

New Mexico Oil Conservation Division, District I

1625 N. French Drive

Hobbs, NM 88240

FORM APPROVED

OMB NO. 1004-0136

Expires: February 28, 1995

Form 3160-3
(July 1992)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT(Other instructions on
reverse side)

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒ Re-Entry DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Rubicon Oil & Gas, LLC

3. ADDRESS AND TELEPHONE NO.

400 West Illinois, Ste. 1130, Midland, Texas 79701 915/687-5100

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface
Unit M, 988' FSL & 995' FWL
At proposed prod. zone
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

36 Miles East of Roswell, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 988/325'

16. NO. OF ACRES IN LEASE

640

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

N/A

19. PROPOSED DEPTH

7700'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

GR - 4081'

22. APPROX. DATE WORK WILL START*

4-01-03

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8", J-55	61#	443'	610 sx - circulated) In Place
12-1/4"	8-5/8", J-55	24#	1600'	800 sx - circulated)
7-7/8"	5-1/2", J-55	15.5# & 17#	7700'	500 sx - Lite, 200 sx "H"

This well was originally drilled by Grynberg Petroleum Co. (Jack J. Grynberg) in 1989 and was P&A with no completion attempt.

MUD PROGRAM	MUD WEIGHT	VISCOSITY	WL CONTROL	COMMENT
0'-1600'	9.00--9.2#	28 - 32	No Control	Cut Brine
1600'-6500'	9.2 - 9.3#	32 - 34	No Control	Cut Brine & Gel
6500'-7700'	9.2 - 10.0#	34 - 38	8 - 10 cc	Brine, Gel, Starch

BOP PROGRAM

An 11" 3000# double ram BOP will be installed on the 8-5/8" casing head and tested to 3000# by third party certified tester before drilling the plug at 393'. Casing will be tested to 1000# before drilling out plug at 1540'.

COMPLETION PLAN

Clean out 7-7/8" hole to 7496' and deepen to 7700'. Set 5-1/2" casing and cement back to 4700'. Perforate and test Abo zone.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

432-687-1192

TITLE

(This space for Federal or State office use)

PERMIT NO.

OPER. OGRID NO. 194266

PROPERTY NO. 32343

POOL CODE

EFF. DATE 5-29-03

applicant to conduct operations thereon.

Application approval does not warrant or certify that the applicant holds legal or equitable

CONDITIONS OF APPROVAL, IF ANY:

Assistant Field Manager,
Lands And Minerals

MAY 9 2003

APPROVED BY

LARRY D. BRAY

TITLE

DATE

*See Instructions On Reverse Side

APPROVED FOR 1 YEAR

This is U.S.C. Section 1001 makes it a crime for any person knowingly and willfully to make to any department or agency of the

PROPOSED DRILLING PROGRAM

Rubicon Oil & Gas, LLC
Federal "34" No. 1
988' FSL & 995' FWL of Section 34, T9S, R30E
Chaves County, New Mexico – 94083
Lease No. NM-94083
(Re-Entry Well)

In conjunction with Form 3160-3, Application for Permit to Drill (Re-Enter) this well, Rubicon Oil & Gas, LLC submits the following items of pertinent information in accordance with BLM requirements:

1. Estimated tops of important geological markers
San Andres 2800'
Glorieta 4060'
Yesso 4150'
Abo 6510'
2. Estimated depths at which the top and bottom of anticipated water, oil, gas or other Minerals are expected
Ground water, fresh: 200' to 400'. Surface casing.
Oil – Abo 7425' – 75'. Production casing.
Gas – Abo with oil.
3. Pressure control equipment
See Form 3160-3 and Exhibit "B"
4. Proposed casing program
See Form 3160-3
5. Proposed mud program
See Form 3160-3. No abnormally high pressure is anticipated. This is a re-entry and no abnormal pressure was encountered in the hole when drilled originally. Therefore, no special mud monitoring equipment is planned.
6. Testing, logging, coring program
No DST is planned
No open hole logs are planned
No coring is planned
Cased hole log will be run to tie to open hole logs run when well was originally drilled

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7. Anticipated BHP, BHT, etc.

