•				E-06	-23
ι.	OCD	-HOBBS			
Form 3160-3 (August 1999) UNITED STATES				OMB	A APPROVED No: 1004-0136 lovember 30, 2000
DEPARTMENT OF THE II BUREAU OF LAND MANA	5. Lease Serial N LC=059152b	0.			
APPLICATION FOR PERMIT TO D	6. If Indian, Allot	tee or Tribe Name			
Ia. Type of Work: 🕅 DRILL 🔲 REENTE	ER			1	greement, Name and No.
b. Type of Well: 🚺 Oil Well 😰 Gas Well 🗋 Other 🚺 Single Zone 🚺 Multiple Zone			8. Lease Name and Cooper 24 F	Well No. (35 622) Ted. Com., Well #	
2. Name of Operator				9. API Well No.	
Patterson Petroleum, LP 3a. Address	13h Phone h	<u><141428</u> lo. (include area codé)	·····-		-37841
P.O. Box 1416 Snyder, TX 79550	1) 573-1938		10. Field and Pool, o LeaMex Morro	
4. Location of Well (Report location clearly and in accordance with					or Bik. and Survey or Area
At surface 1650' FNL & 800' FEL		,			,
At proposed prod. zone 8ame	Unit H			Sec. 13241919	1.2
 14. Distance in miles and direction from nearest town or post office* 4 miles SE of Malajamar, NM 				12. County or Parish	13. State
15. Distance from proposed* location to nearest	16. No. of	Acres in lease	17. Spacin	g Unit dedicated to this	
property or lease line, ft. (Also to nearest drig. unit line, if any) 800 ¹		480	320		à là
18. Distance from proposed location* to nearest well, drilling, sompleted, applied for, on this lease, ft. 358*	19. Proposed Depth 20. BLM/B Bond m		BIA Bond Noton file nailed No. pending	1347	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4,093' GL		imate date work will sta /15/06		23. Estimated durat 45 - 60 d	ion L.
24. Attachments Roswell Controlled Water Basin					Basin
The following, completed in accordance with the requirements of Onshor	re Oil and Ga	Order No.1, shall be at	ached to this	s form:	
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System SUPO shall be filed with the appropriate Forest Service Office). 	Lands, the	Item 20 above). 5. Operator certific	ation. specific info	·	in existing bond on file (see as may be required by the
25. Signature		l : (Printed/Typed)			Date
Tile Deorgek Ameth	i Ge	orge R. Smith	, agent	L	; 2/9/06
Approved by (Signature) /S/ James Stovall	Nam	e (Printed/Typed) /c/ Jai	mes Sto	vall	APR 2 C 2006
TILLE ACTIPPELD MANAGER	Offi				FICE
Application approval does not warrant or certify the the applicant holds to operations thereon. Conditions of approval, if any, are attached.	egal or equital	ble title to those rights ir		lease which would ent PROVAL F(
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it States any false, fictitious or fraudulent statements or representations as to	a crime for a o any matter s	ny person knowingly ar vithin its jurisdiction.	nd willfully (to make to any departm	nent or agency of the United
*(Instructions on reverse) Witness Surfa				Ka	
Lease Responsibility Statement: Patterson Petroleum concerning operations conducted on the leased land o			ms, condit	ions, stipulations,	and restrictions
APPROVAL SUB:	JECT TO)	SR	S	

GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

George R. Smith, agent

State of New Mexico DISTRICT I Energy, Minerals and Natural Resources Department 1625 N. FERRER DR. HOBRS, NM 88240 Form C-102 Revised JUNE 10, 2003 DISTRICT II OIL CONSERVATION DIVISION Submit to Appropriate District Office 1901 V. CRAND AVENUE, ARTESIA, NH 8 State Lease - 4 Copies 1220 SOUTH ST. FRANCIS DR. Fee Lease - 3 Copies DISTRICT III Santa Fe, New Mexico 87505 1000 Rio Brazos Rd., Astec, NM 87410 DISTRICT IV WELL LOCATION AND ACREAGE DEDICATION PLAT C AMENDED REPORT 1820 S. ST. FRANCES DR., SANTA PE, NM 87505 Pool Code Hag 97387 **API** Number Pool Name 0-025-37841 R 13999 LeaMex Morrow, West **Property** Code **Property Name** Well Number **COOPER 24 FEDERAL COM** 35622 1 OGRID No. **Operator** Name Elevation 141928 PATTERSON PETROLEUM, LP 4093 Surface Location UL or lot No. Section Lot Idn Feet from the North/South line Township Range Feet from the **Bast/West** line County Н 24 17-S 32-E 1650 NORTH 800 EAST 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/ Joint or Infill **Consolidation** Code Order No. Com. 320 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 XXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXX **OPERATOR CERTIFICATION** I hereby certify the the inform ed herein is true and complete to the best of my knowledge and belief. Signature 4097.5 4097.2 George R. Smith GEODÈTIC COORDINATES **Printed** Name NAD 27 NME 1800 Agent for Patterson Pet. Y=663542.3 N 600' Title 4091.0 X=690444.6 E 4090.5 2/9/06 Date LAT.=32°49'21.47" N LONG.=103 42'48.21" W 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 supervison, and that the same is true and correct to the best of my belief. **DECEMBER 29, 2005** Date Surveyed Date Surveyer Signature & Seaf (D) Professional Surveyor MEX A 200 1/25/06 an 05.11.2006 Certificate No. GARY. EIDSON 12641 hannanne

