

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 Saber Resources LLC, 400 W Illinois, Ste 950, Midland, Texas 79701		² OGRID Number 236378
³ Property Code 302272	⁵ Property Name Buckley Buckler B	⁴ API Number 30-025-05121 05127 ⁶ Well No. 4
⁹ Proposed Pool 1 Denton, Devonian		¹⁰ Proposed Pool 2

7 Surface Location

UL or lot no. F	Section 25	Township 14S	Range 37E	Lot Idn	Feet from the 2310	North/South line n	Feet from the 1650	East/West line W	County Lea
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8 Proposed Bottom Hole Location If Different From Surface

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

¹¹ Work Type Code E P	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3803' GL
¹⁶ Multiple N	¹⁷ Proposed Depth 12550'	¹⁸ Formation Devonian	¹⁹ Contractor Nabors	²⁰ Spud Date ASAP
Depth to Groundwater 55'		Distance from nearest fresh water well <1000'		Distance from nearest surface water > 1000'
Pit: Liner: Synthetic <input type="checkbox"/> _____mils thick Clay <input type="checkbox"/> Pit Volume: _____bbls Drilling Method: Closed-Loop System <input checked="" type="checkbox"/> steel pit 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
7-7/8"	5-1/2	17/20#	12,405'	850	8295' TS

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.

Well was last produced in Wolfcamp zone from 9351'-9391' as Denton North Wolfcamp Unit tract 16-4. Records indicate the Wolfcamp interval was squeezed with 115 sxs Class H cmt in July, 1982. Plan is to test squeeze, verify csg integrity, and clean out well to original TD of 12,550'. Well will be completed in original open hole Devonian section from 12,405'-12,550'. Well is currently SI and not under an ACOI. Work will start ASAP. A closed loop steel pit system will be used. BOP's will be 3000 psi and blind rams.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Plugback

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 <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input checked="" type="checkbox"/> . Closed Loop Steel Pit.		OIL CONSERVATION DIVISION	
Printed name: Doug Keathley		Approved by: <i>Chris Williams</i>	
Title: Vice President of Production		Title: OC DISTRICT SUPERVISOR/GENERAL MANAGER	
E-mail Address: doug@saberresources.com		Approval Date: MAY 04 2007 Expiration Date:	
Date: 7/24/06	Phone: 432-685-0169	Conditions of Approval Attached <input type="checkbox"/>	

Submit 3 Copies To Appropriate District
Office
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87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO. 30-025-05127
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Buckley B
8. Well Number 004
9. OGRID Number 236378
10. Pool name or Wildcat Denton; Devonian

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3803' GL

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: re-enter & return to production ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Plan to re-enter wellbore and pressure test casing to verify squeeze on Wolfcamp perms from 9351' to 9391'. We will then drill out CIBP @ 9800', CIBP @ 12310' and model D Packer @ 12,339'. We will clean out open hole to original TD of 12,550'. We will acidize OH Devonian section with 10,000 gals 15% HCL acid. A sub pump will be run on 2-7/8" tbg and the well returned to production. Work to start as soon as a workover rig becomes available. A closed-loop steel pit system will be utilized.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any 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 ☐.

SIGNATURE Douglas Keathley TITLE V P of Operations DATE 4/27/07

Type or print name: Douglas Keathley E-mail address: doug@saberresources.com Telephone No. 432-685-0169

For State Use Only

APPROVED BY: Chris Williams TITLE _____ DATE MAY 04 2007

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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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-05127	² Pool Code 16910	³ Pool Name Denton; Devonian
⁴ Property Code 302272	⁵ Property Name Buckley B	⁶ Well Number 004
⁷ OGRID No. 236378	⁸ Operator Name Saber Resources LLC 3803' GL	⁹ Elevation

¹⁰ Surface Location

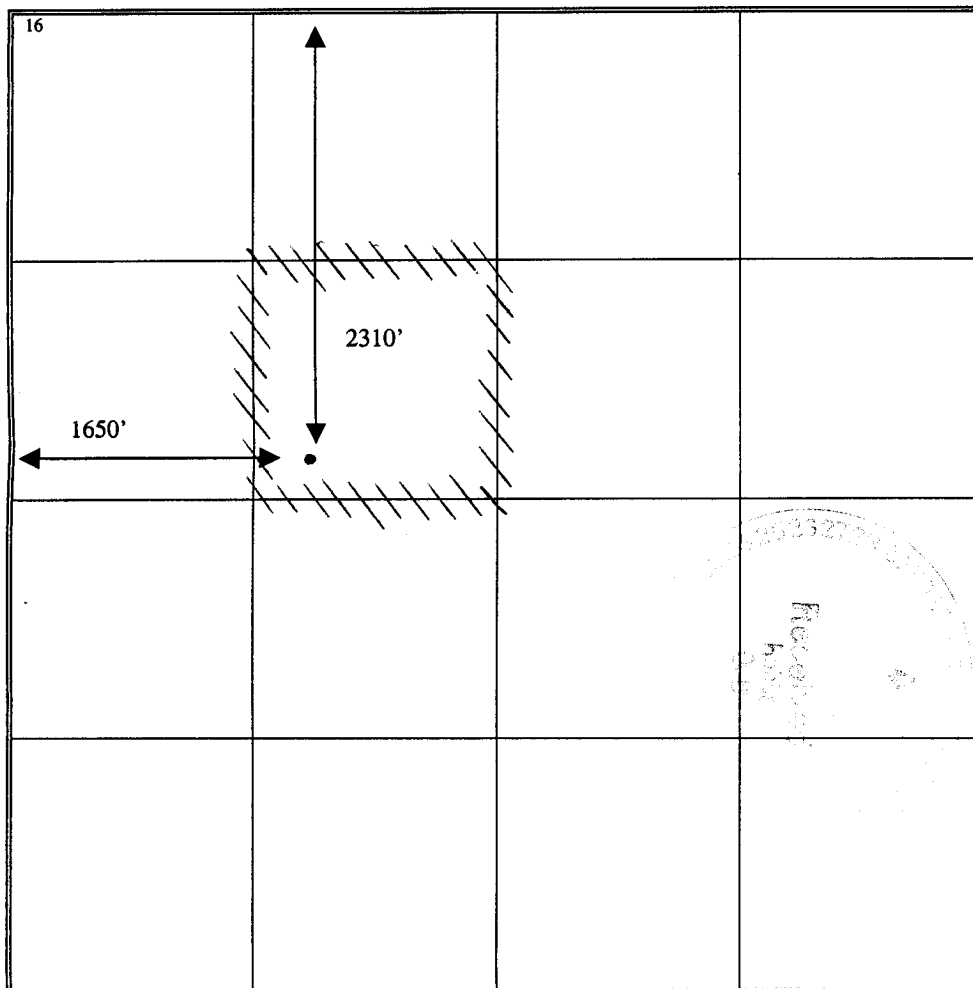

UL or lot no. F	Section 25	Township 14s	Range 37e	Lot Idn	Feet from the 2310	North/South line North	Feet from the 1650	East/West line West	County Lea
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. N/A	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 40	¹³ Joint or Infill	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.

<div><p>16</p></div>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p> 4/24/07 Signature Date</p> <p>Douglas Keathley Printed Name</p>
	<p>¹⁸ 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>Date of Survey Signature and Seal of Professional Surveyor:</p>
	<p>Certificate Number</p>