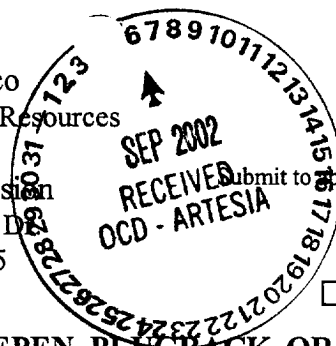


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505



Revised March 17, 1999

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

¹ Operator Name and Address Brothers Production Company Inc. P.O. Box 7515, Midland, Texas 79708		² OGRID Number 002936
		³ API Number 30 - O/S - 32438
³ Property Code 30501	⁵ Property Name Shugart State Com	⁶ Well No. 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
K	16	18-S	31-E, N.M.P.M.		1850'	South	1650'	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
⁹ Proposed Pool 1 85305 North Shugart (Morrow)					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3659
¹⁶ Multiple NO	¹⁷ Proposed Depth 12000'	¹⁸ Formation Morrow	¹⁹ Contractor Patterson Drilling	²⁰ Spud Date 10-1-02

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#	650'	570 SX	Surface
11"	8 5/8"	32#	3200'	700 SX	Surface
7 7/8"	5 1/2"	17# & 20#	12000'	1100 SX	3000'

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.

SEE ATTACHED

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Travis McGraw

Printed name: Travis McGraw

Title: Geologist

Date: 8-29-02

Phone: 915-682-2516

OIL CONSERVATION DIVISION

Approved by:

**ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR**

Title:

Approval Date:

SEP 06 2002

Expiration Date:

SEP 06 2003

Conditions of Approval:

Attached ☐

22. Proposed program:

1. Drill 17-1/2" hole to 650' with FW spud mud. Set 13-3/8" casing and cement to surface with 570 sx Lite "C" and Class "C".
2. Nipple up BOP and drill 11" hole to 3200' with BW mud. Set 8-5/8" casing and cement to surface with 700 sx interfill "C" and Class "C".
3. Drill 7-7/8" hole to approximately 9500' (Top of Wlfc) with FW mud.
4. Drill 7-7/8" hole to TD with FW/Polymer mud (10 ppg).
5. Log open hole section and DST if necessary.
6. Set 5-1/2" casing and cement to approx 3000' in 2 stages with 1100 sx interfill "H" and Super"H".
7. Perforate Morrow and stimulate as necessary.

Blow Out Prevention includes:

1. 11" 5000# Double Ram Preventer
2. 11" 5000# Hydril Annular Preventer
3. 5-station closing unit and 80 gal accumulator.

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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 August 15, 2000
Submit to Appropriate District Office
State Lease - 4 copies
Fee Lease - 3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 85305	³ Pool Name NORTH SHUGART (MORROW)
⁴ Property Code	⁵ Property Name SHUGART STATE COM	⁶ Well Number 2
⁷ OGRID No. 002936	⁸ Operator Name BROTHERS PRODUCTION COMPANY, INC.	⁹ Elevation 3659'

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
K	16	18 SOUTH	31 EAST, N.M.P.M.		1850'	SOUTH	1650'	WEST	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.						

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

<div><p>¹⁶</p></div>	<div><p>¹⁷ OPERATOR CERTIFICATION</p><p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p><p><i>Travis McGraw</i> Signature Travis McGraw Printed Name Geologist Title 8-29-02 Date</p><p>¹⁸ SURVEYOR CERTIFICATION</p><p>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>AUGUST 15, 2002 Date of Survey Signature and Seal of Professional Surveyor</p><p> Certificate Number V. L. BEZNER R.P.S. #7920 JOB #83174 / 98 SW / J.C.P.</p></div>
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