

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 Matrix New Mexico Operating Company, LLC 508 West Wall #700 Midland, Texas 79701 | | ² OGRID Number 228971 |
| ³ Property Code 34201 | ⁵ Property Name Townsend | ⁴ API Number 30-025-37178 |
| | | ⁶ Well No. 1 |
| ⁹ Proposed Pool 1 Bronco (Wolfcamp) 7600 | | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| A | 10 | 13S | 38E | | 530 | North | 330 | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

Additional Well Information

| | | | | |
|--|--------------------------------------|---|--|--|
| ¹¹ Work Type Code New Well | ¹² Well Type Code Oil | ¹³ Cable/Rotary Rotary | ¹⁴ Lease Type Code Private | ¹⁵ Ground Level Elevation 3819 |
| ¹⁶ Multiple No | ¹⁷ Proposed Depth 9800 | ¹⁸ Formation Wolfcamp | ¹⁹ Contractor Patriot Drilling Co. | ²⁰ Spud Date ASAP |
| Depth to Groundwater 180' | | Distance from nearest fresh water well 2640' | | Distance from nearest surface water None |
| Pit: Liner: Synthetic X 12 mils thick Clay <input type="checkbox"/> Pit Volume : 2100 bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water X Brine <input type="checkbox"/> Diesel/Oil based <input type="checkbox"/> Gas/Oil <input type="checkbox"/> | | | | |

21 Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated BOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 17 1/2 | 13 3/8 | 48 #/ft. H-40 | 450 | 350 | Surface |
| 12 1/4 | 8 5/8 | 32 #/ft. K-55 | 4500 | 2500 | Surface |
| 7 7/8 | 5 1/2 | 17 #/ft. N-80 | 9800 | 1000 | +/- 4000 |
| | | | | | |
| | | | | | |

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 Wolfcamp well to +/- 9800'. Circulate cement to surface on the 13 3/8" and 8 5/8" casing. Test all significant shows and evaluate w/ adequate logging program. Abandonment, if necessary, will be performed in accordance w/prudent practices and regulatory requirements. A double ram series 900 BOP & choke manifold will be used from the 8 5/8" casing point to total depth. Production casing will be 5 1/2" and will be run at total depth. Completion will be from perforations in the 5 1/2" casing in the Wolfcamp Formation.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

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 X, a general permit ☐, or an (attached) alternative OGD-approved plan ☐.

Printed name: J. W. Mulloy

Title: Agent

E-mail Address: jwmulloy@jwmulloyassoc.com

Date: 4-6-05

Phone: 432-687-0323

OIL CONSERVATION DIVISION

Approved by:

Title: PETROLEUM ENGINEER

Approval Date:

Expiration Date:

APR 11 2005

Conditions of Approval Attached ☐

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|----------------------------|---|---------------------------------|
| API Number 30-025-37178 | Pool Code 7600 | Pool Name BRONCO (WOLF CAMP) |
| Property Code 34201 | Property Name TOWNSEND | Well Number 1 |
| OGRID No. 228971 | Operator Name MATRIX NEW MEXICO OPERATING COMPANY, LLC | Elevation 3809' |

Surface Location

| | | | | | | | | | |
|--------------------|---------------|------------------|---------------|---------|----------------------|---------------------------|----------------------|------------------------|---------------|
| UL or lot No. A | Section 10 | Township 13 S | Range 38 E | Lot Idn | Feet from the 530 | North/South line NORTH | Feet from the 330 | East/West line EAST | County LEA |
|--------------------|---------------|------------------|---------------|---------|----------------------|---------------------------|----------------------|------------------------|---------------|

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 | 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

| | | | | | | | | | |
|---|--|--|--|--|--|--|--|--|--|
| NOTE: 1) Plane Coordinates shown hereon are Transverse Mercator and Conform to the "New Mexico Coordinate System", New Mexico East Zone North American Datum of 1927. Distances shown hereon are mean horizontal surface values. | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

Plane Coordinate
X = 884,304.5
Y = 806,906.6

530'
330'

OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

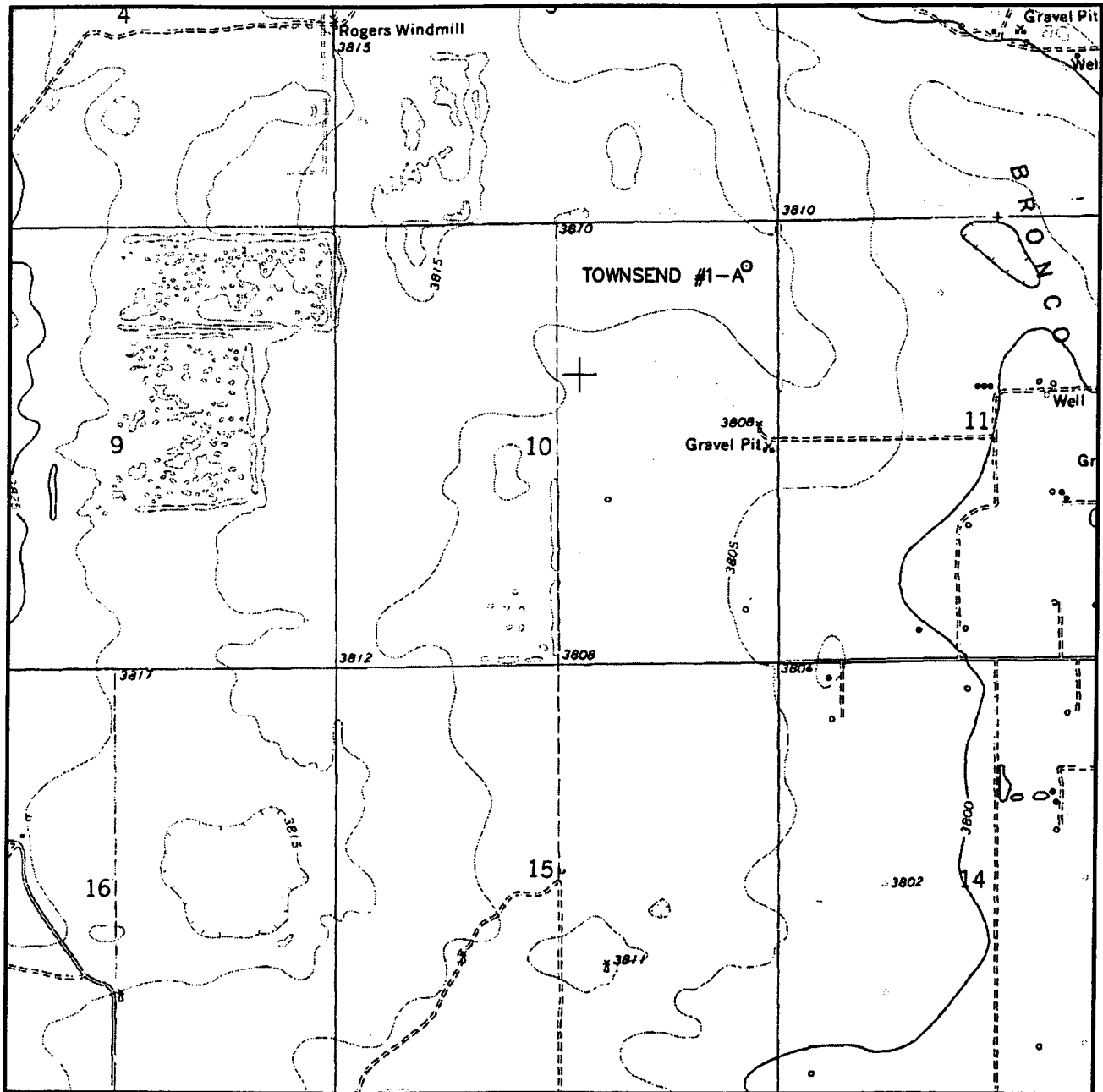
J.W. McIlroy
Signature
J.W. McIlroy
Printed Name
AGENT
Title
7/26/05
Date

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.

July 20, 2004
Date Surveyed
Signature & Seal of Professional Surveyor
W.O. Num. 2004-0514
Certificate No. MACON McDONALD 12185

LOCATION VERIFICATION MAP



CONTOUR INTERVAL:
PRARIEVIEW NE- 5'

SEC. 10 TWP. 13-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 530' FNL & 330' FEL

ELEVATION 3809'

OPERATOR MATRIX NEW MEXICO
OPERATING COMPANY, LLC

LEASE TOWNSEND

U.S.G.S. TOPOGRAPHIC MAP
PRARIEVIEW NE, N.M.



