

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

Operator Name and Address EverQuest Energy Corporation 10 Desta Drive, Ste 300-E, Midland, Texas 79705		OGRID Number 212929
Property Code 32351		API Number 30-025-31931
Property Name West Ranger Unit		Well No. 20
Proposed Pool 1 Ranger Lake Upper Penn		Proposed Pool 2

Surface Location

UL or lot no. D	Section 26	Township 12S	Range 34E	Lot Idn	Feet from the 810	North/South line North	Feet from the 660	East/West line West	County Lea
---------------------------	----------------------	------------------------	---------------------	---------	-----------------------------	----------------------------------	-----------------------------	-------------------------------	----------------------

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

Work Type Code P	Well Type Code O	Cable/Rotary	Lease Type Code S	Ground Level Elevation 4151 DF
Multiple N	Proposed Depth 10,400' PBD	Formation Pennsylvanian	Contractor Key Energy Services	Spud Date 12/1/2007
Depth to Groundwater >200 ft		Distance from nearest fresh water well >1000 ft		Distance from nearest surface water >3000 ft
Pit: Liner: Synthetic ☐ mils thick Clay ☐ Pit Volume: bbls Drilling Method: Closed-Loop System ☒ No earthen pits will be used Fresh Water ☒ Brine ☐ Diesel/Oil-based ☐ Gas/Air ☐				

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17.25	13.375	54.5	435	500	Circ to surf
12.25	8.625	32	4200	1225	Circ to surf
7.125	5.50	17-20	13250	2575, 3-Stages	DV 12012' & 9510' TOC 6195' by 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.

Re-activate previously TA'd well in the Devonian formation and recomplete in the unitized Pennsylvanian zone below 10,200'

A well servicing rig and reverse unit will be used for the operation. Standard 3000 PSI blowout equipment will be utilized during the operation. A closed-loop steel pit fluid containment system will be used.

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 NMOCD guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐ No pits will be used.		OIL CONSERVATION DIVISION	
Printed name: Terry M. Duffey		Approved by: <i>Harry W. Wink</i>	Title: OC FIELD REPRESENTATIVE II/STAFF MANAGER
Title: President		Approval Date: DEC 3 2007	Expiration Date:
E-mail Address: EverQuest@nts-online.net			
Date: December 17, 2007	Phone: 432-686-9790	Conditions of Approval Attached ☐	

**Permit Expires 1 Year From Approval
Date Unless Drilling Underway**

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

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

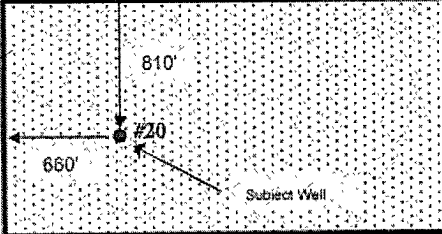
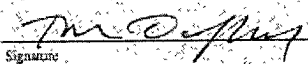
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30 - 025 - 31931	² Pool Code 50730	³ Pool Name Ranger Lake, Penn
⁴ Property Code 32351	⁵ Property Name West Ranger Unit	⁶ Well Number 20
⁷ OGRID No. 212929	⁸ Operator Name EverQuest Energy Corporation	⁹ Elevation 4151' DF

¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	26	12S	34E		810	North	660	West	Lea

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
Same as surf									
¹² Dedicated Acres 80.00	¹³ Joint or Infill N	¹⁴ Consolidation Code U	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 Terry M. Duffey Printed Name President Title and E-mail Address November 16, 2007 Date		
	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.		
	Date of Survey Signature and Seal of Professional Surveyor		
	Certificate Number		