

DISTRICT I *

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-101

Revised February 10, 1999

Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copy

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OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address CHEVRON USA INC 15 SMITH RD, MIDLAND, TX 79705		² OGRID Number 4323 ✓
		³ API Number 30-025-10046 ✓
⁴ Property Code 10912 29994	⁵ Property Name R.L. CLIFTON ✓	⁶ Well No. 2 ✓

⁷ Surface Location

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
M	4	22S	37E		660	SOUTH	810	WEST	LEA

⁸ Proposed Bottom Hole Location If Different From Surface

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
⁹ Proposed Pool 1 PENROSE SKELLY GRAYBURG ✓					¹⁰ Proposed Pool 2				

¹¹ Work Type Code P ✓	¹² WellType Code O	¹³ Rotary or C.T.	¹⁴ Lease Type Code P ✓	¹⁵ Ground Level Elevation 3430' GL
¹⁶ Multiple No	¹⁷ Proposed Depth 8097'	¹⁸ Formation GRAYBURG	¹⁹ Contractor	²⁰ Spud Date

²¹ Proposed Casing and Cement Program

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
	13 3/8"	36#	335'	325 SX CIRC	
	9 5/8"	36#	2955'	1800 SX CIRC	
	5 1/2"	17#	8096'	1350 SX	TOC 7520'

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.

CHEVRON U.S.A. INC. INTENDS TO RECOMPLETE THE SUBJECT WELL FROM THE TUBB OIL & GAS TO THE PENROSE SKELLY GRAYBURG RESERVOIR.

A PIT WILL NOT BE USED FOR THIS PLUGBACK. A STEEL FRAC TANK WILL BE UTILIZED.

THE INTENDED PROCEDURE, AND CURRENT AND PROPOSED WELLBORE DIAGRAMS ARE ATTACHED FOR YOUR APPROVAL.

Permit Expires 1 Year From Approval

Date Unless Drilling Underway

Plugback

²³ I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature <i>Denise Pinkerton</i>		Approved By: <i>Chris Williams</i>	
Printed Name Denise Pinkerton		Title: OC DISTRICT SUPERVISOR/GENERAL MANAGER	
Title Regulatory Specialist		Approval Date: Expiration Date:	
Date 10/26/2006	Telephone 432-687-7375	Conditions of Approval: Attached ☐	

NOV 07 2006

R. L. Clifton # 2
Penrose Skelly Field
T22S, R37E, Section 4
Job: PB To Grayburg Formation, Acidize, And Frac

Procedure: (Revised: 10/26/06)

1. *This procedure is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland Office well files and computer databases as of 10/24/2006. Verify what is in the hole with the well file in the Eunice Field office. Discuss w/ WEO Engineer, Workover Rep, OS, ALS, and FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.*
2. Displace flowline with fresh water. Have field specialist close valve at header. Pressure line according to the type of line. Buried fiberglass lines will be tested with 300 psi. All polypipe (SDR7 and SDR11) will be tested w/100 psi. All steel lines will be tested w/500 psi. If a leak is found, contact Donnie Ives for repair/replacement. If test is good, bleed off pressure and **open valve** at header. Document this process in the morning report.
3. MI & RU workover unit. Bleed pressure from well, if any. Pump down csg with 8.6 PPG cut brine water, if necessary to kill well. POH LD rods and pump. Remove WH. Install BOP's and test as required. POH LD 2 3/8" tbg string.
4. PU and GIH with 4 3/4" MT bit and 2 7/8" Class "A" tbg string to 5025'. Reverse circulate well clean from 5025' using 8.6 PPG cut brine water, if possible. POH with tbg string and bit. LD bit.
5. MI & RU Baker Atlas electric line unit. Install lubricator and test to 2000 psi. GIH and set 5 1/2" CIBP at 5000'. POH. Pressure test casing and CIBP to 500 psi. GIH and conduct GR/CBL/CCL from 5000' up to 100' above top of cement. Run log with with 500 psi on casing. POH. Inspect logs for good cement bond from approximately 4100' up to 3400'. If bond does not appear to be good across proposed completion interval, discuss with Engineering before proceeding. GIH with 3 1/8" slick casing guns and perforate from 3714-18', 3724-30', 3734-42', 3748-54', 3760-68', 3773-79', 3782-90', 3794-3800', 3804-08', 3816-24', 3834-42', 3848-54', 3858-64', 3868-76', 3884-90', and 3896-3900' with 4 JSPF at 120 degree phasing, using 23 gram premium charges. POH. GIH and dump bail 35' of cement on top of CIBP at 5000'. POH. RD & release electric line unit. **Note: Use CORRECTED casing collars from Dresser Atlas Neutron Lifetime Log dated 10/8/1971 for depth correction.**
6. PU and GIH w/ 5 1/2" PPI pkr (with 10' element spacing) and SCV on 2 7/8" Class "A" tbg string to approximately 3700'. Test tbg to 5500 psi while GIH.
7. MI & RU DS Services. Acidize perms 3714-3900' with 3,200 gals anti-sludge 15% HCl acid * at a maximum rate **as shown below** and a maximum surface pressure of **3500 psi**. Spot acid

