State of New Mexico Energy Minerals and Natural Resources

Form C-101 June 16, 2008

District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr., Santa Fe, NM 87505

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

Operator Name and Address
Waterford Operating, LLC
1001 McKinney Suite 2000
Houston, TX 77002

Oil Conservation Division JUL 10 2005ubmit to appropriate District Office
1220 South St. Francis Dr. OCD ARTESIA AMENDED REPORT
Santa Fe, NM 87505

AMENDED REPORT
259169

3API Number
30 - 005- 62742

Waterford Operating, LLC									259169				
1001 McKinney Suite 2000 Houston,TX 77002								³ API Number 30 – 005- 62742					
³ Prope	rty Gode	4	Property Name Crystal Amethyst								° Well No. 108		
⁹ Proposed Pool 1						¹⁰ Proposed Pool 2							
d; Mississippi Gas							Chaves Undesignated; Morrow Gas						
Suria									D 16 1	T . M 1			
UL or lot no	Section 8	Township 13S	Range 28E	Lot Idr	Feet fro		North/Se No	outh line	Feet from the 660	East/West li West	ne County Chaves		
			8 Proposed Bottom Hole Location If Different From Surface										
UL or lot no	Section	Township	Range	Lot Idr	Feet fro	om the	North/Se	outh line	Feet from the	East/West la	ne County		
Additional Well Information													
						ie/Rotary ¹⁴ I		Lease Type Code		15 Ground Level Elevation			
E 16 Multiple		G 17 D 1 D				tary			P 19 Contractor		3617 ²⁰ Spud Date		
	S		¹⁷ Proposed Depth 8000		¹⁸ Formation Mississippia		n		Contractor		Spud Date		
²¹ Proposed Casing and Cement Program													
Hole S	ize	Cası	Casing Size Casin		weight/foot		etting De	ng Depth Sacl		ment	Estimated TOC		
12 1/4"		8.5/8"		24#			1550		1400		Surface – In Place		
7 7/8	7 7/8"		5 1/2"		17#		8000		750		1400		
		-											
		<u> </u>				 			1				
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. Waterford Operating proposes to re-enter the plugged and abandoned well bore that was plugged by Hanagan Petroleum 12/19/1989 Well will be re-entered using cut brine water BOP - Hydraulically operated 5000 psi double with Pipe and Blind Rams Cement plugs will be drilled out and commercial test of the Mississippian will be conducted													
								*					
²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.					plete to the	OIL CONSERVATION DIVISION							
Signature: Belly E. Truchen						Approved by							
Printed name: E NOTE: NEW PIT RULE 19-15-17 NMAC PART 17						Wishief II Sypervisor							
Title. A form C-144 must be approved					f	Approval Date Expiration Date:							
E-mail Address. 1. efore starting drilling operations.					1s.	7/10/08 7/10/10							
Date Phone:						Conditions of Approval Attached							
7/7/08 575-390-9100						<u></u>							



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State of New Mexico Energy, Hinerals and Natural Resources Department

Form C-102 Revised October 12, 2005 Submit to Appropriate District Office

I hereby certify that the well location shown on this plat was piotted 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.

Date Surveyed MEA REV 6/21/08
Signature & Soal of Professional Surveyor 3239

Certificate No. HAPPY C. EIDSON 12841

ATTURNOS 11-0975

DISTRICT II 1201 Y. GRAND AVENUE, AUTESIA, NM 60210

OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

State Lease — 4 Copies Fee Lease — 3 Copies

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

GEODETIC COORDINATES

NAD 27 NME SURFACE LOCATION Y=802890.3 N X=552762.3 E LAT.=33.207064' N LONG.=104.160832" W

DISTRICT IV	HL, SANTA PE,	MI 87505	WELL LO	CATION	AND ACREA	GE DEDICATI	ON PLAT	□ AMEND	ED REPORT				
API 30-005-6274	Number 42		9-	Pool Code 7.338) r	juc'j	Pool Nome ; Mississippi Ga:	s					
Property (ode /		1	Well Number									
3724	24		010	0108									
OGRID No).			Elevation									
259169			361.	3617'									
Surface Location													
UL or let No.	Section	Township	Range	Lot Idn	Feel from the	North/South line	Peet from the	East/EAST line	County				
E	8 13-5		28-E		1980	NORTH	660	WEST	CHAVES				
Bottom Hole Location If Different From Surface													
UL or lot No.	Section	Township	Range	Lot Idn	Fest from the	North/South line	Feet from the	East/EAST line	County				
				}									
Dedicated Acres Joint or Infili Consolidation Code Order No. 320													
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													
*							OPRRATO	OPERATOR CERTIFICATION					
0.099						anner Broughton Addinostra	J hereby herein is true my knowledge organization en organization en organization en organization pursue owner of such or to a volunta compulsory por by the division. Signature Billy (Bill) Printed Name	certify that the inf and complete to the and belief, and theisther owns a working theral interest in the surposed bottom had to drill this well a unit to a contract within to a contract with the working ory positing agreementing order heretofoly. Little Da	armation a hest of this this s interest e land e location t this it has it or not or s e selered				
							SURVEYO	R CERTIFICAT	NOI				