

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

¹ Operator Name and Address Pride Energy Company, P.O. Box 701950, Tulsa, OK 74170		² OGRID Number 151323
³ Property Code 32545	⁴ Property Name State X	⁵ API Number 30-025-37800
⁹ Proposed Pool 1 Four Lakes Austin South		¹⁰ Proposed Pool 2

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	12	12S	34E	N	660'	South	1,980'	West	Lea

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

Additional Well Information

¹¹ Work Type Code New Well	¹² Well Type Code Gas	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code State	¹⁵ Ground Level Elevation 4,138
¹⁶ Multiple N	¹⁷ Proposed Depth 12,600	¹⁸ Formation Mississippi Limestone	¹⁹ Contractor [Signature]	²⁰ Spud Date ASAP
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 14,366 bbls Drilling Method: Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				
Closed-Loop System <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14.75"	11.75"	42	400	450	0
11"	8.625"	24 & 32	4200	1850	0
7.875"	5.5"	17	12600	2700	3700

²² 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.

Pride Energy Company proposes to drill/test the Mississippian and intermediate formations. Approximately 400' of surface casing will be set/cemented. Intermediate casing will be set @ 4200', cement circulated to the surface. If commercial, production casing will be run/cemented; will perforate/stimulate as needed for production. MUD PROGRAM: 0-400' - FW/Spud Mud; 400' - 2150' - Fresh Water; 2150' - 4200' Red Bed Mud/Oil; 4200' - 7700' - Cut Brine; 7600' - 11615' - Salt Gel/Oil/Starch; 11615' - TD - SW/Starch/4% KCL.

Proposed Blowout Prevention Program

Type Double Ram	Working Pressure 5000	Test Pressure 5000	Manufacturer
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²³ 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 ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: John W. Pride
Title: Pres. of Pride Oil & Gas Co., Inc. as Gen. Partner of Pride Energy Company

E-mail Address: johnp@pride-energy.com

Date: 4/7/06

Phone: 918-524-9200

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval APR 20 2006

Expiration Date:

Conditions of Approval Attached ☐

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

jp4169.aj.doc

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DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30 - 025 - 37800	Pool Code 97164	Pool Name Four Lakes Austin South
Property Code 32545	Property Name STATE "X"	Well Number 2
OGRID No. 151323	Operator Name PRIDE ENERGY COMPANY	Elevation 4138'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	12	12 S	34 E		660	SOUTH	1980	WEST	LEA

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 320	Joint or Infill	Consolidation Code	Order No.						