APPLICATION FOR DRILLING

PATTERSON PETROLEUM, LP Cooper 24 Federal Com., Well No. 1 1650' FNL & 800' FEL, Sec. 24-T17S-R32E Lea County, New Mexico Lease No.: LC-059152b (Development Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Patterson Petroleum, LP submits the following items of pertinent information in accordance with BLM requirements:

1. The geologic surface formation is recent Permian with quaternary alluvium and other surficial deposits.

2. The estimated tops of geologic markers are as follows:

Grayburg	4,200'
San Andres	4,450'
Paddock	5,800'
Wolfcamp	10,200'
Strawn	12,400'
Atoka.	12,700'
Morrow	13,100'
Mississippian	13,700'
T.D.	13,800'

3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Surface water between 100' - 300'.

Oil and Gas: Possible in the Paddock below 5,800'and Wolfcamp 10,200'.

Gas: Possible in the Atoka below 12,700' and Morrow 13,100'.

4. Proposed Casing Program:

··· ··· ···		- 8				
HOLE SIZE	CASING SIZE	<u>WEIGHT</u>	GRADE	JOINT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48.0#	H-40	ST&C	0' - 400'	Circ. 500 sx. "C" to surface
12 1/4"	9 5/8"	40.0#	HCK55&J-55	LT&C	0'- 5,600'	Circ. 1500 sx HLPP & 250 sx "C"
8 3/4"	5 1/2"	20.0#	P110	LT&C	0' - 13,800'	1 st stage 1400 sx HLPP & 300 sx Super H
						2 nd stage 300 sx HLPP & 600 sx C, TOC
						estimated @ 4000' from surface

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5. Minimum Specifications for Pressure Control Equipment:

A 13 5/8" 5M Double Gate BOP over single 5M annular preventer will be installed on the 13 3/8" before drilling 12 ¹/4" and 8 ³/4" holes and operated as a 5000-psi system. Will perform a 3M test on the casing and BOP before drilling 12.1/4" hole and a 5M test before drilling the 8 ³/4" hole.

6. MUD PROGRAM:		MUD WEIGHT	VIS.	W/L CONTROL
0' - 400':	Fresh water mud:	8.5 ppg	32 - 36	No W/L control
400' - 1,200':	Fresh water mud	8.5 ppg	32 - 36	No W/L control
1,200' - 4,800':	Cut brine, paper, lime	10.0 ppg	32 - 38	No W/L control
4,800' - 11,000':	FW, paper, lime	8.5 ppg	28 - 32	No W/L control
11,000' - 13,800':	Cut Brine, polymer, lime	10.0 ppg	32 - 50	W/L control 6 - 15 cc

7. Auxiliary Equipment: Blowout Preventer, flow sensors, kelly cock and stabbing valve.

PATTERSON PETROLEUM, LP

Cooper 24 Federal Com., Well No. 1 Page 2

8. Testing, Logging, and Coring Program:

Drill Stem Tests: None unless conditions warrant.

Logging: 4,800' to T.D.: GR-DLL,GR-CND, and Multipole Array Accoustilog 4,800' to Surface: CNL-GR

Coring: Rotary sidewall in select intervals, if dictated by logs.

Further testing procedures will be determined after the production casing has been cemented at TD; based on drill shows and log evaluations.

9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered the proposed mud program will be modified to increase the mud weight. Estimated evacuated BHP = 6072 psi and surface pressure of 3086 psi with a temperature of 198°.

10. H_2S : None expected. None in existing wells in close vicinity, but the Mud Log Unit will be cautioned to use a gas trap to detect H_2S and if any is detected the mud weight will be increased along with H_2S inhibitors sufficient to control the gas.