No abnormal pressure or temperature is anticipated. BHP of 2500# @ 7500' is expected. BHT of 140°F is anticipated. No H₂S is expected from the Abo. Mud program will be altered to accommodate any variation from expected BHP and BHT. H₂S monitoring equipment will be in place on rig floor, sub-structure and mud pits.

8. Other information

1. Anticipated start of re-entry: April 1, 2003
2. Anticipated length of re-entry operations: One (1) week
3. Anticipated length of completion and testing operations: Two (2) weeks

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

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

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-005-21091		Pool Code ✓	Pool Name Wildcat; Abo
Property Code 32343	Property Name FEDERAL 34		Well Number 1
OGRID No. 194266	Operator Name RUBICON OIL & GAS LLC		Elevation 4081'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	34	9-S	30-E		988'	SOUTH	995'	WEST	CHAVES

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 40	Joint or Infill	Consolidation Code	Order No. NSL-4887
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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

RUBICON OIL & GAS, LLC
640 ac.

GEODETIC COORDINATES
NAD 27 NME
Y = 904216.8
X = 640106.4
LAT. 33°29'05.38"N
LONG. 103°52'25.73"W

OPERATOR CERTIFICATION

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

Darol K. Ramey
Signature

Darol K. Ramey
Printed Name

Agent
Title

3-14-03
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.

JANUARY 31, 2003

Date Surveyed A.W.B.