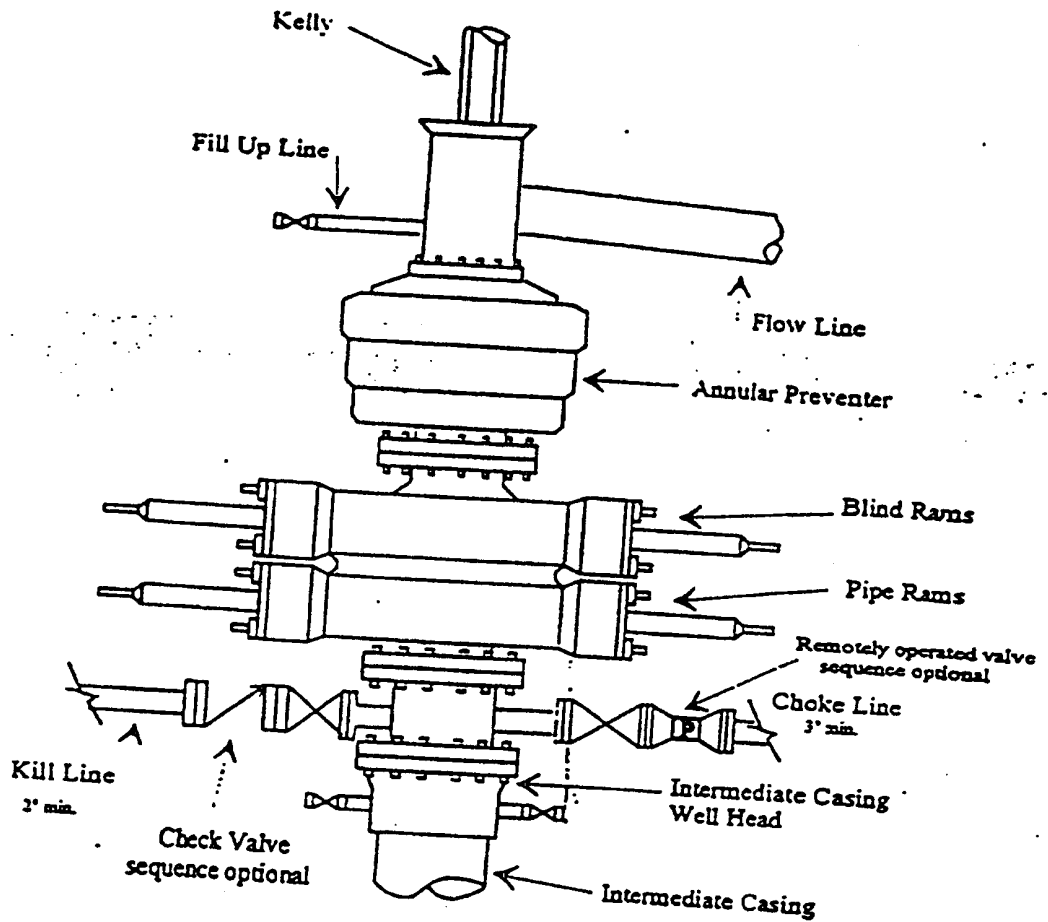
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><u>John W. Pride</u> Signature John W. Pride Printed Name Pres. of Pride Oil & Gas Co., as Gen. Partner Title of Pride Energy Company</p> <p>Date April 7, 2006</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date Surveyed APRIL 05, 2006 Signature of Surveyor [Signature] Professional Surveyor 7977 W.O. No. 6422 Certificate No. 10000 L. Jones 7977</p> <p>BASIN SURVEYS</p>
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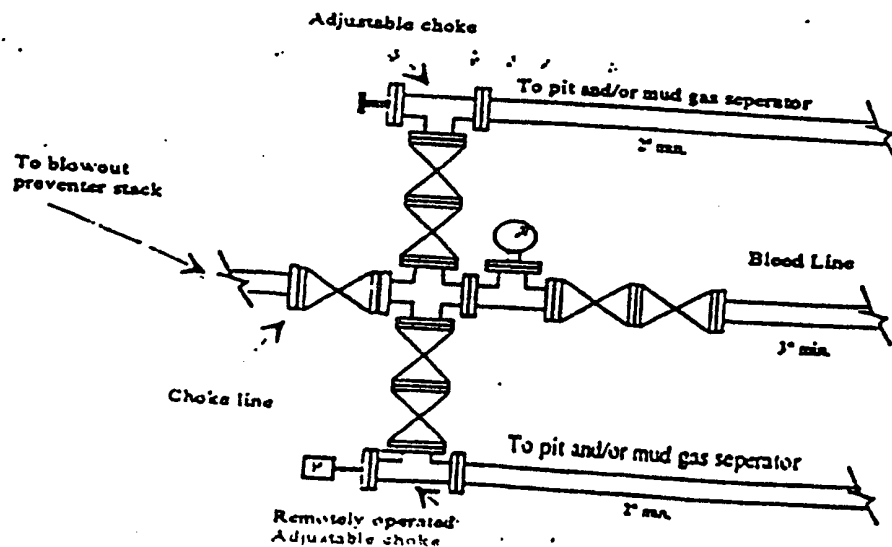


PRIDE ENERGY COMPANY
Typical 5,000 psi Pressure System
Schematic
Annular with Double Ram Preventer Stack

