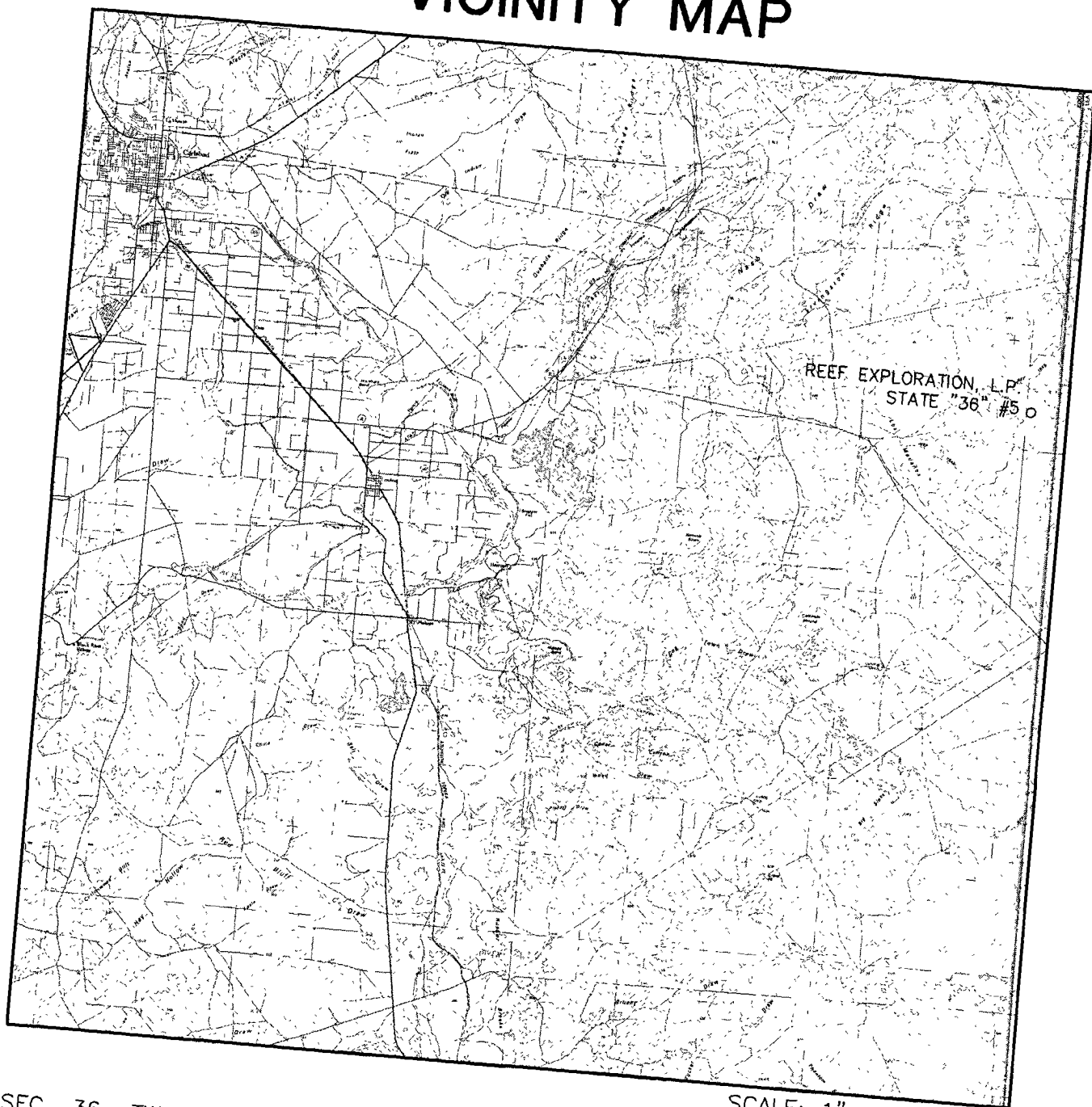
U.S.G.S. TOPOGRAPHIC MAP  
BOOTLEG RIDGE



**WEST  
COMPANY**  
of Midland, Inc.

110 W. LOUISIANA, STE. 110  
MIDLAND TEXAS, 79701  
(432) 687-0865 - (432) 687-0868 FAX

# VICINITY MAP



SCALE: 1" = 5 MILES

SEC. 36 TWP. 22-S RGE. 31-E  
SURVEY N.M.P.M.  
COUNTY EDDY  
DESCRIPTION 660' FSL & 660' FWL  
ELEVATION 3449'  
OPERATOR REEF EXPLORATION, L.P.  
LEASE STATE "36"



**WEST**  
**COMPANY**  
of Midland, Inc.

110 W. LOUISIANA, STE. 110  
MIDLAND TEXAS, 79701  
(432) 687-0865 - (432) 687-0868 FAX

**J. W. MULLOY ASSOCIATES, INC.**

*Engineering & Consulting*

508 West Wall, Suite 700

Midland, Texas 79701

Phone: (432) 687-0323

Fax: (432) 686-7224

JOHNNY MULLOY  
*President*

JUN 22 2007  
OCD-ARTESIA

June 20, 2007

State of New Mexico  
Oil Conservation Division  
1310 W. Grand Avenue  
Artesia, New Mexico 88210

RE: H2S Contingency Plan  
Sec 2 & 12, T-23-S, R-31-E  
Sec 36 T-22-S, R-31-E  
Eddy County, New Mexico

Attention: Mr. Bryan Arrant

As a representative of Reef Exploration, L.P. (Ogrid # 246083) research has been conducted to determine if H2S will be encountered while drilling the following wells:

State "2" Lease

#6	660 FNL & 660 FWL
#7	1980 FNL & 660 FWL
#8	1980 FSL & 660 FWL
#9	660 FSL & 660 FWL

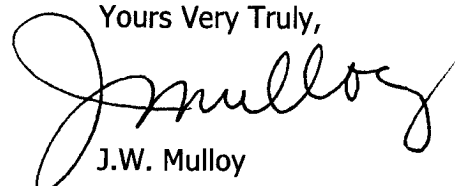
State "36" Lease

#1	660 FNL & 1980 FWL
#2	460 FNL & 660 FWL
#3	1980 FNL & 660 FWL
#4	1780 FSL & 860 FWL
#5	660 FSL & 660 FWL

It was determined that no H2S would be encountered and therefore a contingency plan is not needed. This letter is being sent to you to satisfy the conditions of approval of the above requested permits.

If additional data is required, please contact the undersigned at 432-687-0323.

Yours Very Truly,



J.W. Mulloy