11. Anticipated starting date: March 15, 2006. Anticipated completion of drilling operations: Approximately 6 weeks.

MULTI POINT SURFACE USE AND OPERATIONS PLAN

PATTERSON PETROLEUM, LP Cooper 24 Federal Com., Well No. 1 1650' FNL & 800' FEL, Sec. 24-T17S –R32E Lea County, New Mexico Lease No.: NM-059152b (Development Well)

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to describe the location of the proposed well; the proposed construction activities and operations plan to be followed in rehabilitating the surface and environmental effects associated with the operations.

1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a BLM minerals map showing the location of the proposed well as staked. The well site location is approximately 4 road miles southeast of Maljamar, NM. Traveling east of Artesia, NM on U.S. Highway 82, there will be approximately 42 miles of paved highway and .1 mile of gravel oil field road.
- B. Directions: Travel east of Artesia, NM on U.S. Highway 82 for approximately 38 miles to Maljamar, NM. Turn south on CR#126, Maljamar Rd, for .6 mile to a "Y". Take southeast road, CR #125, Mescalero Rd. for 3.3 miles. Turn east across cattle guard. The proposed access road for the Cooper 24 Federal Com., #1 will start approximately 150' east of the cattle guard and run north for 250 feet to the southwest corner of this well pad.

2. PLANNED ACCESS ROAD:

- A. Length and Width: The proposed access road will be constructed to a surface width of 12 feet and will be approximately 250 feet long. The proposed and existing roads are color coded on Exhibit "A".
- B. Construction: The proposed access road will be constructed by grading and topping with compacted caliche. The surface will be properly drained.
- C. Turnouts: None required.
- D. Culverts: None.
- E. Cuts and Fills: None required.
- F. Gates, Cattle guards: None required. There is one in place at the county road turnoff.
- G. Off lease right of way: None required.

3. LOCATION OF EXISTING WELLS:

A. Existing wells within a two-mile radius are shown on Exhibit "C".

PATTERSON PETROLEUM, LP

Cooper 24 Federal Com., Well No. 1 Page 2

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES;

- A. Patterson Petroleum, LP has production facilities on the lease at this time.
- B. If the well proves to be commercial, the necessary production facilities, gas separation-process equipment and tank battery, if required, will be installed on the drilling pad. A 4.5" steel line will be buried parallel to the access road south for approximately 90 feet to the gas pipeline.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. It is planned to drill the proposed well with fresh water that will be obtained from private or commercial sources and will be transported over the existing and proposed access roads

6. SOURCE OF CONSTRUCTION MATERIALS:

A. Caliche for surfacing the proposed access road and well site pad will be obtained from the location, if available, or will purchase caliche from the closest open pit. No surface materials will be disturbed except those necessary for actual grading and leveling of the drill site and access road.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. All pits will be fenced with normal fencing materials to prevent livestock from entering the area.
- D. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or a separate disposal application will be submitted to the BLM for approval.
- E. Oil produced during operations will be stored in tanks until sold.
- F. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- G. Trash, waste paper, garbage and junk will be contained in trash bins to prevent scattering by the wind and will be removed for deposit in an approved sanitary landfill within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

A. None required.

PATTERSON PETROLEUM, LP

Cooper 24 Federal Com., Well No. 1 Page 3

9. WELL SITE LAYOUT:

- A. Exhibit "D" shows the relative location and dimensions of the well pad, reserve pits, and major rig components. The pad and pit area has been staked and flagged, 600' X 600'.
- B. Mat Size: 320' X 195', plus 120' X 120' reserve pits on the north.
- C Cut & Fill: The location will require a cutting of 2.0 foot on the north with fill to the south.
- D. The surface will be topped with compacted caliche and the reserve pits will be plastic lined.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of drilling and/or completion operations, all equipment and other material not required 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 a condition as possible.
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and leveled as soon as they are dry enough to be worked.

11. OTHER INFORMATION:

- A. Topography: The proposed well site and access road are located west of the Mescalero Ridge and in the Querecho Plains with a 1.7% slope to the south/southwest from an elevation of 4093' GL.
- B. Soil: The topsoil at the well site is a tan sandy loam with possible caliche below the surface. The soil is part of the Pyote and Maljamar fine sands series.
- C. Flora and Fauna: The vegetation cover has a poor to fair grass stand consisting of three-awn, muhly, grama, showy chloris and other miscellaneous grasses along with plants of mesquite, yucca, broomweed, cacti and miscellaneous weeds and wildflowers. The wildlife consists of rabbits, coyotes, antelope, deer, rattlesnakes, lizards, dove, quail and other wildlife typical of the semi-arid desert land.
- D. Ponds and Streams: None in the immediate vicinity.
- E. Residences and Other Structures: None in the immediate vicinity except oil field facilities.
- F. Land Use: Cattle grazing.
- G. Surface Ownership: The proposed well site and access road is on State surface and with Federal minerals. Surface lessee is the Caswell Ranch, 1702 Gilham Dr., Brownfield, TX 79316 and they have been notified.
- H. There is no visible evidence of archaeological, historical or cultural sites in the staked area. Archaeological Survey Consultants, P. O. Box D, Roswell, NM 88202, are conducting an archaeological survey and their report will be submitted to the appropriate government agencies.

