

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
Revised June 10, 2003

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

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 HENRY PETROLEUM LP 3525 ANDREWS HIGHWAY, SUITE 200 MIDLAND, TX 79703-5000 | | ² OGRID Number 155453 |
| | | ³ API Number 30 -025-11775 |
| ³ Property Code 28543 | ⁵ Property Name SOUTH JUSTIS UNIT | ⁶ Well No. H-23 |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| A | 25 | 25S | 37E | | 430 | NORTH | 760 | EAST | LEA |

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 Justis Montoya | ¹⁰ Proposed Pool 2 |
|--|-------------------------------|

| | | | | |
|-----------------------------------|--------------------------------------|--|-------------------------------------|--|
| ¹¹ Work Type Code P | ¹² Well Type Code O | ¹³ Cable/Rotary SERVICE UNIT | ¹⁴ Lease Type Code P | ¹⁵ Ground Level Elevation 3073' GL |
| ¹⁶ Multiple N | ¹⁷ Proposed Depth 6999 | ¹⁸ Formation MONTOYA | ¹⁹ Contractor UNKNOWN | ²⁰ Spud Date |

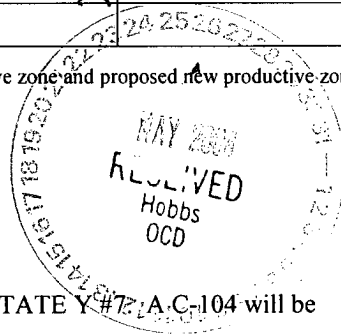
²¹ Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-------------------|-------------|--------------------|---------------|-----------------|---------------|
| EXISTING WELLBORE | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Plugback

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 out cement & CIBP @ 6793' and TIH and tag final PBTD of 6999'.
Acidize existing perms 6868'-6960'.
Production test below a packer for economic viability.
Run scab liner from 4900' - 6100'. Test backside to 500 psi to verify set properly.
Put well on pump and test.
After well has been successfully recompleted in the Montoya zone - the well will be renamed the STATE Y#721A-C-104 will be submitted at that time.



| | | | |
|--|--|--|--|
| ²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Shirley Houchins</i> Printed name: SHIRLEY HOUCHINS Title: REGULATORY SPECIALIST E-mail Address: shirley@henrypetroleum.com Date: 05/25/2004 Phone: (432)694-3000 | | OIL CONSERVATION DIVISION Approved by: <i>[Signature]</i> Title: PETROLEUM ENGINEER Approval Date: Expiration Date: MAY 27 2004 Conditions of Approval: Attached <input type="checkbox"/> | |
|--|--|--|--|

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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 June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | |
|----------------------------|-------------------------------------|--------------------|-------------------------------|
| API Number 30-025-11775 | | Pool Code 35150 | Pool Name JUSTIS ; MONTOYA |
| Property Code 28543 | Property Name SOUTH JUSTIS UNIT | | Well Number 23 |
| OGRID No. 155453 | Operator Name HENRY PETROLEUM LP | | Elevation 3073' GL |

¹⁰Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| A | 25 | 25S | 37E | | 430 | NORTH | 760 | EAST | LEA |

¹¹Bottom 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

| | | | | |
|----|--|--|--|--|
| 16 | | | | <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>Shirley Houchins</i></p> <p>Signature</p> |
| | | | | <p>SHIRLEY HOUCHINS</p> <p>Printed Name</p> <p>REGULATORY SPECIALIST</p> <p>shirley@henrypetroleum.com</p> <p>Title and E-mail Address</p> |
| | | | | <p>05/25/2004</p> <p>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>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> |
| | | | | <p>Certificate Number</p> |

Submit 3 Copies To Appropriate District Office

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State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103

March 4, 2004

| | | |
|--|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) | | WELL API NO. 30-025-11775 |
| 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> | | 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator Henry Petroleum LP | | 6. State Oil & Gas Lease No. |
| 3. Address of Operator 3525 Andrews Highway, Suite, Midland, TX 79703-5000 | | 7. Lease Name or Unit Agreement Name South Justis Unit |
| 4. Well Location Unit Letter <u>A</u> : <u>430</u> feet from the <u>North</u> line and <u>760</u> feet from the <u>East</u> line Section <u>25</u> Township <u>25S</u> Range <u>37E</u> NMPM County <u>Lea</u> | | 8. Well Number H-23 |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3073' - GR | | 9. OGRID Number 155453 |
| Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached) | | |
| Pit Location: <u>III</u> Sect <u> </u> Twp <u> </u> Rng <u> </u> Pit type <u> </u> Depth to Groundwater <u> </u> Distance from nearest fresh water well <u> </u> Distance from nearest surface water <u> </u> Below-grade Tank Location <u>UL</u> Sect <u> </u> Twp <u> </u> Rng <u> </u> ; <u> </u> feet from the <u> </u> line and <u> </u> feet from the <u> </u> line SEE BELOW | | |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

REMEDIAL WORK ☐ ALTERING CASING ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

CASING TEST AND CEMENT JOB ☐ ABANDONMENT

OTHER: Pit Description ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Reverse Pit -- 6' X 6' X 20' -- 130 BBL capacity open top steel pit.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Shirley Houchins TITLE Regulatory Specialist DATE May 27, 2004

Type or print name ShirleyHouchins E-mail address: shirley@henrypetroleum Telephone No. (432)694-3000

(This space for State use)

ORIGINAL SIGNED BY
PAUL F. KAUTZ

MAY 27 2004

APPROVED BY DATE

Conditions of approval, if any: