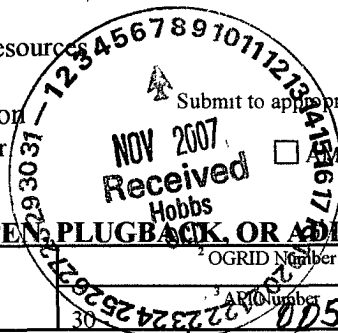


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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, PLUG BACK, OR ADD A ZONE

Operator Name and Address Read : Stevens Inc		OGRID Number 18917
Property Code 36891	Property Name Dryer Fee 27	Well No. 1
Proposed Pool 1 TV - Penn		Proposed Pool 2

Surface Location

UL or lot no A	Section 27	Township 11S	Range 3E	Lot Idn A	Feet from the 660	North/South line N	Feet from the 660	East/West line E	County Chaves
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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
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Additional Well Information

Work Type Code N	Well Type Code G	Cable/Rotary R	Lease Type Code P	Ground Level Elevation 4458
Multiple N	Proposed Depth 11800	Formation MORROW/MISS	Contractor UNK	Spud Date ASAP
Depth to Groundwater 76' 3000' to SE		Distance from nearest fresh water well > 1,000'		Distance from nearest surface water > 1,000'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 3,000 bbls Drilling Method: _____ Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

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	400	400	Surf
11	8 5/8	32	3600	1100	Surf
7 7/8	5 1/2	17	11300	1300	3400

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.

Read : Stevens proposes to drill and complete the Morrow at the subject location, with a 5000 psi double ram and 5000 psi annular BOPE. The surface will be drilled with freshwater mud, the intermediate with 10ppg Brine, and the 7 7/8 hole w/ 9ppg cut Brine.

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: **John C Maxey**
Title: **President**
E-mail Address: **read@trailnet.com**

Date: **11/6/07** Phone: **505-622-3770**

OIL CONSERVATION DIVISION

Approved by: **Larry W. Wink**
Title: **OC FIELD REPRESENTATIVE / STAFF MANAGER**
Approval Date: **DEC 14 2007** Expiration Date: _____

Conditions of Approval Attached ☐

Permit Expires 1 Year From Approval x 224
Date Unless Drilling Underway

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

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

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-005-27993	Pool Code 86560	Pool Name TV-Penn
Property Code 36891	Property Name DYER FEE 27	Well Number 1
OGRID No. 18917	Operator Name READ & STEVENS, INC.	Elevation 4458'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	27	11-S	31-E		660	NORTH	660	EAST	CHAVES

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 320	Joint or Infill N	Consolidation Code	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

<p>GEODETTIC COORDINATES NAD 27, NME Y=851867.7 N X=662103.2 E LAT.=33.340665° N LONG.=103.802546° W</p>	OPERATOR CERTIFICATION <i>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 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> Signature: <i>John C. Maxey</i> Date: 11/6/07 Printed Name: John C. Maxey
	SURVEYOR CERTIFICATION <i>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.</i> Date Surveyed: OCTOBER 15, 2007 DSS Signature & Seal of Professional Surveyor: <i>Ronald J. Eidson</i> 3239 Certificate No. GARY G. EIDSON 12841 RONALD J. EIDSON 3239