PATTERSON PETROLEUM, LP Cooper 24 Federal Com., Well No. 1 Page 4

12. OPERATOR'S REPRESENTATIVE:

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

Nolan Von Roeder PATTERSON PETROLEUM, LP P. O. Box 1416 Snyder, Texas 79549 Office Phone: (325) 573-1938 Cell Phone: (325) 207-2915

13. CERTIFICATION:

I hereby certify that I have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Patterson Petroleum, LP and its contractors and subcontractors 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.

February 9 2006

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George R. Smith Agent for: Patterson Petroleum, LP









5000 PSI WORKING PRESSURE BLOWOUT PREVENTER STACK

EXHIBIT C-I



5000 PSI WORKING PRESSURE CHOKE MANIFOLD

EXHIBIT C-2

EXHIBIT "E" PATTERSON PETROLEUM, LP Cooper 24 Federal Com., Well No. I BOP Specifications <u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

> Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

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

	de Tank Registration or C			
	k covered by a "general plan"? Yes [r below-grade tank X Closure of a pit or belo			
Type of action. Registration of a pit of	The server a pit of being the server of a pit of being			
Operator: Patterson Petroleum, LPTelep				
Address: _P.O. Box 1416 Snyder, TX 79550		·		
Address: _P.O. Box 1416 Snyder, TX 79550 Facility or well name: _Cooper 24 Federal Com., Well No. 1	API#: U/L or	r Qtr/Qtr SENE Sec 24 T 17S R 32E		
County: LeaLatitude_32'49'21.47" NLongitude_103'				
<u>Pit</u>	Below-grade tank			
<u>Type:</u> Drilling:X Production Disposal	Volume:bbl Type of fluid:			
Workover 🔲 Emergency 🛄	Construction material:			
Lined X Unlined	Double-walled, with leak detection? Yes 🔲 If not, explain why not.			
Liner type: Synthetic 🗍 Thickness 12mil Clay 🗍 Volume				
10,000 +/bbl				
Depth to ground water (vertical distance from bottom of pit to seasonal high	Less than 50 feet	(20 points)		
water elevation of ground water.)	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	Yes	(20 points)		
water source, or less than 1000 feet from all other water sources.)	No	(0 points)		
Distance to surface water: (horizontal distance to all wetlands, playas,	Less than 200 feet	(20 points)		
irrigation canals, ditches, and perennial and ephemeral watercourses.)	200 feet or more, but less than 1000 feet	(10 points)		
	1000 feet or more	(0 points)		
	Ranking Score (Total Points)	-0-		
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:		
onsite offsite If offsite, name of facility				
end date. (4) Groundwater encountered: No [] Yes [] If yes, show depth				
a diagram of sample locations and excavations.				
	general permit 🔲, or an (attached) alterna	tive OCD-approved plan 🔲.		
Printed Name/Title Agent for Patterson Petroleum, LP	SignatureOezyck	Amitto		
Your certification and NMOCD approval of this application/closure does not otherwise endanger public health or the environment. Nor does it relieve the regulations.	relieve the operator of liability should the con operator of its responsibility for compliance w	tents of the pit or tank contaminate ground water or vith any other federal, state, or local laws and/or		
Approval:				
Date:APR 2 5 2006				
Printed Name/Title	Signature			
Printed Name/Title				
		•		

The send	ler of this message has requested a read receipt. Click here to s	end a receipt.
Mull, Doni	na, EMNRD	
From:	Phillips, Dorothy, EMNRD	Sent: Tue 4/25/2006 9:48 AM
То:	Mull, Donna, EMNRD	
Cc:		
Subject:	RE: Financial Assurance Requirement	
Attachmen	ts:	

All have blankets and not on Jane's list.

From: Mull, Donna, EMNRD
Sent: Tuesday, April 25, 2006 9:17 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?

Patterson Petroleum LP (141928) XTO Energy Inc (5380) Saber Res LLC (236378) Range Operating New Mexico Inc (227588) Pride Energy Co (151323) EOG Resources Inc (7377) POGO Producing Co (17891)

Please let me know. Have a nice day. Donna

https://webmail.state.nm.us/exchange/dmull/Inbox/RE:%20Financial%20Assurance%20Requirement-2.E... 4/25/2006