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

Form C-101 Revised March 17, 1999

State of New Mexico
Energy Minerals and Natural Resources

Property of the Pro

Submit to appropriate District Office State Lease - 6 Copies Fee Lease - 5 Copies

| 1220 S. St. Francis Dr., Santa Fe, NM 87505  APPLICATION FOR PERMIT TO DRILL |   |               |                 |   |                 |            | Santa F            | 27                | RE   | ∂C⊗1°                         | 3 <u>0</u> 1   | 213147                   |                                  | _   | IENDED REPORT |                           |  |  |
|--|---|---------------|-----------------|---|-----------------|------------|--------------------|-------------------|--|-------------------------------|----------------|--------------------------|----------------------------------|---|---------------|---------------------------|--|--|
| _  | APPL  | ICATI         | ON F            |   |                 |            |                    | , RE-E            | NEER.  | ,                             |                |                          | ~ /                              | CK,   | OR AD         | D A ZONE                  |  |  |
| <sup>1</sup> Operator Name and Address                                       |   |               |                 |   |                 |            |                    |                   | 19202122232E   |                               |                | 6/8)                     | <sup>2</sup> OGRID Number 230313 |   |               | 2                         |  |  |
| Stanolind Operating Corp.  |   |               |                 |   |                 |            |                    |                   |  |                               | 0003           |                          |                                  | <sup>3</sup> API Number 30-025-36657                |               | 557                       |  |  |
| r  | ,   |               |                 |   |                 |            |                    |                   | Property Name  |                               |                |                          | <sup>6</sup> Well No.            |   |               |                           |  |  |
| L  | 3009  | 904           |                 |   |                 | <u>E</u>   | 7                  | Hobbs             |  | 7                             |                |                          |                                  |   | 1             |                           |  |  |
| Surface Location   |   |               |                 |   |                 |            |                    |                   |  |                               |                |                          |                                  |   |               |                           |  |  |
|  | UL or lot no. Section Township  |               | ·               | Range                                   | Lot 1           |            |                    |                   |  | North/South line              |                |                          |                                  | t/West line   | County        |                           |  |  |
| L  | J 17 168  |               |                 | 36E                                     |                 | 2490       |                    | South             |  |                               |                |                          | East                             | Lea   |               |                           |  |  |
| <sup>8</sup> Proposed Bottom Hole Location If Different From Surface         |   |               |                 |   |                 |            |                    |                   |  |                               |                |                          |                                  |   |               |                           |  |  |
|  | UL or lot no.   | Towns         | Township Range  |   |                 | Lot Idn    |                    | the N             | North/South line   |                               | Fe             | Feet from the East       |                                  | st/West line  | County        |                           |  |  |
|  | 9 Proposed Pool 1   |               |                 |   |                 |            |                    |                   |  | <sup>10</sup> Proposed Pool 2 |                |                          |                                  |   |               |                           |  |  |
| L  |   | No            | rtheest         | Shoe                                    | Bar (Wolfc      | amp)       |                    |                   |  |                               |                |                          |                                  |   |               |                           |  |  |
| _  | 11 Work Type Code 12 Well Type Code 13 Cab  |               |                 |   |                 |            |                    |                   |  | /Rotary 14 Le                 |                |                          | ease Type Code                   |   |               | 15 Ground Level Elevation |  |  |
|  | WOIK  | N F           | ۱ د             |   | M               | l F        |                    |                   |  |                               |                | Fee                      |                                  |   | 3929          |                           |  |  |
|  |   | lultiple<br>Y |                 | <sup>17</sup> Proposed Depth<br>12,320' |                 |            |                    |                   |  | · •                           |                | <sup>19</sup> Contractor |                                  | <sup>20</sup> Spud Date As soon as rig is available |               |                           |  |  |
| L  |   | <u>Y</u>      |                 | · · · · ·                               |                 | Dropos     | red Ca             | Wolfd<br>asing an |  | ent l                         | Progra         | m                        |                                  |   | As soon       | as 11g is available       |  |  |
| Γ  |   |               |                 | <u> </u>                                |                 |            |                    |                   |  |                               |                | 111                      | Saalta of Co                     |   |               | Estimated TOC             |  |  |
| -  | Hole S  |               |                 | Casing Size                             |                 |            | Casing weight/foot |                   |  | Setting Depth 473             |                | +                        | Sacks of Cement 415 Sxs          |   |               | Surface                   |  |  |
| -  | 17 ½  |               | 13 3/8<br>9 5/8 |   |                 | 54.5<br>32 |                    |                   | 4919   |                               | +              | 1420 Sxs                 |                                  | -   | Surface       |                           |  |  |
| 7 7/8  |   |               | 5 1/2           |   |                 | 17         |                    |                   | 12,745   |                               |                | 1219 Sxs                 |                                  |   | 6160          |                           |  |  |
|  |   |               |                 |   |                 |            |                    |                   |  |                               |                |                          |                                  |   |               |                           |  |  |
| r  |   |               |                 |   |                 |            |                    |                   |  |                               |                |                          |                                  |   |               |                           |  |  |
| <u> </u>   | 22 Describe to  | he propose    | d progra        | m. If t                                 | his application | is to DEE  | PEN or F           | PLUG BAG          | CK, give th  | he dat                        | a on the p     | resen                    | productive z                     | one ar  | nd proposed   | new productive zone.      |  |  |
|  | Describe the  | blowout pi    | reventior       | ı progr                                 | am, if any. Use | additiona  | al sheets          | if necessar       |  |                               |                |                          |                                  |   |               |                           |  |  |
| l  | C-102   |               |                 |   |                 |            |                    |                   | Pem  | nit E                         | Expir <b>e</b> | <del>s</del> 1           | Yeer Fro                         | m A   | oprova        | 1                         |  |  |
| ۱  | Work Summary  |               |                 |   |                 |            |                    |                   | Date Unless Drilling Underway                            |                               |                |                          |                                  |   |               |                           |  |  |
|  | Wellbore Schematic  |               |                 |   |                 |            |                    |                   | Date Unless Drilling Underway Plugback                   |                               |                |                          |                                  |   |               |                           |  |  |
|  |   |               |                 |   |                 |            |                    |                   |  |                               | 1              |                          |                                  |   |               |                           |  |  |
|  |   |               |                 |   |                 |            |                    |                   |  |                               |                |                          |                                  |   |               |                           |  |  |
|  | <sup>23</sup> I hereby certify that the information given above is true and complete to the |               |                 |   |                 |            |                    |                   |  | OIL CONSERVATION DIVISION     |                |                          |                                  |   |               |                           |  |  |
|  | best of my knowledge and belief.  |               |                 |   |                 |            |                    |                   |  | Approved by:                  |                |                          |                                  |   |               |                           |  |  |
| -  | Printed name: Barbara Watson  |               |                 |   |                 |            |                    |                   |  | The same production           |                |                          |                                  |   |               |                           |  |  |
| +  | Title: Regulatory Compliance  |               |                 |   |                 |            |                    |                   |  | 10EL () 2 7095                |                |                          |                                  |   |               |                           |  |  |
| }  |   |               |                 |   |                 |            |                    |                   | Approval Date: Expiration Date:  Conditions of Approval: |                               |                |                          |                                  |   |               |                           |  |  |
| Date:  |   |               |                 |   | 432/688-4       |            | Attached           |                   |  |                               |                |                          |                                  |   |               |                           |  |  |
| 11/29/2005   |   |               |                 |   | 102,000-4       |            |                    | 11                |  |                               |                |                          |                                  |   |               |                           |  |  |

