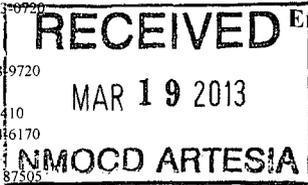


District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-6970
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis 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

Operator Name and Address Lynx Petroleum Consultants, Inc. P.O. Box 1708 Hobbs, NM 88240		OGRID Number 13645
		API Number 30-015-31797
Property Code 312173	Property Name WALTERTHON FEE	Well No 001

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

Pool Information

CARLSBAD; WOLFCAMP, EAST (GAS)	74160
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Additional Well Information

Work Type PLUGBACK	Well Type GAS	Cable/Rotary ROTARY	Lease Type FEE	Ground Level Elevation 3109' GL
Multiple	Proposed Depth 10965'	Formation Wolfcamp	Contractor	Spud Date 6/14/01
Depth to Ground water	Distance from nearest fresh water well		Distance to nearest surface water	

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

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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.
I further certify that the drilling pit will be constructed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .

Signature: *Debbie McKelvey*
Printed name: DEBBIE MCKELVEY
Title: AGENT
E-mail Address: debmckelvey@earthlink.net
Date: 3/18/13
Phone: 575-392-3575

OIL CONSERVATION DIVISION
Approved By: *T.P. Shepard*
Title: *Geologist*
Approved Date: *3/26/2013*
Expiration Date: *3/20/2015*
Conditions of Approval Attached

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

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

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	21	22S	27E		860	NORTH	948	EAST	EDDY

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 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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>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.</p> <p>Signature: <u>Debbie McKelvey</u> Date: <u>3/18/13</u></p> <p>Printed Name: <u>DEBBIE MCKELVEY, AGENT</u></p> <p>E-mail Address: <u>debmckelvey@earthlink.net</u></p>
	<p>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.</p> <p>Date of Survey: <u>6/6/2001</u></p> <p>Signature and Seal of Professional Surveyor: <u>RONALD J. EIDSON</u></p> <p>ON FILE <u>01-11-0718</u></p> <p>Certificate Number</p>

LYNX PETROLEUM CONSULTANTS, INC.
WOLFCAMP RECOMPLETION H₂S 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 (H₂S).
2. The proper use and maintenance of personal protective equipment and life support systems.
3. The proper use of H₂S 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 H₂S 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. H₂S 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. H₂S detection and monitoring equipment :
 - A. 2 – portable H₂S monitors positioned on location for best coverage and response. These units have warning lights and audible sirens when H₂S levels of 20 ppm are reached.

WOLFCAMP RECOMPLETION H₂S 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.

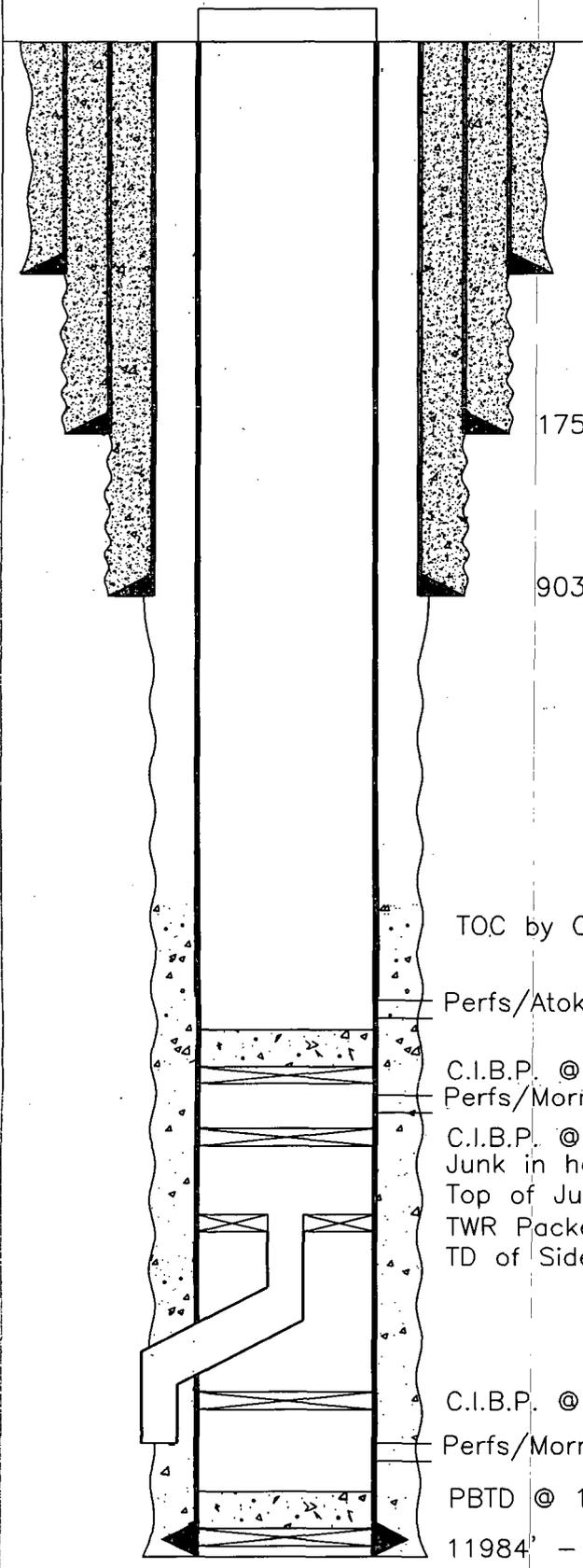
5. Metallurgy :
 - A. Tubing, wellhead, and blowout preventers shall be suitable for H₂S service.
 - B. All elastomers used for packing and seals shall be H₂S trim.

