

District I
1625 N French Dr, Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720

District II
811 S First St, Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 748-9720

District III
1000 Rio Brazos Rd, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170

District IV
1220 S St Francis Dr, Santa Fe, NM 87505
Phone (505) 476-3470 Fax (505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit 145676

HOBBS OCD

APR 12 2012

RECEIVED

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

1 Operator Name and Address LYNX PETROLEUM CONSULTANTS INC PO BOX 1708 HOBBS, NM 88241		2 OGRID Number 13645
		3 API Number 30-025-26339
4 Property Code 39172	5 Property Name SNYDER	6 Well No 001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
J	26	15S	35E	J	1980	S	1980	E	LEA

8. Pool Information

TOWNSEND;PERMO UPPER PENN	59847
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Additional Well Information

9 Work Type Re-Entry New Well	10 Well Type OIL	11 Cable/Rotary	12 Lease Type Private	13 Ground Level Elevation 3948
14 Multiple N	15 Proposed Depth 10740	16 Formation Wolfcamp	17 Contractor	18 Spud Date
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 Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	393	400	0
Intl	12.25	8.625	28	4730	2890	0
Prod	7.875	5.5	17	10740	985	4500

Casing/Cement Program: Additional Comments

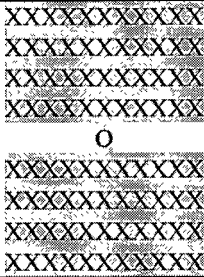
13-3/8" and 8-5/8" casing are already in place.	Permit Expires 2 Years From Approval Date Unless Drilling Underway Re-Entry
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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	1500	HydriL
DoubleRam	5000	5000	HydriL

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 <input type="checkbox"/> a general permit <input checked="" type="checkbox"/> or an (attached) alternative OCD-approved plan <input checked="" type="checkbox"/>		OIL CONSERVATION DIVISION	
Printed Name: Debbie McKelvey		Approved By:	
Title: Agent		Title: PETROLEUM ENGINEER	
Email Address: debmckelvey@earthlink.net		Approved Date: _____	
Date: 4/12/12		Expiration Date: _____	
Phone: 575-392-3575		APR 18 2012	

APR 19 2012

16				<p>17 OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased 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 compulsory pooling order heretofore entered by the division</i></p> <p><u>Debbie McKelvey</u> 4/12/12 Signature Date</p> <p>DEBBIE MCKELVEY, AGENT Printed Name</p> <p>debmcKelvey@earthlink.net E-mail Address</p>
				<p>18 SURVEYOR CERTIFICATION</p> <p><i>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</i></p> <p>4/25/1979 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p>
				<p>676 Certificate Number</p>

**Snyder No. 1
Re-entry Procedure**

API No.: 30-025-26339

Location: 1980' FSL & 1980' FEL Section 26, T-15S, R-35E
Lea County, New Mexico

Elevation: 3948' GL

KB: +16'

TD: 10,740'

PBTD: Surface

Casing & Cement:

13-3/8", 48#/ft., J-55, ST&C @ 393' cmt. w/400 sx. circulated

8-5/8", 24 & 28#/ft., J-55, ST&C @ 4730' cmt. w/2890 sx. circulated

Cement Plugs:

40 sx. @ 10,740'-10,640'

40 sx. @ 9,726'-9,626'

40 sx. @ 8,233'-8,133'

40 sx. @ 6,313'-6,213'

50 sx. @ 4,780'-4,680' in/out 8-5/8" casing

40 sx. @ 2,200'-2,100'

10 sx. @ surface

Mud Program:

Cut brine mud system with 8.8-9.3 ppg weight and 29 viscosity.

Cement Program:

1st Stage—600 sacks 15:61:11 Class C + additives

2nd Stage—260 sacks 35:65:6 Class H + additives followed by 125 sacks Class H

Stage Collar @ 7000'

Proposed TOC is 4000'

Procedure:

1. Dig out cellar. NU wellhead.
2. MIRU drilling rig. NU and test BOP.
3. PU 7-7/8" bit & 6-1/2" DCs. TIH drilling cement plugs to 4,780'. Test 8-5/8" casing to 1500 psig.
4. Drill out from under 8-5/8" casing utilizing cut brine mud system weighing 8.6 ppg. Circulate hole completely bottoms up between plugs.
5. Drill out to old TD of 10,740'.
6. POOH laying down DP and DCs.
7. RU and run 10,740' 5-1/2", 17#/ft. P-100, LT&C casing.
8. Cement per BJ procedure.

LYNX PETROLEUM CONSULTANTS, INC.
HYDROGEN SULFIDE DRILLING OPERATIONS
Snyder No. 1 Re-entry

I. HYDROGEN SULFIDE TRAINING

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

1. The hazards and characteristics of hydrogen sulfide (H₂S).
2. The proper use and maintenance of personal protective equipment and life support systems.
3. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
4. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

1. The effects of H₂S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
3. The contents and requirements of the H₂S Drilling Operations Plan and the Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days or 500 feet) and weekly H₂S Drilling Operations Plan and the Public Protection Plan. This plan shall be available at the well site.

II. H₂S SAFETY EQUIPMENT AND SYSTEMS

Note : All H₂S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H₂S.