State of New Mexico Form C-102 DISTRICT\_I Revised August 15, 2000 1625 N. French Dr., Hobbs, NM 88240 Submit to Appropriate District Office State Lease - 4 Copies Energy, Minerals & Natural Resources Department State Lease - 4 Copies Fee Lease - 3 Copies P.O. Drewer DD, Artesia, NM 88211-0719 OIL CONSERVATION DIVISION DISTRICT III 2040 South Pacheco 1000 Rio Brazos Rd., Astec. NM 87410 Santa Fe, NM 875052 ☐ AMENDED REPORT 2040 South Pacheco, Santa Fe, NM 87505 WELL LOCATION AND ACREAGE DEDICATION, PLATE Pool Code 5 56295 API Number 30-025-36657 Northeast Shoe Bar (Wolfcamp) Property Code Property Name Well Number BERRY HOBBS UNIT 17 300904 OGRID No. Operator Name Elevation 3929 230313 Stanolind Operating Corp. Surface Location UL or lot No. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County 2490 SOUTH 17 16 S 36 E 1850 **EAST** LEA Bottom Hole Location If Different From Surface East/West line UL or lot No. Section Lot Idn Feet from the North/South line Township Range Feet from the County Dedicated Acres Joint or Infill Consolidation Code Order No. 220 Acres NSL-5236 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 OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Barbara Watson Regulatory Compliance November 29,2005 Date SURVEYOR CERTIFICATION 1850 I hereby certify that the well location shown Plane Coordinates X = 794,424.3 on this plat was plotted from field notes of actual surveys made by me or under my **7**00,313.6 supervison and that the same is true and correct to the best of my belief. 0ctober 30, 2003 Date, Surveyed LVA Signature & Seal of Professional Surveyor NOTE: W.O. Num. 2003-0589 Plane Coordinates shown hereon are Transvers
 Mercator Grid and Conform to the "New Mexic
 Coordinate System", New Mexico East Zone, Nor
 American Datum of 1927. Distances shown here Certificate No. MACON McDONALD minimin' are mean horizontal surface values.

