

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

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

Form C-101
Revised June 10, 2003

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

¹ Operator Name and Address John R. Stearns dba Stearns 1-C 65 Box 988 Crossroads, N.M. 88114		² OGRID Number 21566	
³ Property Code 28926		⁴ Property Name STATE 16	
		⁵ API Number 30-025-34070	
		⁶ Well No. 1Y	

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	16	9S	37E		330	South	940	EAST	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
⁹ Proposed Pool 1 Sawyer MARROW West					¹⁰ Proposed Pool 2				

¹¹ Work Type Code P	¹² Well Type Code G	¹³ Cable/Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3989'
¹⁶ Multiple NO	¹⁷ Proposed Depth	¹⁸ Formation MARROW	¹⁹ Contractor	²⁰ Spud Date

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48 #	399'	390 SX CL "C"	SURFACE
12 1/4"	8 5/8"	32 #	4300'	1650 SX Lite "C"	SURFACE
7 7/8"	5 1/2"	17 & 20 #	12,551	675 SX CL "H"	10,000'

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.
MIRU TWS, INC. POH Rods & Tubing. RIH with CIBP, set @ approx 11,900' and dump 95' cement on top of CIBP. RIH with tubing and circulate 2% KCl & 10# Brine. POH with tubing. Perforate with 2" perforator gun and perf casing approx 11,790'. POH perf gun, RIH with pkn. Circ hole with 2" KCl & 10# Brine. Set pkn and snub tubing.
Will have BOP with 2 1/2" & Blind rams

Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Plugback

Stamp: AUG 2003, 10171213141516171819202122232425262728293031

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: Printed name: JOHN R. STEARNS Title: OWNER E-mail Address: Date: Aug. 28, 2003 Phone: 505-675-2356		OIL CONSERVATION DIVISION Approved by: Title: PETROLEUM ENGINEER Approval Date: SEP 03 2003 Expiration Date: Conditions of Approval: Attached <input checked="" type="checkbox"/>	
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*Approval to drill only -- CANNOT produce until Non-Standard Location Approved from OCD in Santa Fe.

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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 June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-34070	² Pool Code 97103	³ Pool Name WEST SAWYER MORROW
⁴ Property Code 28926	⁵ Property Name STATE 16	⁶ Well Number 1Y
⁷ OGRID No. 21566	⁸ Operator Name John R. STEARNS dba STEARNS	⁹ Elevation 3989'

¹⁰ Surface Location

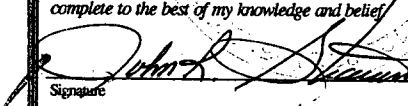

UL or lot no. P	Section 16	Township 9S	Range 37E	Lot Idn	Feet from the 330'	North/South line South	Feet from the 940'	East/West line EAST	County Lea.
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 320	¹³ Joint or Infill N	¹⁴ Consolidation Code —	¹⁵ Order No.
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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 John R. STEARNS Printed Name OWNER Title and E-mail Address Date 9/5/03	
					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. March 13, 1997 Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number	