across perfs at beginning of each stage and let soak to lower breakdown pressure and prevent communication. Pump job as follows:

Interval	Amt. Acid	Max Rate	PPI Setting
3896-3900'	200 gals	½ BPM	3894-3904'
3884-90'	200 gals	½ BPM	3882-92'
3868-76'	200 gals	½ BPM	3867-77'
3858-64'	200 gals	½ BPM	3857-67'
3848-54'	200 gals	½ BPM	3845-55'
3834-42'	200 gals	½ BPM	3831-41'
3816-24'	200 gals	½ BPM	3815-25'
3804-08'	200 gals	½ BPM	3802-12'
3794-3800'	200 gals	½ BPM	3792-3802'
3782-90'	200 gals	½ BPM	3781-91'
3773-79'	200 gals	½ BPM	3770-80'
3760-68'	200 gals	½ BPM	3759-69'
3748-54'	200 gals	½ BPM	3747-57'
3734-42'	200 gals	½ BPM	3733-43'
3724-30'	200 gals	½ BPM	3722-32'
3714-18'	200 gals	½ BPM	3712-22'

Displace acid with 8.6 PPG cut brine water -- do not overdisplace. Use a SCV to control displacement fluid. Record ISIP, 5 & 10 minute SIP's. RD and release DS services. **Note:** Pickle tubing in 1 run of 500 gals acid, prior to acidizing perfs. Pickle acid is to contain only 1/2 gal A264 and 1 gal W53. Also, if communication occurs during treatment of any interval, monitor casing pressure and attempt to complete stage w/o exceeding 500 psi csg pressure. If cannot, then move PPI to next setting depth and combine treatment volumes of the intervals.

* Acid system is to contain:	1 GPT A264	Corrosion Inhibitor
	8 GPT L63	Iron Control Agent
	2 PPT A179	Iron Control Aid
	20 GPT U66	Mutual Solvent
	2 GPT W53	Non-Emulsifier

8. Release PPI pkr and PUH to approximately 3675'. Fish SCV and swab back all intervals together. Recover 100% of treatment and load volumes before shutting well in for night, if possible. Report recovered fluid volumes, pressures, and/or swabbing fluid levels. **Note:** Selectively swab perfs as directed by Engineering if excessive water is produced.
9. Open well. Release PPI pkr. POH with tbg string and PPI packer. LD PPI tool.
10. PU and GIH w/ 5 ½" frac pkr & On-Off tool w/ 2.25" "F" profile and 117 jts. of 3 ½" EUE 8R L-80 work string, testing to 8500 psi. Set pkr at approximately 3600'. Install frac head. Pressure annulus to 500 psi to test csg and pkr. Leave pressure on csg during frac job to observe for communication.