Signature & Seal of Professional Surveyor

Professional Surveyor

3239 03110139

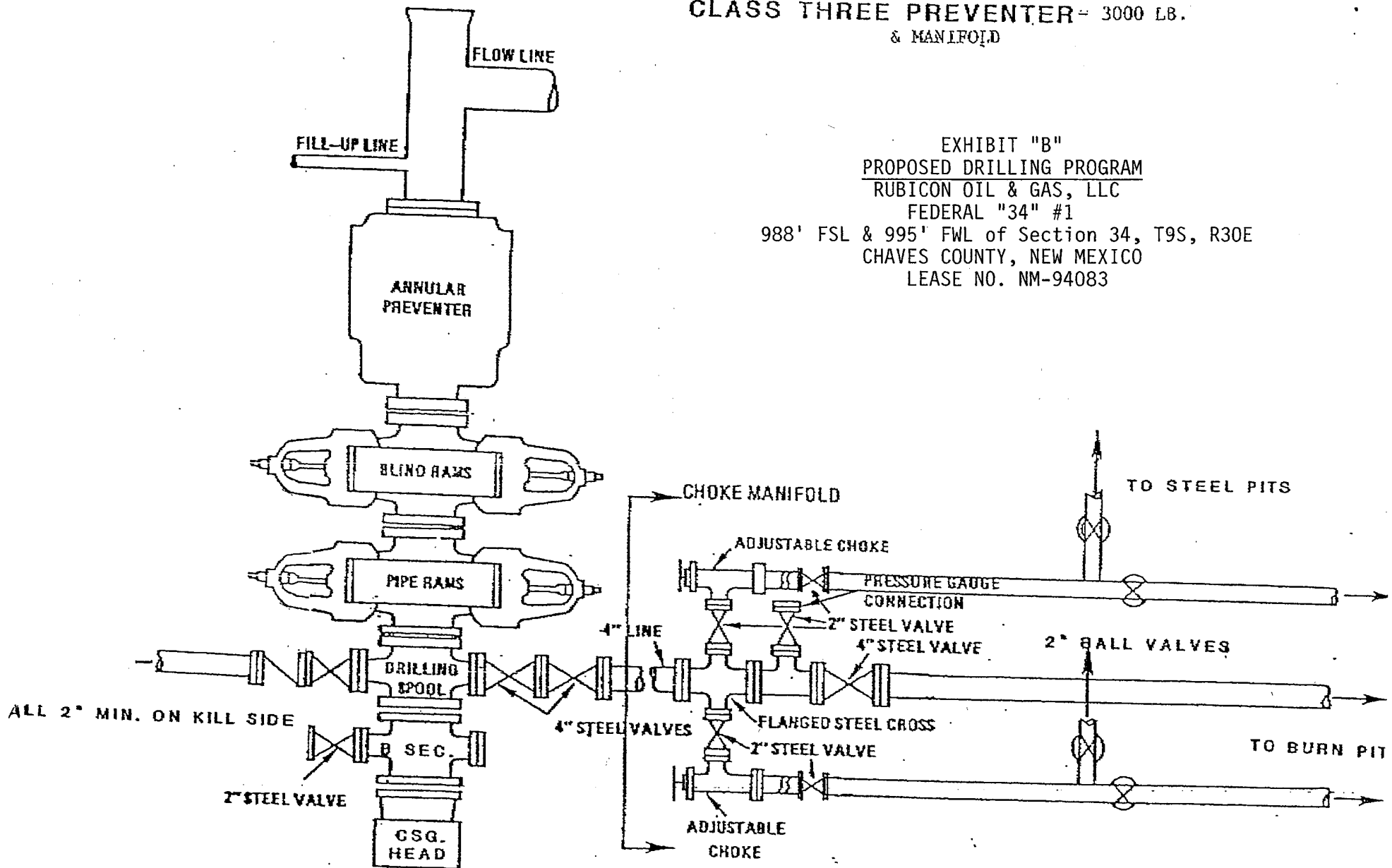
Certificate No. RONALD P. EIDSON 3239

GARY EIDSON 12641

EXHIBIT "A"
PROPOSED DRILLING PLAN

CLASS THREE PREVENTER- 3000 LB.
& MANIFOLD

EXHIBIT "B"
PROPOSED DRILLING PROGRAM
RUBICON OIL & GAS, LLC
FEDERAL "34" #1
988' FSL & 995' FWL of Section 34, T9S, R30E
CHAVES COUNTY, NEW MEXICO
LEASE NO. NM-94083



