District I 1625 N. French Dr., Hobbs, NM 88240		State of New Mexico	Form C-101 Revised July 18, 2013
Phone: (575) 393-6161 Fax: (575) 393-0720 District II	HOBBS OCD	Energy Minerals and Natural Resources	Kevisdi July 10, 2013
3(1 5. First 51., Artesia, Nivi 86210			AMENDED REPORT
1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170	SEP 2 5 2013	1220 South St. Francis Dr.	
District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462	RECEIVED	Santa Fe, NM 87505	
APPLICATION FO	R PERMIT TO	DRILL, RE-ENTER, DEEPEN, PLUGBAC	K, OR ADD A ZONE

		2409	ENERGY, I ELLA LEE I	LLC. LANE			30	294619 API Number	
HOUSTON, TEXAS 77019 Property Code STATE "26						<u></u> .		ell No. 1	
				^{7.} Sı	urface Locatio	on			
UL - Lot B	Section 26	Township 21S	Range 35E	Lot Idn	Feet from 601	N/S Line NORTH	Feet From 2018	E/W Line EAST	County LEA
* Proposed Bottom Hole Location									
UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
⁹ . Pool Information									

Pool Information
Pool Name

EUMONT-YATES 7RIVERS QUEEN

Additional Well Information						
^{11.} Work Type	¹² Well Type	13. Cable/Rotary	^{14.} Lease Type	15. Ground Level Elevation		
N	0	ROTARY	S	3599'		
^{16.} Multiple	17. Proposed Depth	18. Formation	^{19.} Contractor	^{20.} Spud Date		
NO	4500 4200	7 RIVERS, QUEEN	UNKNOWN	WHEN APPROVED		
Depth to Ground water	PEF MM Distance from nearest fresh water well Distance to nearest surface water			nearest surface water		
100'	155	miles NORTH		NA		

 $\mathbf{\overline{X}}$ We will be using a closed-loop system in lieu of lined pits

^{21.} Proposed Casing and Cement Program

Туре	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Conductor	17 ¹ / ₂ "	13 3/8"	48#	40'	Redi-mix	Surface.
Surface	12 ¼''	8 5/8"	24#	400'	325 Sx.	Surface
Production	1 7 7/8 "	5 <u>1</u> "	15.5#	4200'	800 Sx.	Surface

Casing/Cement Program: Additional Comments

SEE ATTACHED SHEET.

²² Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
DOUBLE RAM	2000	1500	SHAFFER or CAMERON

^{23.} I hereby certify that the information given above is true and complete to the best of my knowledge and belief.	OIL CONSERVATION DIVISION		
I further certify that I have complied with 19.15,14.9 (A) NMAC and/or 19.15.14.9 (B) NMAC , if applicable.	Approved By:		
Signature: For eT. Janka	Much		
Printed name Joe T. Janica	Title: Petroleum Engineer		
Title: Permit Eng.	Approved Date: 10 10-4-1-3 Expiration Date: 10 04/15		
E-mail Address: joejanica@valornet.com			
Date: 09/25/13 Phone: 575-391-8503	Conditions of Approval Attached		

Pool Code 22800

- 1. Drill 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
- 2. Drill 12¼" hole to 400'. Run and set 400' of 8 5/8"¹⁰24# J-55 ST&C casing. Cement with 325 Sx. of Class "C" cement + 2% CaCl, + .125# Flocele/Sx. Yield 1.34 circulate cement to surface.
- 3. Drill 7 7/8" hole to 4200'. Run and set 4200' of 5½" 15.5# J-55 ST&C casing. Cement with 800 Sx. of Class "C" cement + additives Yield 1.6, circulate cement to surface. If hole conditions require a DV-Tool will be run and cement volumes will be recalculated.



Casinghead

FIGURE K1-1. Recommended IADC Class 2 BOP stack, 2000 psi WP. Either SRd (left) or SA (right) arrangement is acceptable and drilling spool is optional.