

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

HOBBS OCD

MAY 11 2011

RECEIVED

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-101
June 16, 2008

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 Primero Operating, Inc., PO Box 1433, Roswell, NM 88202-1433		² OGRID Number 18100
		³ API Number 30 - 025-40141
⁴ Property Code 38636	⁵ Property Name Diva	⁶ Well No. 1
⁷ Proposed Pool 1 Baum, Upper Penn		⁸ Proposed Pool 2

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	18	14S	33E		2460	N	660	E	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

⁹ Work Type Code N	¹⁰ Well Type Code O	¹¹ Cable/Rotary R	¹² Lease Type Code S	¹³ Ground Level Elevation 4258
¹⁴ Multiple N	¹⁵ Proposed Depth 10,300	¹⁶ Formation Bough B	¹⁷ Contractor United Drilling	¹⁸ Spud Date June 15, 2011

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17.5	13 3/8	48	400		Surface
12.25	8 5/8	32	4100	1900	Surface
7 7/8	5 1/2	17	10,300	1200	3000'

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 17.5" hole to 400' and run 13 3/8" casing. The 13 3/8" casing will be cemented with enough cement to circulate to surface. After WOC a 12.25" hole will be drilled to 4100' and 8 5/8" casing will be run. The 8 5/8" casing will be cemented with adequate volumes of cement to circulate to surface. After WOC we plan to drill a 7 7/8" hole to TD the well will be logged and if determined dry it will be plugged per NMOCD requirements. If the well is to be tested we will run 5 1/2" casing and cement per NMOCD Rules.

Drilling will be done using a closed loop system

See BOP Program attached

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:



Printed name: **Phelps White**

Title: **President**

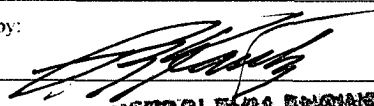
E-mail Address: **pwiv@zianet.com**

Date: **4/27/11**

Phone: **575 626 7660**

OIL CONSERVATION DIVISION

Approved by:



Title:

PETROLEUM ENGINEER

Approval Date: **MAY 24 2011**

Expiration Date:

OCD CONDITION OF APPROVAL of Drilling:
Intent to drill ONLY --- CANNOT produce until the Non-Standard Location has been approved by OCD Santa Fe office.

Permit Expires 2 Years From Approval Date Unless Drilling Underway

MAY 26 2011

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised July 16, 2010
Submit to Appropriate
District Office

☐ AMENDED REPORT

RECEIVED LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-40141	Pool Code 4940	Pool Name BAUM, Upper PENN
Property Code 38636	Property Name DIVA	Well Number 1
OGRID No. 18100	Operator Name PRIMERO OPERATING	Elevation 4258'