WELLBORE DIAGRAM
EXISTING CONDITIONS

CEMENT PLUGS

HOLE SIZE & CASING DATA

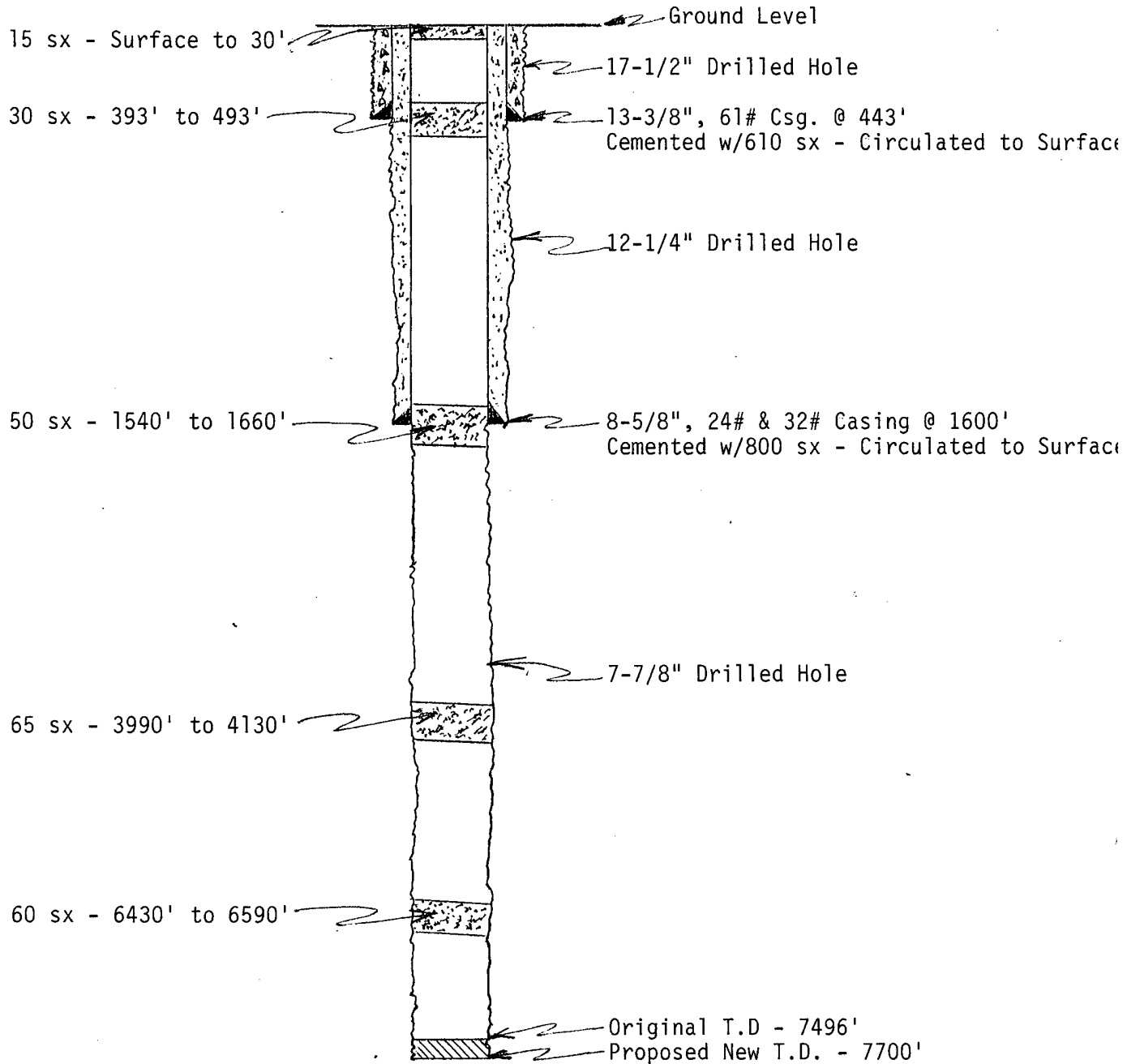


EXHIBIT "C"
PROPOSED DRILLING PLAN
RUBICON OIL & GAS LLC
FEDERAL "34" #1
SEC. 34, T-9-S, R-30-E
CHAVES COUNTY, NEW MEXICO

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Rubicon Oil & Gas, LLC
Federal "34" No. 1
988' FSL & 995' FWL of Section 34, T9S, R30E
Chaves County, New Mexico
Lease No. NM-94083
(Re-Entry Well)

This plan is submitted along with Form 3160-3, Application for Permit to Drill (Re-Enter) the subject well. The purpose of this plan is to describe the location of the well, the proposed construction and operations plan for the re-entry and the rehabilitation of the surface environmental effects associated with this operation.

1. EXISTING ROADS AND WELL SITE LOCATION:
 - A. Exhibit "A" is a portion of two USGS Topo Maps (Oasis and Mescalero Point, N.E.) showing the location of the subject well and the existing roads to the well site. This location is about thirty-eight (38) miles East of Roswell, New Mexico and thirty-five (35) miles West of Tatum, New Mexico.
 - B. Directions to Location: From Roswell, New Mexico go East on US380 Approximately thirty-eight (38) miles to "Cato Rd.". Turn North on "Cato Rd." approximately 3-1/2 miles to the third cattle guard. Immediately past the third cattle guard, turn East on caliche lease road for one (1) mile, thence North ¼ mile to Middlebrook #3, thence North 4340' on caliche lease road to location.
2. ACCESS ROAD TO BE RE-CONSTRUCTED:
 - A. Existing access roads to this well site will be repaired and re-constructed to a width of 12 feet and will be approximately 11,440 feet in length. See Exhibit "A".
 - B. The existing access roads will be repaired and reconstructed by grading and topping with compacted caliche and will be properly drained.
 - C. Drainage design: Area is flat with rolling sand dunes. No drainage problems.
 - D. Cuts and fills: None required.
 - E. Culverts: None required.
 - F. Turnouts: None required.
 - G. Gates or cattle guards: None required. None on existing roads.
 - H. Off lease right of way: None Required.

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3. LOCATION OF EXISTING WELLS IN THE AREA:

All wells within one (1) mile radius of the subject well are shown on Exhibit "A".

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

- A. There are no oil or gas production facilities on the lease at this time.
- B. If the proposed work results in commercial production, the necessary production equipment will be installed on the drilling pad.