11. MI & RU DS Services and Tracer-Tech Services (Mike Mathis (866) 595-3115). Frac well down 3 ½" tubing at **40 BPM** with 88,000 gals of YF125, 176,000 lbs. 16/30 mesh Jordan Sand, and 30,000 lbs **resin-coated** 16/30 mesh CR1630 proppant. Observe a maximum surface treating pressure of **8000 psi**. Tag frac with 2 radioactive isotopes (1 in regular sand stages, and 1 in resin-coated proppant stage). Pump job as follows:

Pump 2,000 gals 2% KCL water containing 55 gals Baker RE 4777-SCW Scale Inhibitor at **6 BPM**

Pump 1,000 gals 2% KCL water spacer at **20 BPM**

Pump 14,000 gals YF125 pad containing 5 GPT J451 Fluid Loss Additive at **40 BPM**

Pump 14,000 gals YF125 containing 0.5 PPG 16/30 mesh Jordan Sand & 5 GPT J451 FL Additive

Pump 12,000 gals YF125 containing 1.5 PPG 16/30 mesh Jordan Sand

Pump 12,000 gals YF125 containing 2.5 PPG 16/30 mesh Jordan Sand

Pump 14,000 gals YF125 containing 3.5 PPG 16/30 mesh Jordan Sand

Pump 16,000 gals YF125 containing 4.5 PPG 16/30 mesh Jordan Sand

Pump 6,000 gals YF125 containing 5 PPG **resin-coated** 16/30 mesh CR1630 proppant.

Flush to 3600' with 1,315 gals WF125. **Do not overflush.** Shut well in. Record ISIP, 5, 10, and 15 minute SI tbg pressures. SWI. RD & Release DS Services and Tracer-Tech Services. **Leave well SI overnight.**

12. Open well. Bleed pressure from well, if any. Release pkr. POH LD 3 ½" work string, on-off tool, and pkr.
13. PU and GIH with 4 ¾" MT bit on 2 7/8" tbg string to approximately 4200'. If fill is tagged above 4100', MI & RU air unit and cleanout to 4965' using foam. POH with 2 7/8" tbg string and bit. LD bit.
14. PU & GIH with 5 ½" pkr on 2 7/8" tbg string to 3600'. Set pkr at 3600'. Open well. GIH and swab well until there is no sand inflow. Swab well for at least 3 hours before logging. MI & RU Baker Atlas electric line unit. Install lubricator and test to 2000 psi. GIH and conduct after-frac PRISM GR/Temp/CCL log from 4100' up to 3300'. POH. RD & release electric line unit. **Note: Correlate logs and run flat with Baker Atlas GR/CBL/CCL Log conducted in Step # 5.**
15. Release pkr. POH with 2 7/8" tbg string and pkr. LD packer.
16. PU and GIH w/ BP mud anchor jt of 2 7/8" tbg, 2 7/8" x 4' perforated sub, SN, 1 jt 2 7/8" EUE 8R J-55 IPC tbg, 9 jts 2 7/8" EUE 8R J-55 tbg, TAC, and 118 jts 2 7/8" EUE 8R J-55 tbg, testing to 5000 psi. Set TAC at 3675', with EOT at 4020' and SN at 3985'.
17. Remove BOP's and install WH. GIH with rods, weight bars, and pump per ALS recommended design. RD & release pulling unit.
18. Turn well over to production. Report producing rates, choke sizes, flowing pressures and/or fluid levels.

AMH

10/25/2006

Well: **R. L. Clifton # 2**Field: **Tubb Oil & Gas**Reservoir: **Tubb****Location:**

660' FSL & 810' FWL
 Section: 4
 Township: 22S
 Range: 37E
 County: Lea State: NM

Elevations:

GL: 3430'
 KB: 3443'
 DF: 3442'

Current
Wellbore Diagram

Well ID Info:

Chevron: FB4765
 API No: 30-025-10046
 L5/L6: U469700
 Spud Date: 4/9/46
 Compl. Date: 8/10/46

Surf. Csg: 13 3/8", 54#, Armco SJ**Set:** @ 335' w/ 325 sks**Hole Size:** 18"**Circ:** Unknown **TOC:** Surface**TOC By:** Calculated**Interm. Csg:** 9 5/8", 32#, J-55**Set:** @ 2954' w/ 1800 sks**Hole Size:** 12 1/4"**Circ:** Unknown **TOC:** Surface**TOC By:** Calculated**Tubing Detail: (10/30/2000)**

#Jts:	Size:	Footage
	KB Correction	13.00
193	Jts. 2 3/8" EUE 8R J-55 Tbg	6046.78
1	Jt. 2 3/8" EUE 8R J-55 IPC Tbg	31.60
	TAC	2.78
	SN	1.10
1	OE Jt. 2 3/8" EUE 8R J-55 Tbg	30.20
195	Bottom Of String >>	6125.46

This wellbore diagram is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland Office well files and complete databases as of the update date below. Verify what is in the hole with the well file in the Ector Field Office. Discuss w/ WFO Engineer, WFO Rep. OS, A.S. & FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.

