

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

☐ AMENDED REPORT

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

¹ Operator Name and Address Tandem Energy Corporation P.O. Box 1559 Midland, Texas 79702-1559		NOV 15 2007 OCD-ARTESIA		² OGRID Number 236183	
³ Property Code 302006		⁴ Property Name Ballard Grayburg San Andres Unit		⁵ API Number 30-015-... 35929	
				⁶ Well No 265	
⁹ Proposed Pool 1 Loco Hills Queen-Grayburg-San Andres ("Metex & Premier") (39520)			¹⁰ 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	4	18-S	29-E		511	South	397	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

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3535'
¹⁶ Multiple No	¹⁷ Proposed Depth 3400'	¹⁸ Formation San Andres	¹⁹ Contractor Mixon Drilling, Inc.	²⁰ Spud Date ASAP
Depth to Groundwater 100'		Distance from nearest fresh water well 1/2 mile		Distance from nearest surface water 3 miles
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12" mils thick Clay <input type="checkbox"/> Pit Volume: 300 bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> 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
12 1/4"	8 5/8"	24#	360'	165	Surface
7 7/8"	5 1/2"	17#	3400'	700	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 12 1/4" hole to 360' with fresh water. Set 8 5/8" 24# casing at 360' and cement to surface with 165 sacks class "C" + 2% CaCl₂. Drill out with 9.4+ppg saltwater to total depth at 3400'. Log open hole. Run 5 1/2" 17# casing to total depth and cement to surface with Approx. 425 sacks 35/65 class "C" + 5 % salt and 50/50 class "C" + 5 % salt.

²³ 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:

Carol A. Cook

Printed name: Carol A. Cook

Title: Administrative Assistant

E-mail Address: ccook@tandem-energy.com

Date: 11-13-2007

Phone: (432) 686-7136

OIL CONSERVATION DIVISION

Approved by:

BRYAN G. ARRANT
DISTRICT II GEOLOGIST

Approval Date: NOV 26 2007 Expiration Date: NOV 26 2008

Conditions of Approval Attached ☐

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Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 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

API Number	Pool Code	Pool Name
Property Code	Property Name BALLARD GRAYBURG - SAN ANDRES UNIT	Well Number 265
OGRIID No.	Operator Name TANDEM ENERGY CORPORATION	Elevation 3535'

Surface Location

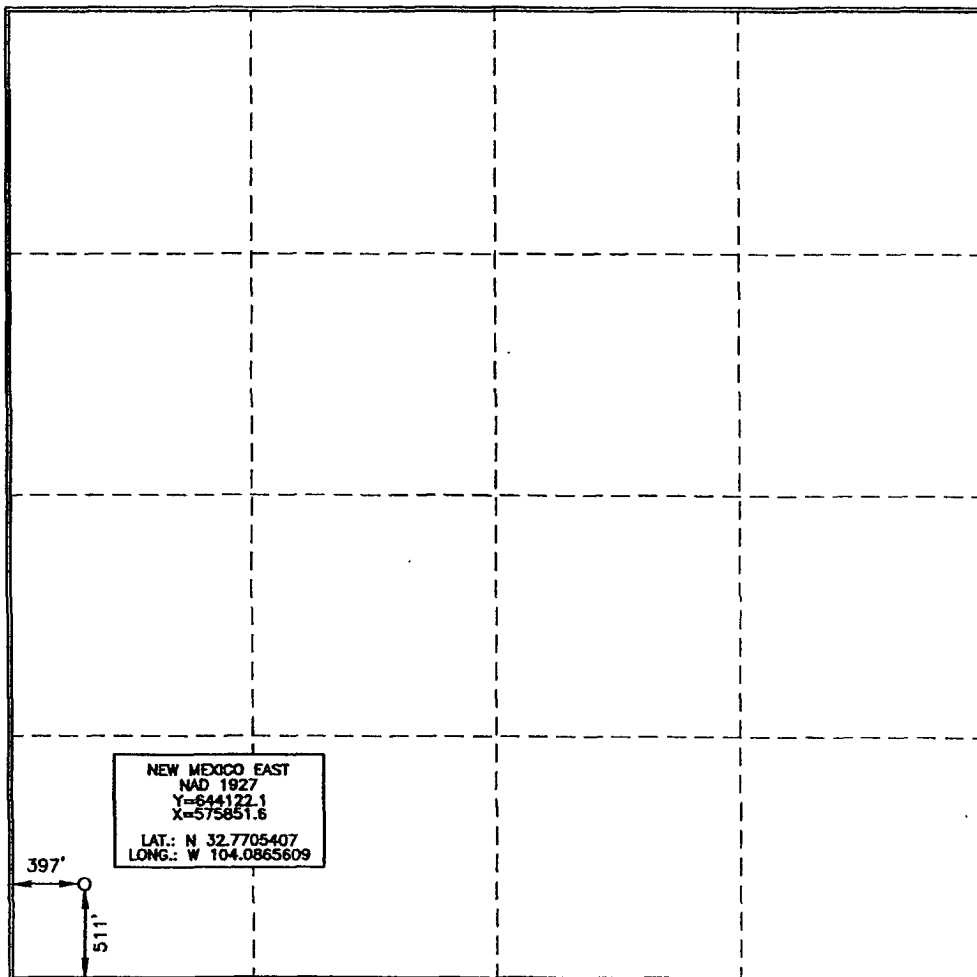
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	4	18 SOUTH	29 EAST, N.M.P.M.		511	SOUTH	397	WEST	EDDY

