

OCT 20 2011

Form C-101
Revised August 1, 2011

District I
1625 N. French Dr. Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-6750

District II
814 S. First St. Artesia, NM 88210
Phone: (575) 745-1283 Fax: (575) 745-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 336-6178 Fax: (505) 336-4670

District IV
1270 S. St. Francis Dr. Santa Fe, NM 87505
Phone: (505) 476-3466 Fax: (505) 476-3467

State of New Mexico
Energy Minerals and Natural Resources

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

RECEIVED

AMENDED C-101

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

Operator Name and Address Regeneration Energy Corp. PO Box 210 Artesia, NM 88211-0210		OGRID Number 280240
Property Code 38815		API Number 30-025-25269
Property Name State "R" Com		Well No 1H

7 Surface Location

UL - Lot N	Section 25	Township 23S	Range 34E	Lot Idn N	Feet from 660	N S Line S	Feet from 1980	E/W Line W	County Lea
---------------	---------------	-----------------	--------------	--------------	------------------	---------------	-------------------	---------------	---------------

8 Pool Information

Antelope Ridge Bone Spring ✓	Permit Expires 2 Years From Approval Date Unless Drilling Underway Re-Entry
------------------------------	---

Additional Well Information

Work Type E	Well Type O	Cable Rotary	Lease Type State	Ground Level Elevation 3387.3
Molt pit N	Proposed Depth	Formation	Contractor	Spud Date 9/29/2011
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

19 Proposed Casing and Cement Program

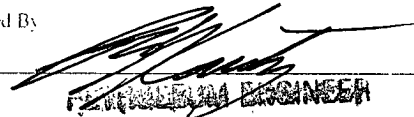
Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13 3/8	48	801	400	0 (Existing)
Int	12.25	10 3/4	51	5212	2476	0 (Existing)
Int	9.5	7 5/8	33.7	5174-12168	700	7400 (Existing)
Int	8 3/4	7	26	9100	1000	4800
Prod	6 1/8	4.5	11.6	8900-12965	NA	NA

Casing/Cement Program: Additional Comments

--

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram & Annular	3000	3000	TBD

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 ☒ .		OIL CONSERVATION DIVISION	
Printed name: Rave Miller		Approved By: 	
Title: President		Title:  PETROLEUM ENGINEER	
E-mail Address: rmiller@pvm.net		Approved Date	Expiration Date
Date: 10/18/2011		OCT 24 2011	
Phone: 575-736-3535		Conditions of Approval Attached	

OCT 24 2011

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone: (505) 293-6115 Fax: (505) 353-6770
 District II
 801 S. First St., Aztec, NM 87920
 Phone: (505) 748-1201 Fax: (505) 718-9720
 District III
 1600 Rio Hondo Post, Aztec, NM 87920
 Phone: (505) 334-9115 Fax: (505) 334-9115
 District IV
 1225 S. St. Francis St., Santa Fe, NM 87505
 Phone: (505) 476-1460 Fax: (505) 476-1462

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 30-025-25269	² Pool Code 2200	³ Pool Name Antelope Ridge Bone Spring
⁴ Property Code 38815	⁵ Property Name State "R" Com	⁶ Well Number 1H
⁷ GRID No 280240	⁸ Operator Name Regeneration Energy Corp.	⁹ Elevation 3387.3

¹⁰ Surface Location

UT or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	25	23S	34E	N	660	S	1980	W	Lea

¹¹ Bottom Hole Location If Different From Surface

UT or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	25	23S	34E	C	330	N	1980	W	Lea

¹² Dedicated Acres 640 PA	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.

	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 owns, owns a working interest in, or has a 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 completion unit or under the authority of the division. Raye Miller 9/7/11 Signature Date Raye Miller Printed Name rmiller@prtn.net E-mail Address
	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. April 5, 1976 Date of Survey Signature and Seal of Professional Surveyor John West Existing Certificate Number

State R Com 1H
660' FSL & 1980' FWL
Section 25, T23S, R34E
Lea County, New Mexico
30-025-25269

Well is currently cleaned out to 5132' on something very hard inside the 10 ¾" casing. We propose to set a whipstock inside the 10 ¾" casing at approximately 5132', mill an 8 ¾" window outside the 10 ¾" casing, and drill an 8 ¾" hole beside the original wellbore down to approximately 8400' TVD. At this point we will drill the curve with an 8 ¾" bit to approximately 9100' MD (8880' TVD) at a final inclination of 90° and azimuth due north. We will run 7"/26/L80/LTC casing from 0-9100' and cement with 1000 CF cement with the intent of brining cement to 4800' (300' overlap into 10 ¾" casing). We will drill the horizontal lateral with a 6 1/8" bit to approximately 12965' MD to a location 330' FNL, 1980' FWL, Section 25, T23S, R34E at a TVD of approximately 8880' in the Bone Spring. We will run a 4 ½"/11.6/L80/LTC liner equipped with open hole packers and sliding sleeves from approximately 8900' MD to 12965' MD. Liner will be constructed for multiple stage fracturing operations. Well will be drilled with cut brine mud having a density in the 9.0 to 9.5 ppg range.

State R Com III
660' FSL, 1980' FWL
N-25-235-34c
Lea, NM

30-025-25269

17 1/2"

12 1/4"

9 1/2"

13 3/8" / 48 / H40 / STC @ 801' 400sx"C" 4% gel + 200sx"C" Circ.
Top off 1" 0-58' 100sx"C"

55sx

5252'

10 3/4" / 51 / AR-95 @ 5212' 2276sx TLW + 200sx"C" Circ.

Cut & pull T 5/8" 5174'

BEFORE

TOC 1400' TS

CIBP + 85x 8628-8663'

8720-46' (27) BS

8939-51' 8982-89' (31) BS
9032-41'

9502-13' (12) BS

9664-70' (7)

CIBP + 20' cent 10500'

10648-68' BS

CIBP + 2.2 CF cent 11000'

(Lost complete returns @ 6955' while RHPing)

Model D PKR 12150'?

T 5/8" / 33.7 / 595, AR-95 / LTC, Seal/lock @ 12168' 450sxH L&D mix +
12188-12200' 250sxH (no circ)

6 1/2"

CIBP + 2.4 CF cent 12375'

Model D PKR 12800'?

12748-59'
12848-65' Sq 205 CF cent

CIBP + 2.4 CF cent 12950'

Model D PKR 13200'?

13223-60'

CIBP + 2.2 CF cent 13400'

13508-23' Sq 45 CF cent

5" / 18 / M80 / X line liner 11944-14100' 435sx"H"

14100'