BOP-4



Typical 5,000 psi choke manifold assembly with at least these minimum features



SECTION 12, TOWNSHIP 12 SOUTH, RANGE 34 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

150' NORTH
□ OFF SET
4137.8

PRIDE ENERGY COMPANY

STATE "X" NO. 2

Elev. - 4138.4'

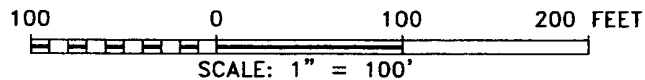
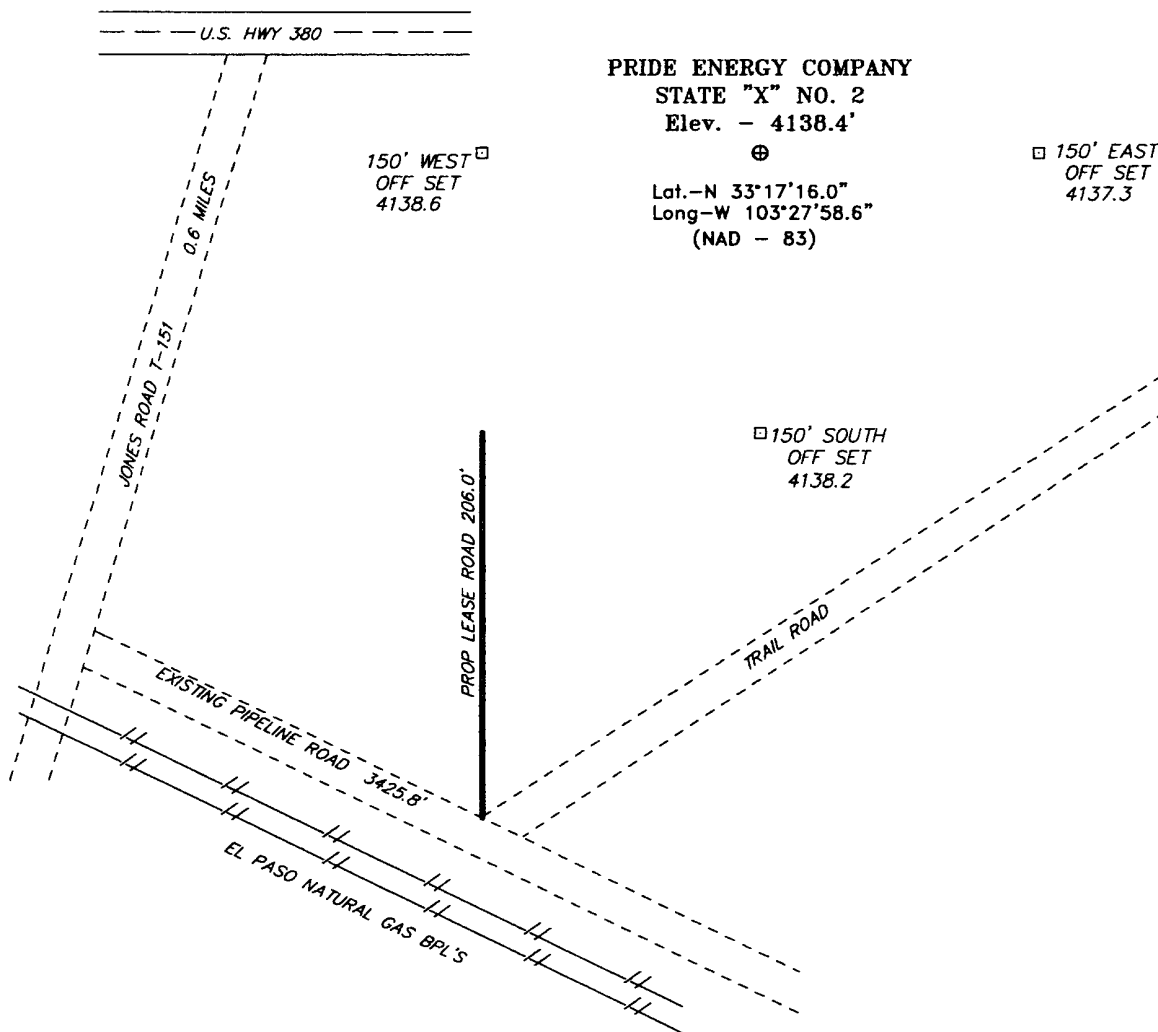


