District , 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210

Date: May 17, 2006

Phone: 918-524-9200

State of New Mexico Energy Minerals and Natural Resources 2722

May 27, 2004

Form C-101

District III	and Dane	۸ X	JR 4 05	7410			Conserva			₹√.	Sich	omit to approp	riate District Office		
1000 Rio Brazos Road, Aztec, NM 87410 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505					1220 South St. Francis Dr. Santa Fe, NM 87505										
1220 S. St. Fr	ancis Dr., S	Santa F	e, NM	1 87505		S	Santa Fe,	NM 875	505	Colle-	6	3	•		
APPL	ICATI	ON I	FOF	R PERMIT	TO D	RILL,	RE-ENT	ER,D	EEPE	N, PLUGB	A 🚱	K, OR AD	D A ZONE		
	¥.			¹ Operator Name	and Addre	ess		1	(6) ×		100	OGRID Numbe 151323			
	Pride I	Energy	/ Con	npany, PO Bo	x 70195	0, Tulsa,	OK 74170		1999	₹ 230 ≤ 025	-018	³ API Number			
	rty Code		T			³ Pro	operty Name			<u>G (50 _025</u>	1	° Wel	l No.		
35	718					East S	aunders U	niţ					<u> </u>		
	W	ilde	'! 2 4 -	Proposed Pool 1	nian					₁₀ F	Propose	ed Pool 2			
					- 1 1 · · · · · · · · · · · · · · · · ·	⁷ Sur	face Loc	ation							
UL or lot no.	Section	Town		Range	Lot		Feet from the	North/S	South line	Feet from the		East/West line	County		
F.	12	14	S	34E			1980		orth	1980		West	Lea		
⁸ Proposed Bottom Hole Locat								tion If Different From Surface							
UL or lot no.	Section	Town	ıship	Range	Lot	Idn	Feet from the	North/S	South line	Feet from the		East/West line	County		
				· · · · · · · · · · · · · · · · · · ·	Ac	lditiona	l Well In	formati	on						
	Type Code			12 Well Type Co	de		13 Cable/Rotar	/	1	⁴ Lease Type Code	e	15 Grou	and Level Elevation		
	, D				G 17 Proposed Depth 18 Fo					S Contractor	S S		4092 20 Spud Date		
16 Multiple 17 Proposed Dep No 15,375'				oui.		Devonian		Unknown			ASAP				
Depth to Grou					1		rest fresh wate	r well				nearest surface w	ater		
less than 50	: Synthetic	\square	12. mi	ils thick Clay		er than 1,	,366 bbls		Drilling l		unan	1,000 feet			
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Hole S	lize.		Cas	ing Size		g weight/fo	I	Setting D		Sacks o	f Ceme	ent	Estimated TOC		
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8 3/4	<u></u>			5 ½"	17	# & 20#		0 to 15,	375'	1,00	00 sx		11,375'		
		+													
²² Describe t	he propose	d progr	am. I	f this application	is to DEE	PEN or PL	.UG BACK,	give the da	ta on the	oresent producti	ve zon	e and proposed	new productive zone.		
				gram, if any. Us					-	-1		ear From	-		
(see attach	ed)								Ð	ata Unias		lessus b irnik	SUVEN Uthneraes		
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Printed name	: John W	7. Prid	le	John N.	hide		Title	OC D	<i></i>	1		ENERAL MA	NAGER		
Title: Presid	lent of Pr	ide O	il &	Gas Co., Inc.,	as Gene	ral Partn	l l	roval Date			1	oiration Date:	***		
of Pride Er	nergy Co	mpany	у					C VAN	6 200	£					
E-mail Address: johnp@pride-energy.com															

Conditions of Approval Attached

PRIDE ENERGY COMPANY EAST SAUNDERS UNIT #1 1980' FNL and 1980' FWL Section 12-T14S-R34E Lea County, New Mexico Lease Number VO-6340

Drilling Information: Pride Energy Company plans to re-enter this wellbore that was originally drilled by Pan American Petroleum Corp. and P&A in 6/59. Pride will re-enter this well using a drilling rig to clean out the wellbore, using a 12½" drill bit to top of 9½" casing stub at 1,200', run 1,200' of 9½" casing and tie back into existing 9½" and then using a 8 ¾" bit to original TD of 14,975' and then drill new hole to 15,375'. A new suite of open hole logs will be run. If deemed to be commercial, a production string of 5½" casing will be run to TD & cemented to 11,375'. The mud program will be 9.2-9.5 ppg brine water with a 55-70 cp viscosity. A 5000# BOPE will be installed on the 9 5/8" casing.

The well will be completed using a pulling unit. After the 5 ½" casing has been cemented and cased hole logs have been run, the well will be completed and tested in the Devonian zone or another zone above it if decided. The zone to be perforated will be determined after the new open hole logs have been evaluated.