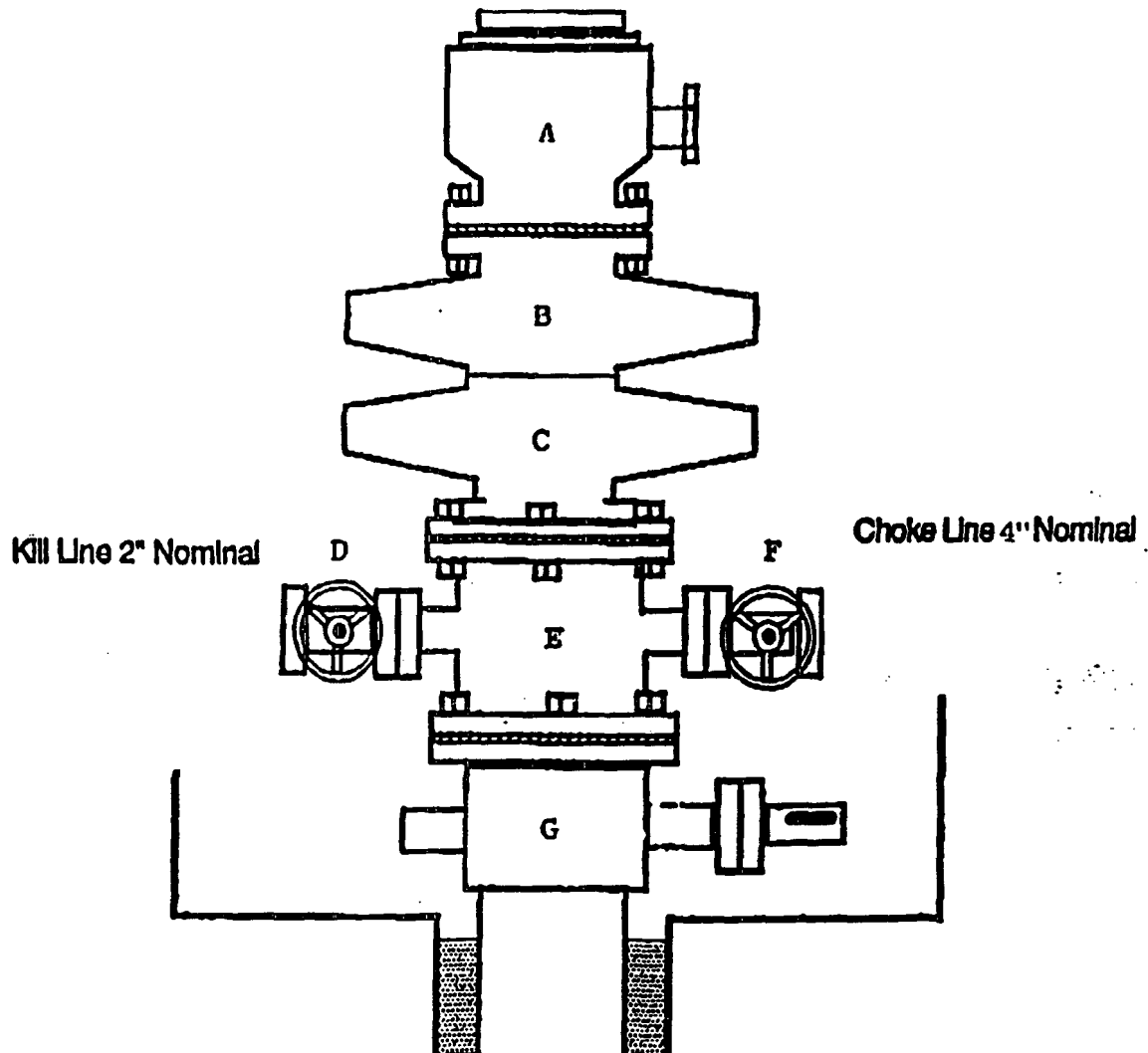
**WEST
COMPANY**
of Midland, Inc.

110 W. LOUISIANA, STE. 110
MIDLAND TEXAS, 79701
(432) 687-0865 - (432) 687-0868 FAX

BYRON

110 W. LOUISIANA, STE. 110
MIDLAND TEXAS, 79701
(432) 687-0865 - (432) 687-0868 FAX

- A — Rotating Head
- B — Pipe Rams
- C — Blind Rams
- D — 2" Kill Line
- E — Adapter Spool
- F — 4" Choke Line
- G — Casing Head



ATTACHMENT "A"