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 40.0	Joint or Infill	Consolidation Code	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.



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.

Todd M. Yocham 6/20/07
Signature Date
Todd M. Yocham
Printed Name

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.

15079
JANUARY 10, 2008
Date of Survey
Signature and Seal of Professional Surveyor

Terry J. Asel 1/21/2006
Certificate Number **15079**

WOL 060106WL-g (c06)

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7 Surface Location

UL or lot no M	Section 4	Township 18-S	Range 29-E	Lot Idn	Feet from the 511	North/South line South	Feet from the 397	East/West line West	County Eddy
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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
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	Approved by:	
Printed name: Carol A. Cook	Title:	
Title: Administrative Assistant	Approval Date:	Expiration Date:
E-mail Address: ccook@tandem-energy.com		
Date: 11-13-2007	Phone: (432) 686-7136	Conditions of Approval Attached <input type="checkbox"/>

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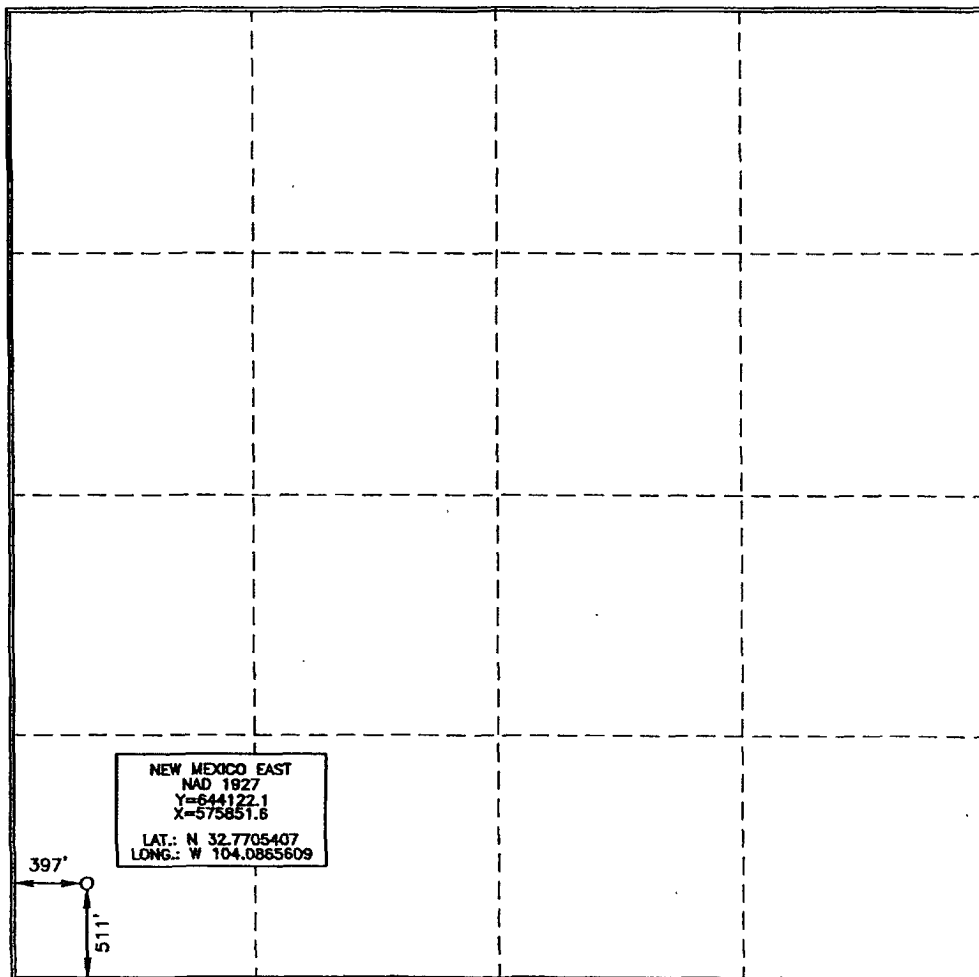
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WOF 060106WL-g (006)