District I

1625 N. French Dr., Hobbs, NM 88240

1301 W. Grand Avenue, Artesia, NM 88210

District III

State of New Mexico

Energy, Minerals & Natural Resources Department

Revised June 10, 2003

Revised June 10, 2003

State Lease - 4 Copies

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.

13/

State Lease - 4 Copies

1000 Rio Brazos F District IV		Santa Fe, NM 87505 Fee Lease - 3 Copies										
1220 S. St. Franci	s Dr., Santa									<i>‰</i> / □	AME	NDED REPORT
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⁴ Property Code					5 P	Property 1	Name		' Well Number			
35718							ers Unit		1			1
OGRID No.					* O	perator			[°] Elevation			
151323					Pride E	nergy	Company					4,092
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16	11011				TOIT STAIT	THE						
								¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true				
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									Signature	Mu I	n. yn	104
									Signature /			
									John W. Prid Printed Name			
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Certificate Number

THE MERCEL CIE CONSCRIBITION COMMISSION

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HOBBS OFFICE OCC

JOHN W. WEST ENGINEERING COMPANY

412 HORTH DAL PASS 1 1959 JAN 28 M 9:55 HOBBS, NEW MEXICO

January 2, 1959

Pan American Pet. Corp. Hobbs, New Mexico

Gentlemen:

On January 2, 1959, a survey was made to locate your State Unit "AQ" No. 1 Well location at a point 1980 feet from the North line and 1980 feet from the West line of Sec. 12, T14S, R34E, N.M.P.M., Lea County, New Mexico.

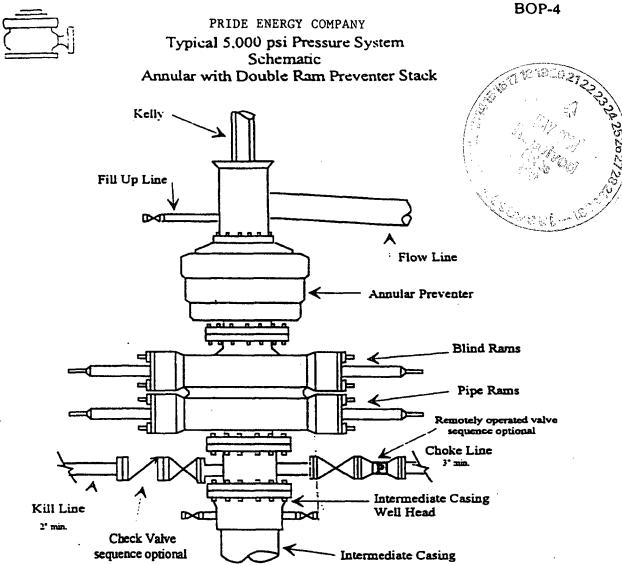
A flag was set at the USGLO Quarter corner marker common to Sections 1 and 12 and the Transit was set up at the Section corner marker common to Sections 1, 2, 11 and 12. Thence chaining East 1980 feet from Transit and then South 1980 feet to the location site of the State Unit "AQ" No. 1. As a check on our survey we chained North from Location Site 1980 feet to the North line of Section 12 and thence East 665.6 feet to the USGLO Quarter corner marker common to Section 1 and 12, checking in within 0.10 foot of the distance as shown on the USGLO Plat.

I hereby certify that the foregoing survey was made in the field under my supervision and that the same is true and correct to the best of my knowledge and belief.

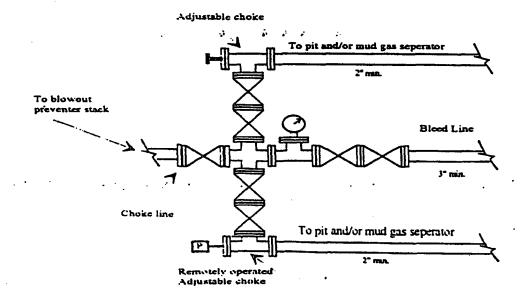
Respectfully submitted,

John W. West





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



Sent: Thu 5/25/2006 8:39 AM

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:

Apache has to submit 3 one well bonds

All the rest have blanket bonds and do no appear on Jane's list.

From: Mull, Donna, EMNRD

Sent: Thursday, May 25, 2006 8:23 AM

To: Phillips, Dorothy, EMNRD

Cc: Macquesten, Gail, EMNRD; Sanchez, Daniel J., EMNRD

Subject: Financial Assurance Requirement

Dorothy,

Is the Financial Assurance Requirements for these Operators OK?

Cimarex Energy Co Of Colorado (162683)

Marbob Energy Corp (14049)

Apache Corp (873)

Texland Petroleum-Hobbs LLC (113315)

Pride Energy Co (151323)

Platinum Exploration Inc (227103)

Chaparral Energy LLC (4115)

Range Operating New Mexico Inc (227588)

I have check the inactive list for each Operator.

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