Perfs:**Status:**

5058-66" Paddock - Cmt Sqzd
 5140-44" Paddock - Cmt Sqzd
 5158-64" Paddock - Cmt Sqzd
 5167-70" Paddock - Cmt Sqzd
 5210-20" Paddock - Cmt Sqzd
 5227-28" Paddock - Cmt Sqzd
 5233-38" Paddock - Cmt Sqzd
 5264-68" Paddock - Cmt Sqzd
 5274-78" Paddock - Cmt Sqzd
 5284-88" Paddock - Cmt Sqzd

5544' 5693' Blinbry - Cmt Sqzd
 5548' 5708' Blinbry - Cmt Sqzd
 5563' 5726' Blinbry - Cmt Sqzd
 5571' 5734' Blinbry - Cmt Sqzd
 5578' 5747' Blinbry - Cmt Sqzd
 5596' 5788' Blinbry - Cmt Sqzd
 5606' 5793' Blinbry - Cmt Sqzd
 5615' 5797' Blinbry - Cmt Sqzd
 5634' 5813' Blinbry - Cmt Sqzd
 5648' 5827' Blinbry - Cmt Sqzd
 5655' 5837' Blinbry - Cmt Sqzd
 5670' 5843' Blinbry - Cmt Sqzd
 5681' 5847' Blinbry - Cmt Sqzd
 5689' Blinbry - Cmt Sqzd

6116-39' Tubb - Open
 6150-68' Tubb - Open

PBTB 6210'

CICR @ 6262'
 (52' cmt on top)

6288' 6390' Drinkard - Below CICR
 6299' 6400' Drinkard - Below CICR
 6309' 6407' Drinkard - Below CICR
 6324' 6423' Drinkard - Below CICR
 6333' 6441' Drinkard - Below CICR
 6340' 6451' Drinkard - Below CICR
 6346' 6462' Drinkard - Below CICR
 6363' 6473' Drinkard - Below CICR
 6374' 6489' Drinkard - Below CICR
 6385' Drinkard - Below CICR

6520-70' Drinkard - Below CICR

CIBP @ 6615'
 (No cmt on top)

8010-15' Ellenburger - Cmt Sqzd
 8023-35' Ellenburger - Cmt Sqzd
 8040-60' Ellenburger - Below CIBP

COTD: 6210'
PBTB: 6210'
TD: 8097'

Prod. Csg: 5 1/2", 17#, J-55 & N-80**Set:** @ 8097' w/ 1350 sks**Hole Size:** 7 7/8"**Circ:** No **TOC:** 1600'**TOC By:** Calculated**Updated:** 10/24/06**By:** A. M. Howell

Well: **R. L. Clifton # 2**Field: **Penrose Skelly**Reservoir: **Grayburg****Location:**

660' FSL & 810' FWL
 Section: 4
 Township: 22S
 Range: 37E
 County: Lea State: NM

Elevations:

GL: 3430'
 KB: 3443'
 DF: 3442'

**Proposed
Wellbore Diagram****Well ID Info:**

Cheyno: FB4765
 API No: 30-025-10046
 L5/L6: U496500
 Spud Date: 4/9/46
 Compl. Date: 8/10/46

Surf. Csg: 13 3/8", 54#, Amco SJ
 Set: @ 335' w/ 325 sks
 Hole Size: 18"

Circ: Unknown TOC: Surface
 TOC By: Calculated

Interm. Csg: 9 5/8", 32#, J-55
 Set: @ 2954' w/ 1800 sks
 Hole Size: 12 1/4"
 Circ: Unknown TOC: Surface
 TOC By: Calculated

