

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**

<sup>1</sup> Operator Name and Address <b>NorthStar Operating Company</b> P.O. Box 10708 Midland, Texas 79702-7708		<sup>2</sup> OGRID Number <b>152527</b>
<sup>3</sup> Property Code <b>35459</b>	<sup>4</sup> Property Name <b>STATE BT L</b>	<sup>5</sup> API Number <b>30 - 025 - 01031</b>
<sup>6</sup> Proposed Pool 1 <b>97431 Wildcat G-07 S1233118, Atoka</b>		<sup>7</sup> Well No. <b>1</b>
<sup>8</sup> Proposed Pool 2 <b>Rightower Atoka North</b>		

**7 Surface Location**

UL or lot no. P	Section 2	Township 12 S	Range 33 E	Lot Idn	Feet from the 660	North/South line South	Feet from the 660	East/West line East	County Lea <input checked="" type="checkbox"/>
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**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
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**Additional Well Information**

<sup>11</sup> Work Type Code <b>E</b>	<sup>12</sup> Well Type Code <b>O</b>	<sup>13</sup> Cable/Rotary <b>R</b>	<sup>14</sup> Lease Type Code <b>S</b>	<sup>15</sup> Ground Level Elevation <b>4245' DF</b>
<sup>16</sup> Multiple <b>NO</b>	<sup>17</sup> Proposed Depth <b>10,700'</b>	<sup>18</sup> Formation <b>Atoka</b>	<sup>19</sup> Contractor <b>Joe's Well Service</b>	<sup>20</sup> Spud Date <b>02/27/2006</b>
Depth to Groundwater <b>46'</b>		Distance from nearest fresh water well <b>2500'</b>		Distance from nearest surface water <b>70 miles</b>
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: <input checked="" type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				
Closed-Loop System <input checked="" type="checkbox"/>				

**21 Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
<b>9 7/8"</b>	<b>5 1/2"</b>	<b>17#</b>	<b>3,000'</b>	<b>360 sx</b>	<b>surface</b>

Permit Expires 1 Year From Approval  
Data Unless Drilling Underway

<sup>22</sup> 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.

- 1) Move in pulling unit, steel pits and reverse unit equipment. Dig out cellar.
- 2) Install 11" 3000 psi BOP with manual blind and pipe rams.
- 3) Drill and cleanout 300' of 10 3/4" surface pipe using 10# brine water and 9 7/8" drill bit.
- 4) Drill and cleanout 500' of 9 7/8" open hole to top of 7 5/8" casing. Run 7 5/8" slipover bowl and +/- 13 jts 7 5/8" casing.
- 5) Pick up 6 3/4" bit and go into 7 5/8" casing to 3,000' to top of 5 1/2" casing. Dress off 5 1/2" casing.
- 6) Pick up +/- 75 jts 5 1/2" casing with casing bowl and bowl over 5 1/2" casing.
- 7) Go in hole with 4 3/4" bit and 2 7/8" tubing and drill out cement. Pull 7 5/8" casing and slipover bowl.
- 8) Perforate at 3,300', pump 500 sx Class 'C' Cement and circulate to surface. Pressure test 5 1/2" casing.
- 9) Go in hole to 8,950' and drill out cast iron bridgeplug.
- 10) Squeeze old perforations (9,045' to 9,754'). Drill out cement and pressure test 5 1/2" casing.
- 11) Pick up and run 5 1/2" packer and 2 7/8" tubing. Set packer at 10,200'. Install 5000# tubing valves. Swab well dry.
- 12) Perforate (with tubing guns) interval (10,248' - 10388') and test well to tanks.

<sup>23</sup> 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 NMOC guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: **Mark A. Philpy**

Title: **President**

E-mail Address: **mphilpy@northstarop.com**

Date: **02/21/2006**

Phone: **432 / 684-5765**

**OIL CONSERVATION DIVISION**

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval Attached ☐

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State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

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

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-025-01031</b>	<sup>2</sup> Pool Code <b>97431</b>	<sup>3</sup> Pool Name <b>Hightower</b> <b>Wildcat G-07 S123311B; Atoka North</b>
<sup>4</sup> Property Code <b>35459</b>	<sup>5</sup> Property Name <b>STATE BT L</b>	<sup>6</sup> Well Number <b>1</b>
<sup>7</sup> OGRID No. <b>152527</b>	<sup>8</sup> Operator Name <b>NorthStar Operating Company</b>	<sup>9</sup> Elevation <b>4245' DF</b>

<sup>10</sup> Surface Location

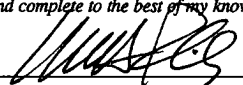
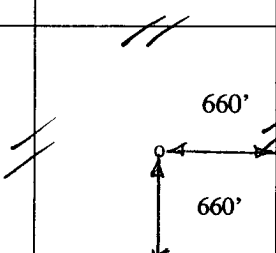
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
<b>P</b>	<b>2</b>	<b>12 S</b>	<b>33 E</b>		<b>660</b>	<b>South</b>	<b>660</b>	<b>East</b>	<b>Lea</b>


<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres <b>40</b> ✓	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

16					<b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature <b>Mark A. Philpy</b> Printed Name <b>President</b> Title <b>02/21/2006</b> Date
					<b>18 SURVEYOR CERTIFICATION</b> 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. Date of Survey Signature and Seal of Professional Surveyor:
					Certificate Number

 The sender of this message has requested a read receipt. [Click here to send a receipt.](#)

**Mull, Donna, EMNRD**

**From:** Phillips, Dorothy, EMNRD  
**To:** Mull, Donna, EMNRD  
**Cc:**  
**Subject:** RE: Financial Assurance Requirement  
**Attachments:**

**Sent:** Wed 3/1/2006 9:08 AM

Donna, Paladin has 9 Inactive wells and it owns 61 wells and they are allowed to have only 2 inactive wells - I am asking Gail about this one also.

Pogo has 719 wells and are allowed 7 wells and they have 15 inactive and are purchasing 23 inactive from Arch but they do not appear on Jane's list. I have asked Gail about Pogo to see if she has contacted them. The system has been updated so that whenever an operator tries to do an operator change if they are out of compliance with Rule 40 a Warning appears that they are out of compliance and to contact me. I refer them either to Gail or Daniel. They let me know when to proceed with the operator change. However, Pogo submitted the name change before this was in place. Will let you know what Gail says. All the rest are okay.

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**From:** Mull, Donna, EMNRD  
**Sent:** Wednesday, March 01, 2006 7:42 AM  
**To:** Phillips, Dorothy, EMNRD  
**Subject:** Financial Assurance Requirement

Dorothy, These Operators have Intent to drill in District 1 for approval:

Trilogy Operating Inc, (21602)  
 Range Operating New Mexico Inc. (227588)  
 Marbob Energy Corp. (14049)  
 Paladin Energy Corp. (164070)  
 Energen Resources Corp (162928)  
 Marathon Oil Co. (14021)  
 BTA Oil Producers (3002)  
 Northstar Operating Co. (152527)  
 EverQuest Energy Corp (212929)  
 Yates Petroleum Corp (35575)  
 Arch Petroleum Inc, (962)  
 Chevron USA Inc (4323)  
 Pogo Producing Co. (17891)

Please check if the Financial Assurance Requirements are OK for these operators to drill. Thanks Donna