

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 NorthStar Operating Company P.O. Box 10708 Midland, Texas 79702-7708		² OGRID Number 152527
³ Property Code 36082	³ Property Name L.H. Chambers	³ API Number 30 - 025 - 01054
⁹ Proposed Pool 1 97431 Hightower; Atoka, North		¹⁰ Proposed Pool 2

7 Surface Location

UL or lot no. C	Section 11	Township 12 S	Range 33 E	Lot Idn	Feet from the 660	North/South line North	Feet from the 1980	East/West line West	County 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 E	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 4238' GL
¹⁶ Multiple NO	¹⁷ Proposed Depth 11,000'	¹⁸ Formation Atoka	¹⁹ Contractor Joe's Well Service	²⁰ Spud Date 10/16/2006
Depth to Groundwater 65'		Distance from nearest fresh water well 1000'		Distance from nearest surface water 70 miles
Pit: Liner: Synthetic <input type="checkbox"/> _____mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: Closed-Loop System <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"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
15"	10 3/4"	28.50 & 40.50#	306'	225 sx	surface
9 7/8"	7 5/8"	26.40#	3825'	1500 sx	963' (temp sur)
6 3/4"	5 1/2"	17.00#	11,000'	600 sx	6615' (temp sur)

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.

- 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 10 3/4" surface pipe & open hole to top of 7 5/8" casing @ 780' using 10# brine water and 8 3/4" drill bit.
- 4) Run 7 5/8" slipover bowl and +/- 18 jts 7 5/8" casing.
- 5) Pick up 6 3/4" bit and go into 7 5/8" casing cleaning out to 3,810'.
- 6) Run 5 1/2" slipover bowl and +/- 91 jts. 5 1/2" casing and cement with 400 sx.
- 7) Pull 7 5/8" casing and slipover bowl.
- 8) Cleanout 5 1/2" casing and drill out CIBP @ 8900'.
- 9) Squeeze old perforations (9,005' to 9,303'), if necessary. Drill out cement and pressure test 5 1/2" casing.
- 10) Drill out CIBP @ 9,710'.
- 11) Squeeze old perforations (9,720' to 9,767'), if necessary. Drill out cement and pressure test 5 1/2" casing.
- 12) Perforate and test Atoka zone below 10,200'.

**Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Re-Entry**

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 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: 09/26/2006

Phone: 432 / 684-5765

OIL CONSERVATION DIVISION

Approved by:

Chris Williams

Title:

OC DISTRICT SUPERVISOR/GENERAL MANAGER

Approval Date:

OCT 17 2006

Expiration Date:

Conditions of Approval Attached ☐

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

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

¹ API Number 30-025-01054	² Pool Code 97431	³ Pool Name Hightower; Atoka, North
⁴ Property Code 36082	⁵ Property Name L.H. Chambers	
⁷ OGRID No. 152527	⁸ Operator Name NorthStar Operating Company	
		⁶ Well Number 2
		⁹ Elevation 4238' GL

¹⁰ Surface Location

UL or lot no. C	Section 11	Township 12 S	Range 33 E	Lot Idn	Feet from the 660	North/South line North	Feet from the 1980	East/West line West	County Lea
---------------------------	----------------------	-------------------------	----------------------	---------	-----------------------------	----------------------------------	------------------------------	-------------------------------	----------------------