5. LOCATION AND TYPE OF WATER SUPPLY:

It is planned to drill with a cut-brine water. Fresh water will be used for the rig. The brine and fresh water will be obtained from commercial sources and transported by tank – truck to the location over the re-built, existing access road.

6. SOURCE OF CONSTRUCTION MATERIAL:

Caliche for repairing the existing access roads and well site pad will be obtained from a BLM pit located in the NE/4 of the SE/4 of Section 17, T10S, R30E. The surface is owned by Mr. Marvin L. Watts of Carlsbad, New Mexico. We understand that the caliche belongs to the BLM.

7. METHODS FOR HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pit.
- B. Drilling fluids will be allowed to evaporate in the reserve pit until the pit is dry.
- C. Pits will be fenced with normal fencing materials to prevent livestock from entering the pit area.
- D. Any oil produced during testing operations will be stored in tanks until sold.
- E. Water produced during testing operations will be stored in tanks until hauled to an approved disposal system.
- F. Current laws and regulations regarding disposal of human waste will be complied with.

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- G. Trash, waste paper, garbage and junk will be contained in trash bins to prevent scattering by wind and animals and will be removed for deposit in an approved sanitary land fill within thirty (30) days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

None Required.

9. WELL SITE LAYOUT:

- A. Exhibit "B" shows the relative location and dimensions of the drilling pad, reserve pits and major rig components. The existing pad and pit area are well defined. The pad and road are in relatively good condition.
- B. Drilling pad size: 250' x 185'; reserve pit 100' x 100'.
- C. Cut and fill: None required.
- D. The surface of the drilling pad will be topped with 4" compacted caliche. The reserve pit will be lined with plastic sheeting.

10. PLANS FOR RECLAMATION OF THE SURFACE

- A. After completion of drilling and/or completion operations, all equipment and other material, not needed for operations, will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the well site in an aesthetically pleasing condition.
- B. Any pits containing fluids will be fenced until they are filled.
- C. If this well is non-productive, or when production ceases, surface rehabilitation and re-vegetation requirements of the BLM will be complied with as expeditiously as possible.

11. SURFACE OWNERSHIP

The surface ownership of the proposed well site and the existing access roads is held by the BLM. Grazing Rights are held by Andrus Ranch of Roswell, New Mexico and Mr. Kent Gabel of Sudan, Texas.

12. OTHER INFORMATION

- A. Topography: The proposed location and access road are in a relatively flat area of sandy soil, sand and sand dunes. The slope of the surface is approximately 25' per mile to the West.
- B. Flora and Fauna: The vegetation in the area is a poor cover of miscellaneous native grasses along with mesquite, yucca, shinny oak, cacti and miscellaneous weeds and wild flowers. The animal life consists of rabbits, fox, coyotes, snakes, lizards, dove, quail, native birds and other wild life typical of this semi-acid desert land.
- C. Ponds and streams: None in the area.
- D. Residence and other structures: None in the area.
- E. Land use: Cattle grazing.
- F. Archaeological: An archaeological survey should not be necessary since roads and well pad already exist and no new surface disturbance will be needed to repair the roads, pad and reserve pit areas.

13. OPERATOR'S REPRESENTATIVE AND CERTIFICATION

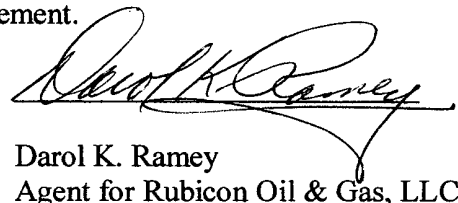
- A. The field representative responsible for assuring compliance with the approved surface use and operations plan is as follows:

Darol K. Ramey
Ramey Petroleum Consultants, Inc.
303 W. Wall Avenue, Suite 1005
Midland, Texas 79701
Telephone – 915/687-1192
Cellular Telephone – 915/553-0531
Fax – 915/685-4062

- B. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Rubicon Oil & Gas, LLC and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the Provisions of 18 U.S.C. 1001 for the filing of a false statement.