### Stanolind Operating Corp.

### Berry Hobbs Unit 17-1 Workover Summary

# Procedure to Plugback Wellbore to Test, Log and Evaluate NE Shoe Bar (Wolfcamp)

Surface Location 2,490' FSL & 1,850' FEL Section 17, T16S, R36E Lea County, New Mexico

Hole Sizes, Casing Sizes and Cement

17-1/2" hole @ 473'

13-3/8" 54.5 #/ft casing @ 473'

Lead w/240 sxs PP w/4% gel, 2% CaCl, ¼ pps flocele, 13.4 ppg, 1.78 yield. Tailed w/175 sxs PP w/2%CaCl. 14.8 ppg, 1.34 yield

TOC Surface

11" hole @ 4919'

9-5/8" 36 & 40 #/ft casing @4,919'

Lead w/1170 sxs 50/50 poz/C w/10%gel, 5% salt, ¼ pps

celloflake, 11.9 ppg, 2.37 yield Tailed w/250 sxs PP w/2% CaCl,

14.8 ppg, 1.34 yield. TOC Surface

7 7/8" hole @ 12,745"

5-1/2" 17 #/ft casing @12,745'

150 bbls mud + 150 scf N2/bbl. 1<sup>st</sup> Stage lead w/375 sxs 50/50 Poz H w/10% gel, .2%SMS, 5 pps celloflake, .5% FL-52, .15% R-21

11.8 ppg, 2.31 yield.

Tailed w/844 sxs (61/15/11) Poz H CSE w/.7% FL-52, .2% SMS, .6%FL-25, 3pps Gilsonite. 13.3 ppg, 1.58 yield.

TOC 6160'

#### **Abbreviated Proposed Procedure**

RU KT & Pump 60 bbls 10 # BW down tbg to kill well. NDWH & NU 5000# Schaffer 4 1/2" x 2 7/8" manual BOP:

Release Arrow XI-S pkr & TOOH w/ 2-7/8" tbg, pkr & gun release. Send pkr to shop to be redressed. RU wireline & TIH w/ 5-1/2", 10K Composite CIBP. Set Comp CIBP @ 12,320'. Note FL while running Comp CIBP.

Utilize Lubricator w/ all bolts in flange.



Stanolind Operating Corp.
Berry Hobbs Unit 17-1
Plugback to NE Shoe Bar (Wolcamp) & Wildcat (Mississippian) Pools
29 November 2005 – Page 2

PU 3-3/8" scalloped deep penetrating guns as above and RIH. Perforate Cisco Canyon from 10,989' - 11,001 (10,995' - 11,007' OH log depth) & 11,006' to 11,030' (11,012' - 11,036' OH log depth). Interval will be shot with minimal fluid over guns.

PU 2 jts 2-7/8" tail pipe, 5-1/2" Arrowset IX pkr, & RIH w/ SN + 2-7/8" tbg to 11,030'.

RU Cudd PP and circulate WB w/ clean PW or FW. Spot 500 gals 20% anti-sludge from 11,030' to 10,530'.

PUH w/ tbg & pkr to 10,780' & reverse acid into tbg. Load backside & RU on tbg. Breakdown perfs w/ spot acid & establish rate.

Acidize interval 10,989' to 11,030" w/ additional 3,500 gals 15% anti-sludge acid dropping 160 - 7/8" 1.3 sg RNCB's. Record ISIP, 5", 10" & 15" SIP's.

SI & WO acid to spend for minimum 3 hrs. RU swab & swab well to pit. Record swab #, FL's & recoveries.

Based upon recoveries will either flow well, POP or PB to Wolfcamp interval. If well swabs calculated commercial oil cuts / rates will consider adding "Berry Hobbs" Wolfcamp Pay and DH commingling both zones.

If Cisco interval swabs non-commercial, will PB and attempt completion in U. Townsend WC pay interval that may have high water cuts.

Excavate BW cuttings pit and haul to CRI Disposal. Deep bury FW cuttings in pit and restore location.



## STANOLIND OPERATING CORP. EXISTING WELLBORE DIAGRAM

| WELL NAME: | Berry Hobbs U  | nit 17-1             |              | FIELD:       | Northeast Shoe Bar | Northeast Shoe Bar (Strawn), Wildcat (Mississippian) |                        |  |  |  |
|------------|----------------|----------------------|--------------|--------------|--------------------|--|------------------------|--|--|--|
| LOCATION:  | 2490' FSL & 18 | 350' FEL, Sec 17, T- | 16-S, R-36-E | COUNTY:      | Lea                | STATE:   | New Mexico<br>9/7/2004 |  |  |  |
| ELEVATION: | GL = 3928'; KB | = 3947 (19' KB Cor   | т)           | SPUD DATE:   | 5/6/2004           | COMP DATE:   |                        |  |  |  |
| AP#        |                |                      |              | PREPARED BY: | M. Stewart         |  |                        |  |  |  |
|            | DEPTH          | HOLE SIZE            | SIZE         | WEIGHT       | GRADE              | THREAD   | TOC                    |  |  |  |
| CASING:    | 473            | 17-1/2"              | 13-3/8"      | 54.5 #       | H-40               | ST&C   | Surface                |  |  |  |
| CASING:    | 4919           | 11"                  | 9-5/8"       | 32#          | HCK-55 & J-55      | LT&C   | Surface                |  |  |  |
| CASING:    | 12745          | 7-7/8"               | 5-1/2"       | 17#          | HPC-110 & N-80     | LT&C   | 6160                   |  |  |  |
| TUBING:    | 12274          |                      | 2.875        |              | L80                | 8rd EUE  |                        |  |  |  |
| TUBING:    |                |                      | I            |              |                    |  |                        |  |  |  |