¹¹ Bottom Hole Location If Different From Surface

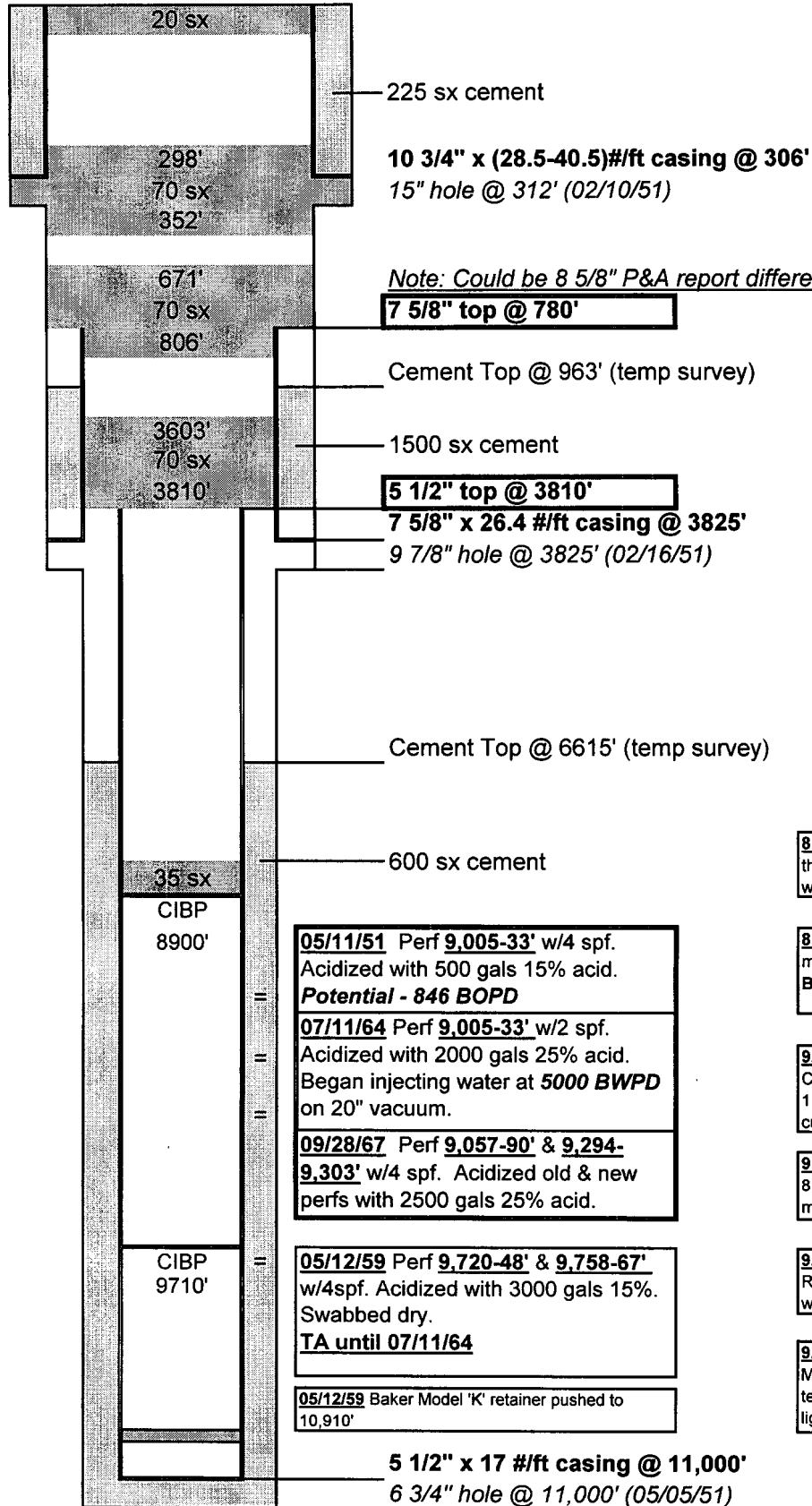
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

¹² Dedicated Acres 40	¹³ Joint or Infill <input checked="" type="checkbox"/>	¹⁴ Consolidation Code	¹⁵ 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

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Mark A. Philpy Printed Name President Title 09/26/2006 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 Surveyor:		
	Certificate Number		

L.H. Chambers #2
 660' FNL & 1980' FWL
 Sec 11, T12S, R33E
 Bagley Field
 Lea County, New Mexico
Wellbore Schematic
P&A 06/13/73



DST's

8,666'-8,723' op 4 hrs, op w/li blow air which continued throughout test. Rec 60' drlg. mud, no shows of oil, gas or water

8,944'-9,050' op 4 hrs & 8 min. Gas to surface in 3 min, mud in 5 min, oil in 8 min. **Flowed 333.96 bbls oil, 1% BS & mud** in 4 hrs. Grav 47.9, Gas vol 2850 MCFD

9,315'-9,365' op 5 hrs. op w/li blow air for 3 min & died. Clsd. Reopen w/li blow for 2 min & died. Gas to surface in 1 hr & 55 min. Vol TSTM. Rec 360' drlg mud, est 50% SW cut, 600' SW, no show of oil

9,364'-9,390' op 4 hrs. op w/good blow, Gas to surface in 8 min (Vol 7 MCFD) No fluid to surface. Rec 110' drlg mud, est 10% oil cut, 720' free oil, grav 45, 1650' SW

9,714'-9,805' op 4 hrs. Gas to surface in 1 hr. (Vol TSTM). Rec 660' drlg mud, est 20% oil & gas cut, no free oil & no water

9,898'-9,980' op 4 hrs. Gas to surface in 12 min Vol 10.07 MCFD at beg of test, decreased to faint blow at end of test. Rec 990' drlg mud, est 50% gas & oil cut, 90' of oil, light amber color, Grav 49.6, 1200' SW