State of New Mexico Energy, Minerals & Natural Resources

Form C-101 May 27, 2004

District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Submit to appropriate District Office

AMENDED REPORT

APPLIC	CATION	FOF	R PE	RMIT T	O DR	ILL, RE-EN	ITEI	R, DEEPEN,	PLUGBAC!	K, OR ADI) A ZONE	
APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, I									² OGRID Number			
Stephens & Johnson Operating Co.								019958 7 3 API Number				
P.O. Box 224	49 Wichi	ıta Fa	alls,	Texas 7	76307-2	249			30- 025-069	984		
⁴ Property Code ⁵ Property							Name ⁶ Well No.					
324	449					E. O. Car						
⁹ Proposed Pool I Penrose Skelly Grayburg							¹⁰ Proposed Pool 2 Eumont Queen					
⁵ Surface Lo							Locat	ion				
UL or lot no.	Section	Town	vnship Range		Lot. Id	Lot. Idn Feet from the		North/South Line	Feet from the	East/West line	County	
G	33 21S 37E		2051		ı	North	1909	East	Lea			
⁸ Proposed Bottom Hole Location If Different From Surface												
UL or lot no.	Section	Town		Range Lot. Id				North/South Line	Feet from the	East/West line	County	
	<u> </u>			<u> </u>	A	Additional W	ell L	ocation	<u></u>			
11 Work Typ	pe Code		12	Well Type Cod	ie	13 Cable/R	Rotary 14 Lease Type Code 15 Ground Level Elevation					
	E	\dashv	17	0		R		P		61 GR		
¹⁶ Multi	-		17 Proposed Depth					Contractor TWS	1	²⁰ Spud Date 6-12-06		
Depth to ground				5793	Distance f	Grayb from nearest fresh		vell	Distance from near			
Bopin to ground		80				NA.			NA.			
Pit: Liner: Syn	ıthetic		mils th	ick Clay	у	Pit Volume		bbls Drilling Me	thod:			
Closed-Lo	oop System [x				I	Fresh W	/ater 🔲 Brir	ne Diesel/C	il-based 🔲	Gas/Air 🔲	
				²¹ F	Propose	ed Casing an	ıd Ce	ment Progran	n			
Hole S	ize	T	Casin	g Size		ng weight/foot	T	Setting Depth		Sacks of Cement Estimated TOC		
17 1,	/4		13 3/8		48		304		300		Surface	
11			8 5/8		32		3810		875		2930	
7 7/8			5 1/2		17			7592 855		surface		
								3456789707775				
									(7)		(2)	
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 zone zone zone zone zone zone zon								460 1				
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						be	OIL CONSERVATION DIVISION					
an (attached) alternative CD-approved plan Signature:						,	Approved by:					
Printed name: Bob Gilmore / / / / / / / / / / / / / / / / / / /						rus	Title:					
Title: Petroleum Engineer							Appr	oval Dall 2	O 2006 E	xpiration Date:		
E-mail Address:	bgilmor	esj∝	c.net									
Date:	Phone:				Conditions of Approval:							
June 6, 2006				(940) 723-2166			Attached					

- 1. Install BOP. Drill out cement plugs at surface-423', 1025-1278', cast iron cmt retainer @ 2218', cmt plugs @ 2218-2501 and 3580-3872'.
- 2. Complete well in Grayburg formation.

District I 1625 N. French Dr., Hobbs, NM 88240 District II

1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV

State of New Mexico Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised June 10, 2003

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

AMENDED DEDORT

1220 S. St. Franc	is Dr., Santa	Fe, NM 8750	05						IENDED KEPOKI	
		WE	LL LOCA	ATION A	ND ACREA	GE DEDICA	ATION PLA	Τ		
¹ API Number				² Pool Code		³ Pool Name				
30-025-06984				50350		Penrose-Skelly-Grayburg				
⁴ Property Code					⁶ Well Number					
32449					13					
⁷ OGRID №.						⁹ Elevation				
019958				İ	3461'					
	<u> </u>	1			Surface Loca	Operating Co.				
	·		T - T				E + 6 - 4 - 1	E 4037 1:	Country	
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County	
G	33	21S	37E		2051'	North	1909'	East	Lea	
\ <u>-</u>			11 Bott	tom Hole L	ocation If Diff	erent From Su	rface	,		
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County	
12 Dedicated Acr	es 13 Joi	nt or Infill	14 Consolidation	1 Code 15 Or	der No.					
NO ALLOWA	ABLE WI	LL BE AS	SIGNED TO	THIS COM	IPLETION UN	TIL ALL INTE	RESTS HAVE	BEEN CONS	OLIDATED OR A	

NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION ¹⁷OPERATOR CERTIFICATION 16 I hereby certify that the information contained herein is true and complete to the best of my knowledge and Signature Printed Name

Bob Gilmore 1909' bgilmore@sjoc.net Title and E-mail Address 6-6-06 Date 18 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 supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyer: Certificate Number

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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.

Form C-144 June 1, 2004

Pit or Below-Grade Tank Registration or Closure

	covered by a "general plan"? Yes No below-grade tank Closure of a pit or below-grade					
Operator: Stephens & Johnson Operating Co. Telephone: Address: P.O. Box 2249 Wichita Falls, Texas 76307	e-mail address:					
Facility or well name: E. O. Carson #13		6 Sec 33 T 21S R 37E				
County: Lea Latitude N 32 26.229 Longitude W 16						
Pit Type: Drilling Production Disposal Workover Emergency Lined Unlimited Liner type: Synthetic Thickness mil Clay Pit Volume bbl	Below-grade tank Volume: NA bbl Type of fluid: NA Construction material: Double-walled, with leak detection? Yes If not, explain why not.					
Depth to ground water (vertical distance from bottom of pit to seasonal high	Less than 50 feet	(20 points)				
	50 feet or more, but less than 100 feet	(10 points)				
water elevation of ground water.)	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)				
	Less than 200 feet	(20 points)				
Distance to surface water: (horizontal distance to all wetlands, playas,	200 feet or more, but less than 1000 feet	(10 points)				
irrigation canals, ditches, and perennial and ephemeral watercourses.)	1000 feet or more	(0 points)				
	Ranking Score (Total Points)	10				
If this is a pit closure: (1) attach a diagram of the facility showing the pit's reyou are burying in place) onsite offsite offsite, name of facility remediation start date and end date. (4) Groundwater encountered: No Yealtach soil sample results and a diagram of sample locations and excavations. Additional Comments: Re-entry; steel pit	es If yes, show depth below ground surface	on of remedial action taken including				
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:						
Approval: Date:	CAICIM					
Printed Name/Title:	Signature:	Colors &				

or the second se

Sent: Mon 6/19/2006 11:18 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:

Culei

Subject: RE: Financial Assurance Requirement

Attachments:

All have blanket bonds and do not appear on Jane's list excetp Apache Corp. They need 3 one well bonds.

From: Mull, Donna, EMNRD

Sent: Monday, June 19, 2006 9:27 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?

Range Operating New Mexico Inc (227588)
Apache Corp (873)
Horseshoe Operating Inc (225243)
Pogo Producing Co (17891)
Yates Petroleum Corp (25575)
Marathon Oil Co (14021)
COG Operating LLC (229137)
Stephens & Johnson Operating Co (19958)
Platinum Exploration Inc (227103)
Chevron USA Inc (4323)
Patterson Petroleum LP (141928)

I have check each operator on the Inactive well list.

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