Lat.-N 33°17'16.0"
Long-W 103°27'58.6"
(NAD - 83)

□ 150' EAST
OFF SET
4137.3

150' WEST
□ OFF SET
4138.6

□ 150' SOUTH
OFF SET
4138.2



Directions to Location:

FROM TATUM PROCEED WEST ON U.S. HWY 380 TO THE INTERSECTION OF U.S. HWY 380 AND JONES ROAD, GO SOUTH FOR 0.6 MILES ON JONES ROAD; THENCE SOUTHEAST ON EXISTING PIPELINE ROAD FOR .65 MILES TO PROPOSED LEASE ROAD.

PRIDE ENERGY COMPANY

REF: STATE "X" No. 2 / Well Pad Topo

THE STATE "X" No. 2 LOCATED 660' FROM
THE SOUTH LINE AND 1980' FROM THE WEST LINE OF
SECTION 12, TOWNSHIP 12 SOUTH, RANGE 34 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 6422

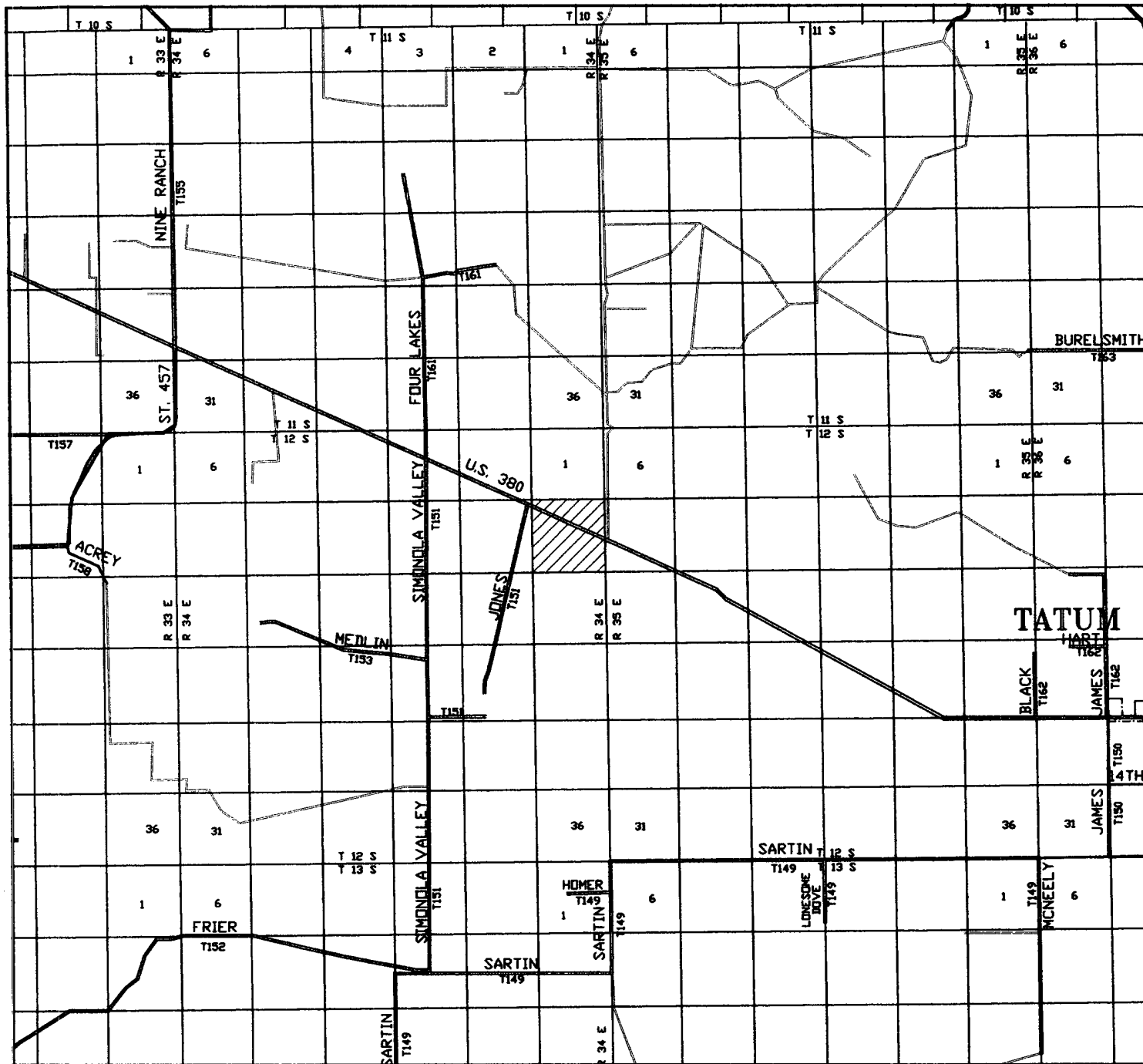
Drawn By: J. SMALL

Date: 04-04-2006

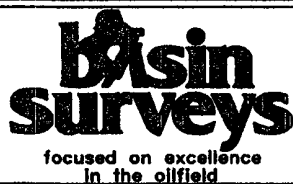
Disk: JMS 6422A

Survey Date: 04-03-2006

Sheet 1 of 1 Sheets



STATE "X" NO. 2
 660' FSL AND 1980' FWL
 Section 12, Township 12 South, Range 34 East,
 N.M.P.M., Lea County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

W.O. Number: JMS 6422AA

Survey Date: 04-03-2006

Scale: 1" = 2 MILES

Date: 04-04-2006

PRIDE
 ENERGY
 COMPANY

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Energy Minerals and Natural Resources

Oil Conservation Division
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Form C-144
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: <u>Pride Energy Company</u> Telephone: <u>918-524-9200</u> e-mail address: <u>john@pride-energy.com</u>	
Address: <u>P.O. Box 706950, Tulsa, OK 74170</u>	
Facility or well name: <u>State X #2</u> API #: _____ U/L or Qtr/Qtr <u>SESW</u> Sec <u>12</u> T <u>12S</u> R <u>34E</u>	
