

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

Submit to appropriate District Office

Form C-101
May 27, 2004
RECEIVED REPORT
Hobbs
000

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

¹ Operator Name and Address Primero Operating, Inc., PO Box 1433, Roswell, NM 88202-1433 ✓		² GRID Number 018100
³ Property Code 36211	⁴ Property Name Amoco State	⁵ Well No. 2
⁶ Proposed Pool 1 Maljamar, Grayburg SA (43329)		⁷ Proposed Pool 2

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
✓	36	16S	32E	1830	1982	S	510	E	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 N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code State	¹⁵ Ground Level Elevation 4249'
¹⁶ Multiple N	¹⁷ Proposed Depth 4650	¹⁸ Formation San Andres ✓	¹⁹ Contractor United Drilling, Inc.	²⁰ Spud Date 2/28/07
Depth to Groundwater 260'		Distance from nearest fresh water well 1180'		Distance from nearest surface water 1500'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 25 mil thick Clay <input type="checkbox"/> Pit Volume: 2600 bbls Drilling Method: Rotary, mud				
Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input 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
12 1/4	8 5/8	24	400	350	Circulate ✓
7 7/8"	5 1/2	15.5	4650	1000	Circulate ✓

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.

We propose to drill a 12 1/4" hole to 400' and run 8 5/8" casing equipped with a texas pattern shoe, insert float and centralizers. The 8 5/8" casing will be cemented with adequate cement to circulate to surface. After WOC we will install a BOP on the well and test it to 500 psi. We then propose to drill a 7 7/8" hole to 4650' and log the well. If the well is deemed dry we will P&A the well to NMOC standards. If the well is deemed productive we plan to run 5 1/2" casing w/ float shoe, float collar and 5 centralizers. The 5 1/2" casing will be cemented with adequate cement to circulate. We then plan to test the well using perforations and acid.

This well will be drilled with fresh and salt mud
A bop Diagram is attached.

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 ☐.

Signature:

Printed name: Phelps White

Title: President

E-mail Address: pwiv@zianet.com

Date: 1/16/07

Phone: 505 622 1001

OIL CONSERVATION DIVISION

Approved by:

Chris Williams

Title:

OC DISTRICT SUPERVISOR/GENERAL MANAGER

Approval Date:

FEB 13 2007

Expiration Date:

Conditions of Approval Attached ☐

DISTRICT I

1000 N. WINDICE ST., ROSA, NM 88060

DISTRICT II

1004 E. GRAND AVENUE, ALBUQUERQUE, NM 88210

DISTRICT III

1000 Rio Bravo Rd., Aztec, NM 87410

DISTRICT IV

1000 E. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102

Revised October 12, 2006

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
		Maljamar, Grayburg, San Andres
Property Code	Property Name	Well Number
	AMOCO STATE	2
OCRI# No.	Operator Name	Elevation
018100	PRIMERO OPERATING, INC.	4251'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	36	16-S	32-E		1982	SOUTH	459	EAST	LEA

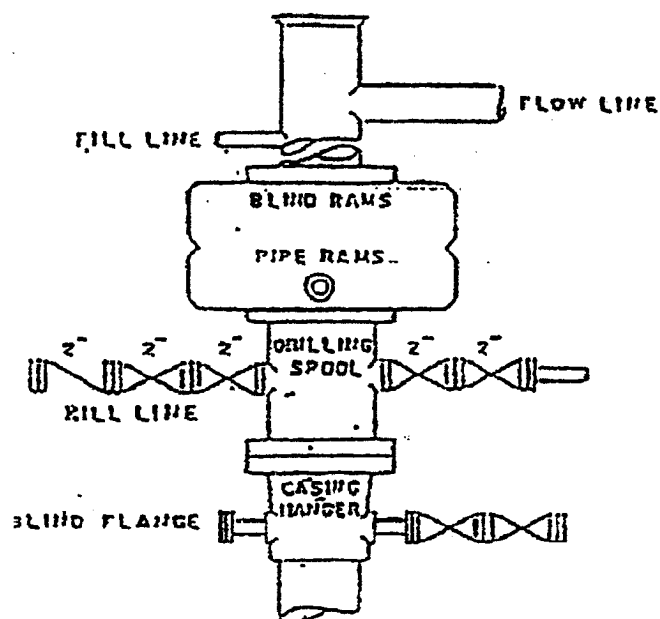
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres		Joint or Indiv		Consolidation Code		Order No.			
40									

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

<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=683011.1 N X=690667.6 E</p> <p>LAT.=32.876137° N LONG.=103.712293° W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unknown mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>[Signature]</i> 1-29-07 Signature Date Phelps White Printed Name</p>	
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>JANUARY 12, 2007 Date Surveyed AR</p> <p>Signature & Seal of Professional Surveyor <i>[Signature]</i> 1/24/07 07.11.0058</p> <p>Certificate No. GARY HUDSON 12847</p>	
	<p>Diagram showing well location on a grid. The well is located at the intersection of Section 36, Township 16-S, Range 32-E. The well is located 1982 feet from the North/South line and 459 feet from the East/West line. The well is located 4251 feet from the surface.</p>	

BOP Diagram



Amoco State #2



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-144
June 1, 2004

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

Pit or Below-Grade Tank Registration or Closure

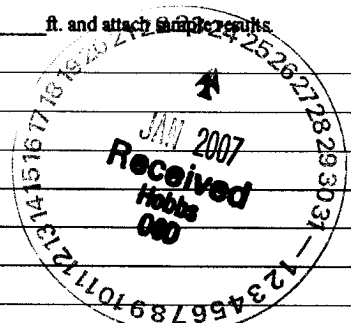
Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: <u>Primero Operating, Inc.</u> Telephone: <u>505 622 1001</u> e-mail address: <u>pwiv@zianet.com</u>		
Address: <u>PO Box 1433, Roswell, NM 88202-1433</u>		
Facility or well name: <u>Amoco State #2</u>	API #: _____	U/L or Qtr/Qtr <u>I</u> Sec <u>36</u> T <u>16S</u> R <u>32E</u>
County: <u>Lea</u>	Latitude <u>N 32 53 34.5</u>	Longitude <u>W 103 42 46</u> NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/>
Surface Owner: Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>		
Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>25</u> mil Clay <input type="checkbox"/> Pit Volume <u>2600</u> bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) <u>260'</u>	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more <u>XX</u> (0 points) <u>0</u>	
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.) <u>1180'</u>	Yes (20 points) No <u>XX</u> (0 points) <u>0</u>	
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.) <u>1500'</u>	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more <u>XX</u> (0 points) <u>0</u>	
Ranking Score (Total Points)		<u>0</u>

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility: _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:



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: 1/21/07

Printed Name/Title Phelps White / President

Signature [Signature]

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Printed Name/Title GARY W. WINK / STAFF MGR.

Signature [Signature]

Date: 1/25/07