Tubing Detail:

Qty:	Size:	Footage
	KB Correction	13.00
118	Jts. 2 7/8" EUE 8R J-55 Tbg	3658.00
	TAC	3.15
9	Jts. 2 7/8" EUE 8R J-55 Tbg	279.00
1	Jt. 2 7/8" EUE 8R J-55 IPC Tbg	31.00
	SN	1.10
	2 7/8" x 4" Perf Tbg Sub	4.00
1	Jt. 2 7/8" EUE 8R J-55 Tbg	31.00
	Bull Plug	0.50
129	Bottom Of String >>	4020.75

CIBP @ 5000'
 (35' cmt on top)

This wellbore diagram is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland Office well files and computer databases as of the update date below. Verify what is in the hole with the well file in the Enclave Field Office. Discuss w/ WED Engineer, WED Rep, DS, A.L.S. & FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.

CICR @ 6262'
 (52' cmt on top)

CIBP @ 6615'
 (No cmt on top)

COTD: 4965'
 PBTD: 4965'
 TD: 8097'

Updated: 10/24/06

By: A. M. Howell

Perfs:
 3714-18' Grayburg - Open
 3724-30' Grayburg - Open
 3734-42' Grayburg - Open
 3748-54' Grayburg - Open
 3760-68' Grayburg - Open
 3773-79' Grayburg - Open
 3782-90' Grayburg - Open
 3794-3800' Grayburg - Open
 3804-08' Grayburg - Open
 3816-24' Grayburg - Open
 3834-42' Grayburg - Open
 3848-54' Grayburg - Open
 3858-64' Grayburg - Open
 3868-76' Grayburg - Open
 3884-90' Grayburg - Open
 3896-3900' Grayburg - Open

5058-66' Paddock - Cmt Sqzd
 5140-44' Paddock - Cmt Sqzd
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 5670' 5843' Blinbry - Cmt Sqzd
 5681' 5847' Blinbry - Cmt Sqzd
 5689' Blinbry - Cmt Sqzd

6116-39' Tubb - Below CIBP
 6150-68' Tubb - Below CIBP

6288' 6390' Drinkard - Below CICR
 6299' 6400' Drinkard - Below CICR
 6309' 6407' Drinkard - Below CICR
 6324' 6423' Drinkard - Below CICR
 6333' 6441' Drinkard - Below CICR
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 6374' 6489' Drinkard - Below CICR
 6385' Drinkard - Below CICR

6520-70' Drinkard - Below CICR

8010-15' Ellenburger - Cmt Sqzd
 8023-35' Ellenburger - Cmt Sqzd
 8040-60' Ellenburger - Below CIBP

Prod. Csg: 5 1/2", 17#, J-55 & N-80
 Set: @ 8097' w/ 1350 sks
 Hole Size: 7 7/8"
 Circ: No TOC: 1600'
 TOC By: Calculated

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico**Energy, Minerals and Natural Resources Department****OIL CONSERVATION DIVISION**

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 199

Instructions on bac

Submit to Appropriate District Office

State Lease - 4 Copie

Fee Lease - 3 Copie

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 30-025-10046	² Pool Code 50350	³ Pool Name PENROSE SKELLY GRAYBURG
⁴ Property Code 10912	⁵ Property Name R.L. CLIFTON	⁶ Well No. 2
⁷ OGRID Number 4323	⁸ Operator Name CHEVRON USA INC	⁹ Elevation 3430' GL