County: <u>Lea</u> Latitude _____ Longitude _____ NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/>	
Surface Owner: Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>	
Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume: <u>14,366</u> bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	<u>Less than 50 feet</u> (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) <u>No</u> (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) <u>1000 feet or more</u> (0 points)
Ranking Score (Total Points)	

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility: _____ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 4/19/06

Printed Name/Title: John W. Pride - Pres. of Pride Oil & Gas Co., Inc.

Signature: John W. Pride

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:


Printed Name/Title: _____

Signature: [Signature]

Date: _____

PETROLEUM ENGINEER

APR 20 2006

 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: Thu 4/20/2006 8:25 AM

All have blanket and none appear on Jane's list.

From: Mull, Donna, EMNRD
Sent: Thursday, April 20, 2006 8:15 AM
To: Phillips, Dorothy, EMNRD
Cc: Macquesten, Gail, EMNRD; Sanchez, Daniel J., EMNRD
Subject: Financial Assurance Requirement

Dorothy,

Is the Financial Assurance Requirement for these Operators OK?

Petrohawk Operating Co (194849)
Pride Energy Co (151323)
COG Operating LLC (229137)
OXY USA WTP Limited Partnership (192463)
Chevron USA Inc (4323)
John H Hendrix Corp (12024)
Latigo Petroleum Inc (227001)

Please let me know. Thanks and have a nice day. Donna