HYDROGEN SULFIDE DRILLING OPERATIONS

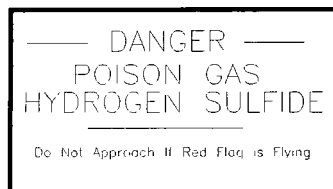
Snyder No. 1 Re-entry

1. Well Control Equipment :
 - A. Choke manifold with a minimum of one remote choke.
 - B. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
 - C. Auxiliary equipment to include : annular preventer
2. Protective equipment for essential personnel :
 - A. 30-minute air units located in the dog house and at briefing areas.
3. H₂S detection and monitoring equipment :
 - A. 2 – portable H₂S monitors positioned on location for best coverage and response. These units have warning lights and audible sirens when H₂S levels of 20 ppm are reached.
 - B. 1 – portable SO₂ monitor positioned near flare line.
4. Visual warning systems :
 - A. Wind direction indicators.
 - B. Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used when appropriate. See example on page 3.
5. Mud program :
 - A. The mud program has been designed to minimize the volume of H₂S circulated to the surface. Proper mud weight, safe drilling practices, and the use of H₂S scavengers will minimize hazards when penetrating H₂S bearing zones.
 - B. A mud-gas separator will be utilized if needed.
6. Metallurgy :

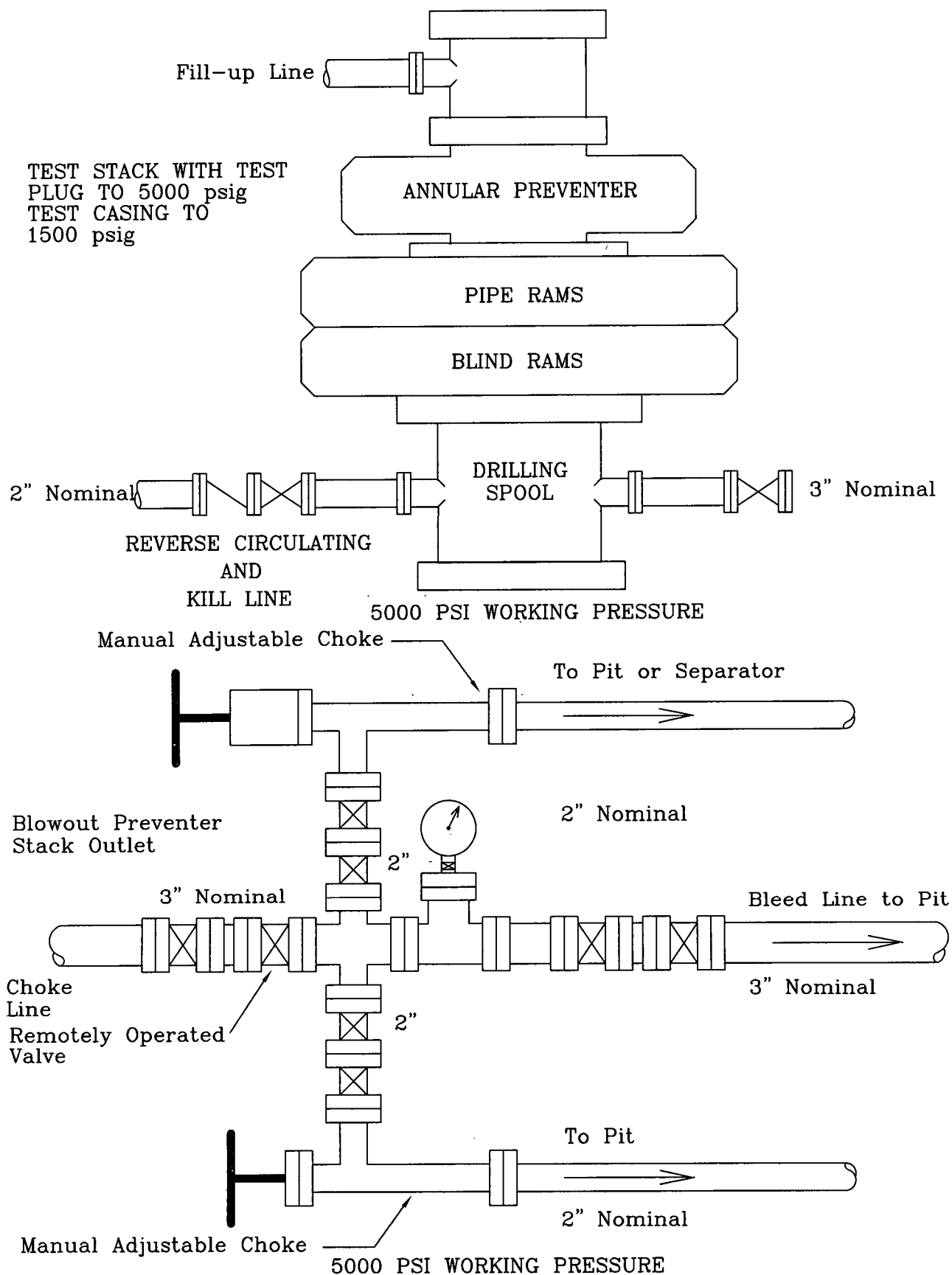
HYDROGEN SULFIDE DRILLING OPERATIONS

Snyder No. 1 Re-entry

- A. All drill strings, casings, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H₂S service.
 - B. All elastomers used for packing and seals shall be H₂S trim.
7. Communication :
- A. Communications in company vehicles are provided by cellular telephones.
Cell1: 575-390-9063 Cell2: 575-390-9065
 - B. Land line (telephone) communications at Hobbs office.
Phone: 575-392-6950
 - C. Emergency Numbers
911
Lovington Sheriff's Dept.: 575-396-3611
Lovington Hospital: 575-396-6611
Lovington Fire Dept.: 575-396-7318
Hobbs Hospital: 575-492-5000
New Mexico State Police: 575-392-5588
8. Well testing :
- A. No drill stem testing is planned for this well.



PRODUCTION HOLE SECTION



Location: NW/4 SE/4
Sec. 26, T-15S, R-35E
Lea County, NM

Snyder No. 1 R-entry
BLOWOUT PREVENTER AND CHOKE MANIFOLD

4-1-12

Scale: None