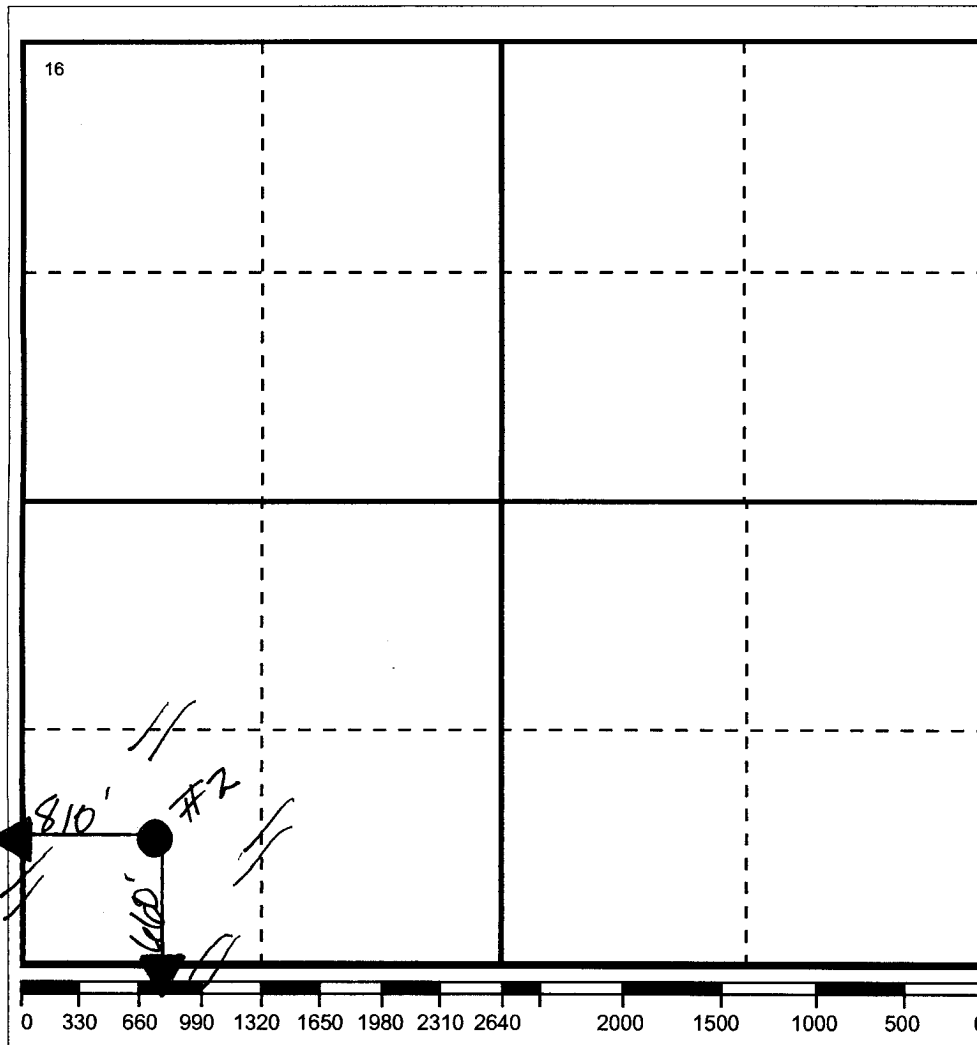
¹⁰ Surface Location

Ul or lot no M	Section 4	Township 22S	Range 37E	Lot.Idn	Feet From The 660	North/South Line SOUTH	Feet From The 810	East/West Line WEST	County LEA
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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 Acre 40	¹³ Joint or Infill No	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

**17 OPERATOR CERTIFICATION**

I hereby certify that the information
contained herein is true and complete to the
best of my knowledge and belief

Signature

Printed Name

Denise Pinkerton

Positio

Regulatory Specialist

Date

10/26/2006

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 knowledge and
belief.

Date Surveyed

Signature & Seal of
Professional Surveyor

Certificate No.

November 2, 2006

Notice of Application for Permit to Plugback
to the Penrose Skelly, Grayburg Pool in the
R. L. Clifton #2 Well by Chevron U.S.A. Inc.
Unit Letter M of Section 4, T22S, R37E,
Lea County, New Mexico

Chevron U.S.A. Inc.
Attn: Mike Howell
15 Smith Rd.
Midland, TX 79705

Dear Mr. Howell:

BEC Corporation, hereby waives any objection to Chevron's proposed plug back and re-completion in the R. L. Clifton #2 to the PENROSE SKELLY; GRAYBURG Pool. Such well is located 660 feet from the South Line and 810 feet from the West Line of Section 4, T-22-S, R-37-E, N.M.P.M., Lea County, New Mexico.

BEC Corportion

By: William C. St. Clair
Name: William C. St. Clair
Title: V.P.

Date: 11/2/06