DATE: 3-14-03


Darol K. Ramey
Agent for Rubicon Oil & Gas, LLC

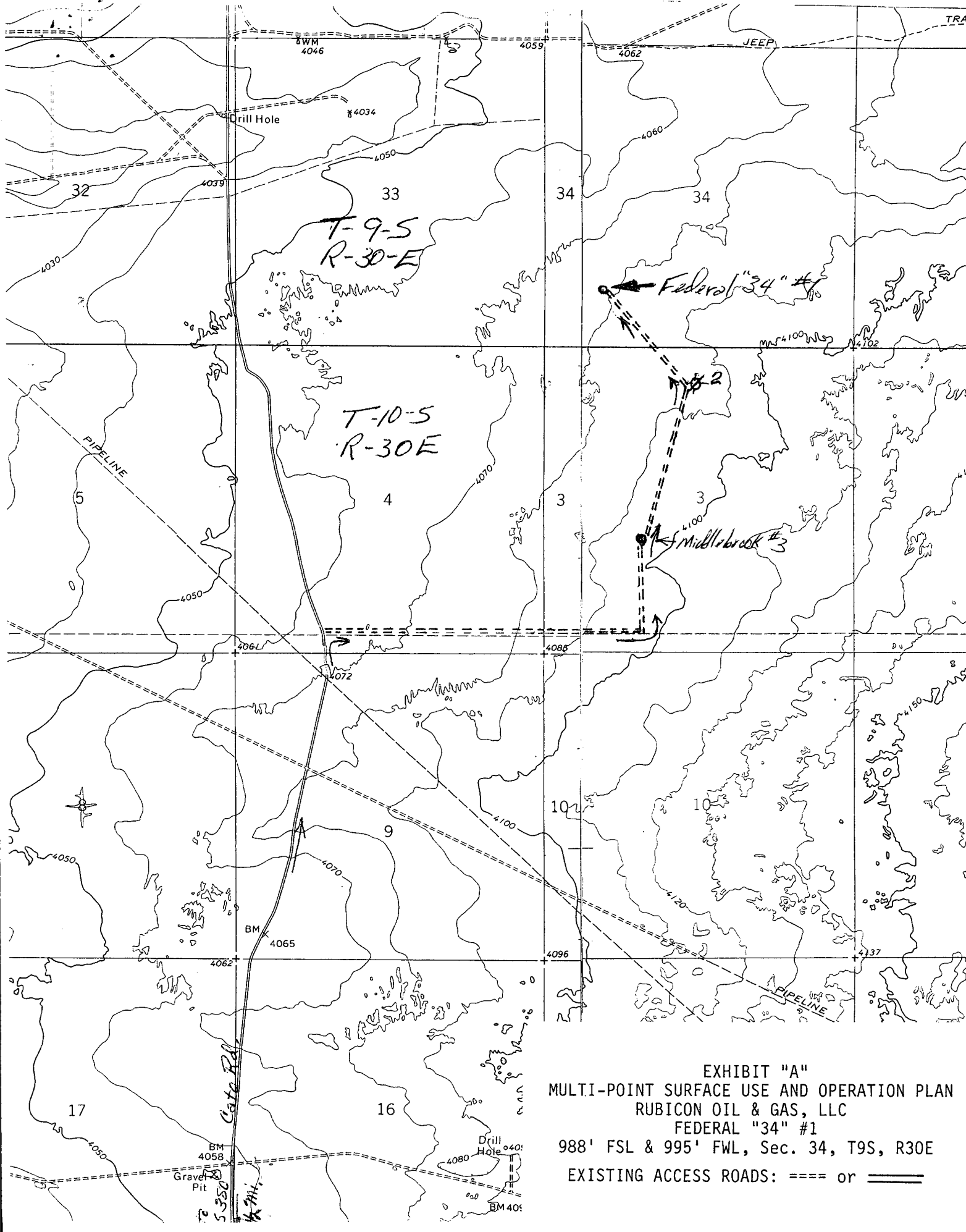


EXHIBIT "A"
MULTI-POINT SURFACE USE AND OPERATION PLAN
RUBICON OIL & GAS, LLC
FEDERAL "34" #1
988' FSL & 995' FWL, Sec. 34, T9S, R30E
EXISTING ACCESS ROADS: ==== or ==