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'

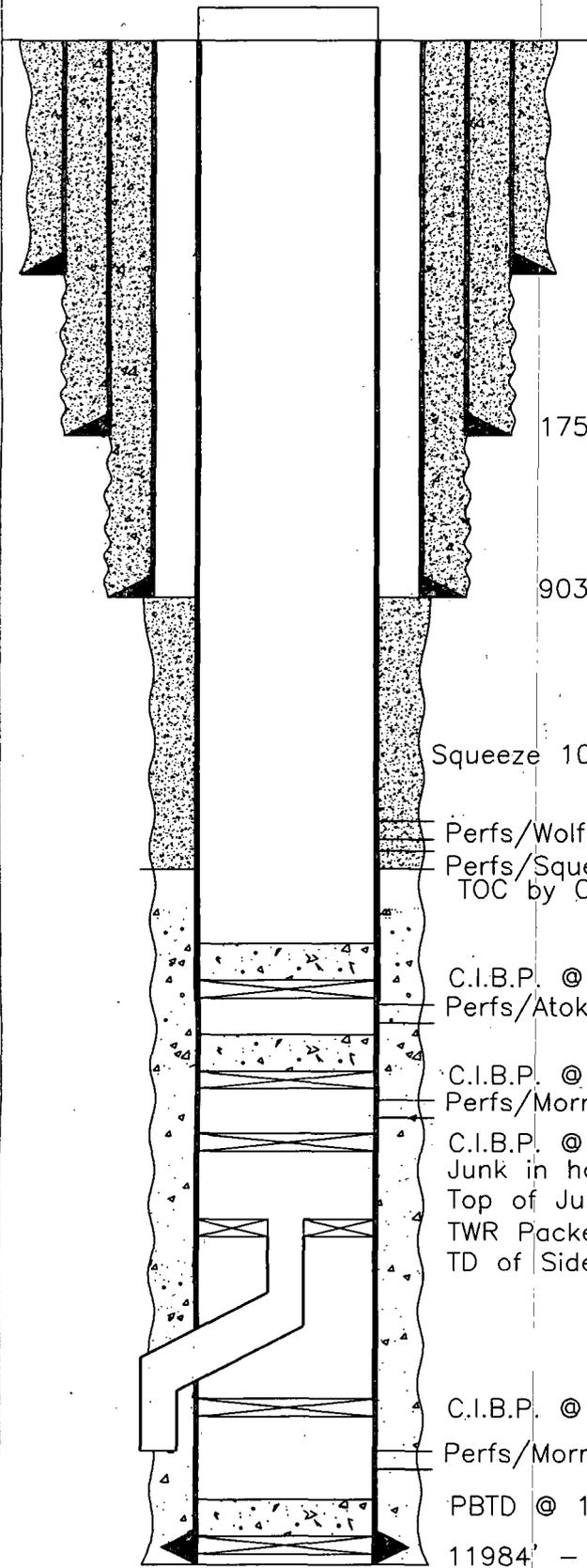
PBTD @ 11415'
11984' - 4 1/2", 11.6#, P-110
Cement w/300 sxs. Class 'H'

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 9/88

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'

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P.B.T.D @ 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.