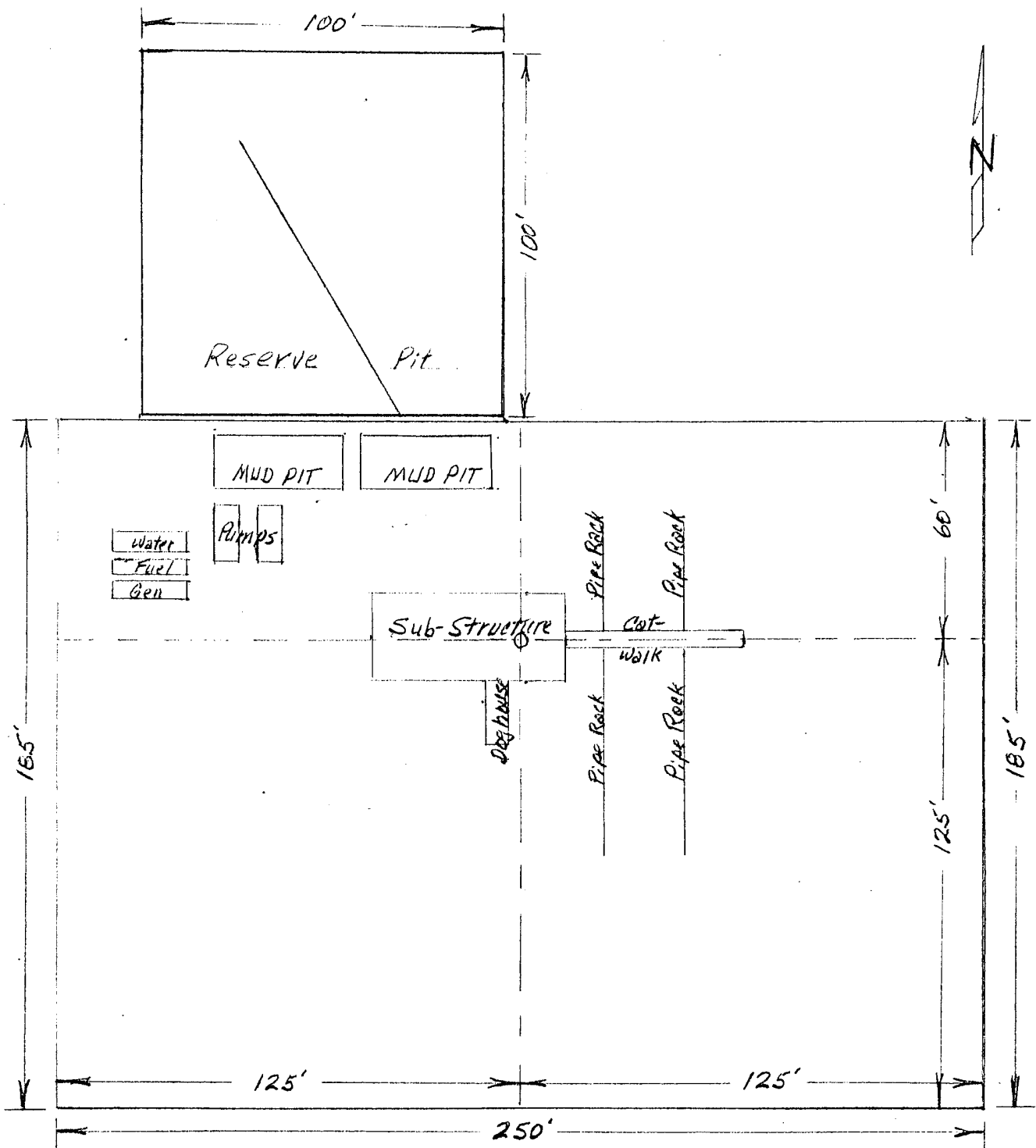


EXHIBIT "B"
MULTI-POINT SURFACE USE AND OPERATIONS PLAN
 RUBICON OIL & GAS, LLC
 FEDERAL "34" #1
 988' FSL & 995' FWL of Section 34, T9S, R30E
 CHAVES COUNTY, NEW MEXICO
 LEASE NO. NM-94083