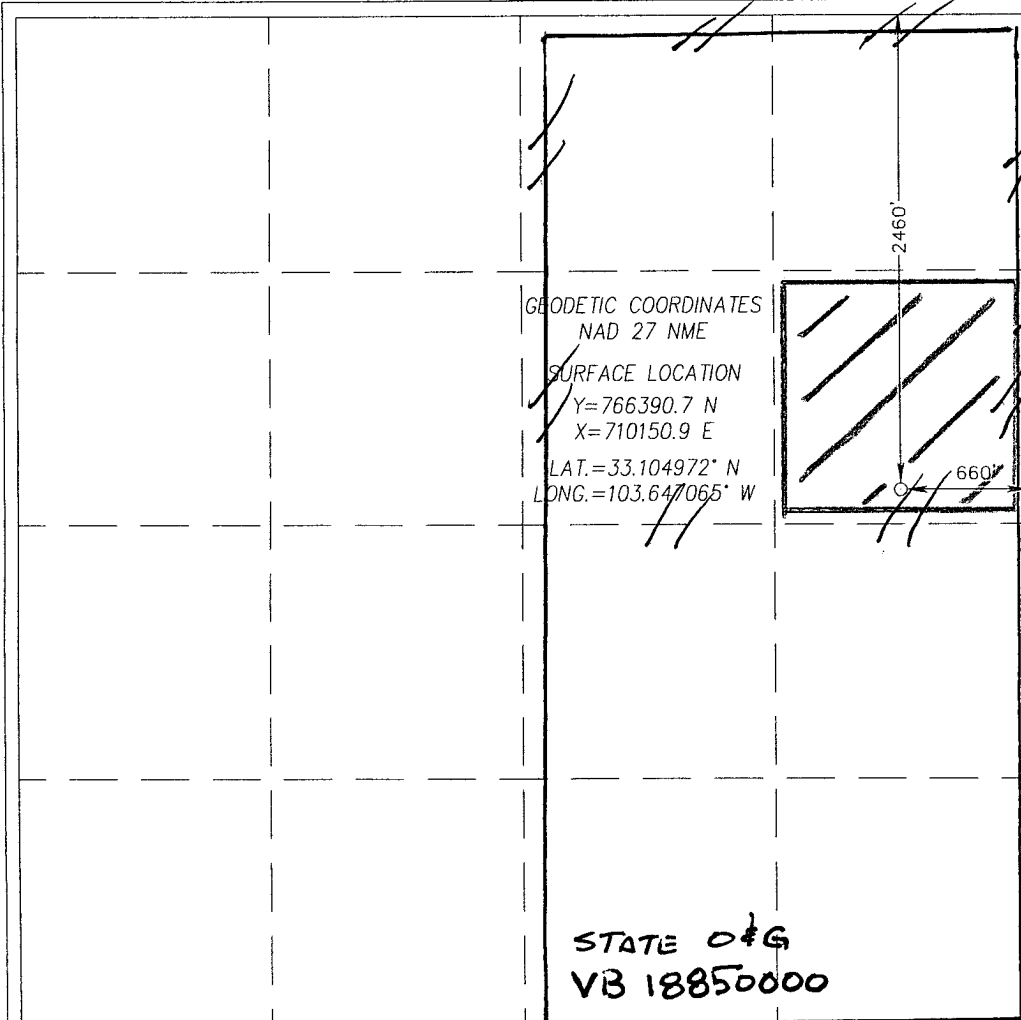
Surface Location

UL or lot No. H	Section 18	Township 14-S	Range 33-E	Lot Idn	Feet from the 2460	North/South line NORTH	Feet from the 660	East/West line EAST	County LEA
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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 40.160 per PW		Joint or Infill	Consolidation Code	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

 <p>STATE OF VB 18850000</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 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.</p> <p>P 5-10-11 Signature Date PHILIPS White Printed Name PWIV@zianet.com E-mail Address</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>APRIL 12, 2011 Date of Survey Signature & Seal of Professional Surveyor:</p>
	<p>RONALD J. EIDSON NEW MEXICO 3239 Certificate Number Gary G. Eidson 12641 Ronald J. Eidson 3239 LA PROFESSIONAL W.S.C. W.O.: 11.11.0511</p>

BOP DIAGRAM 3000# SYSTEM

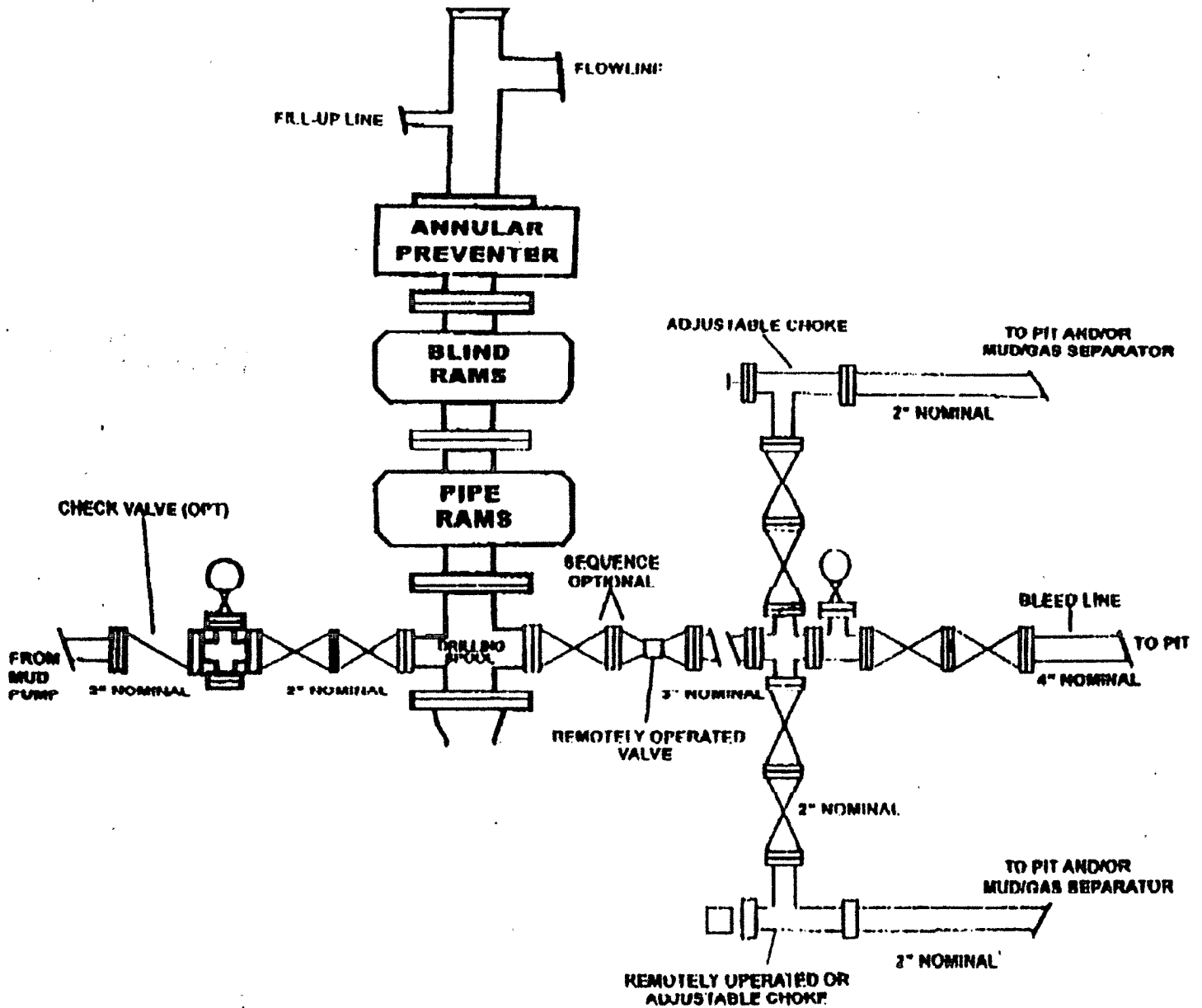
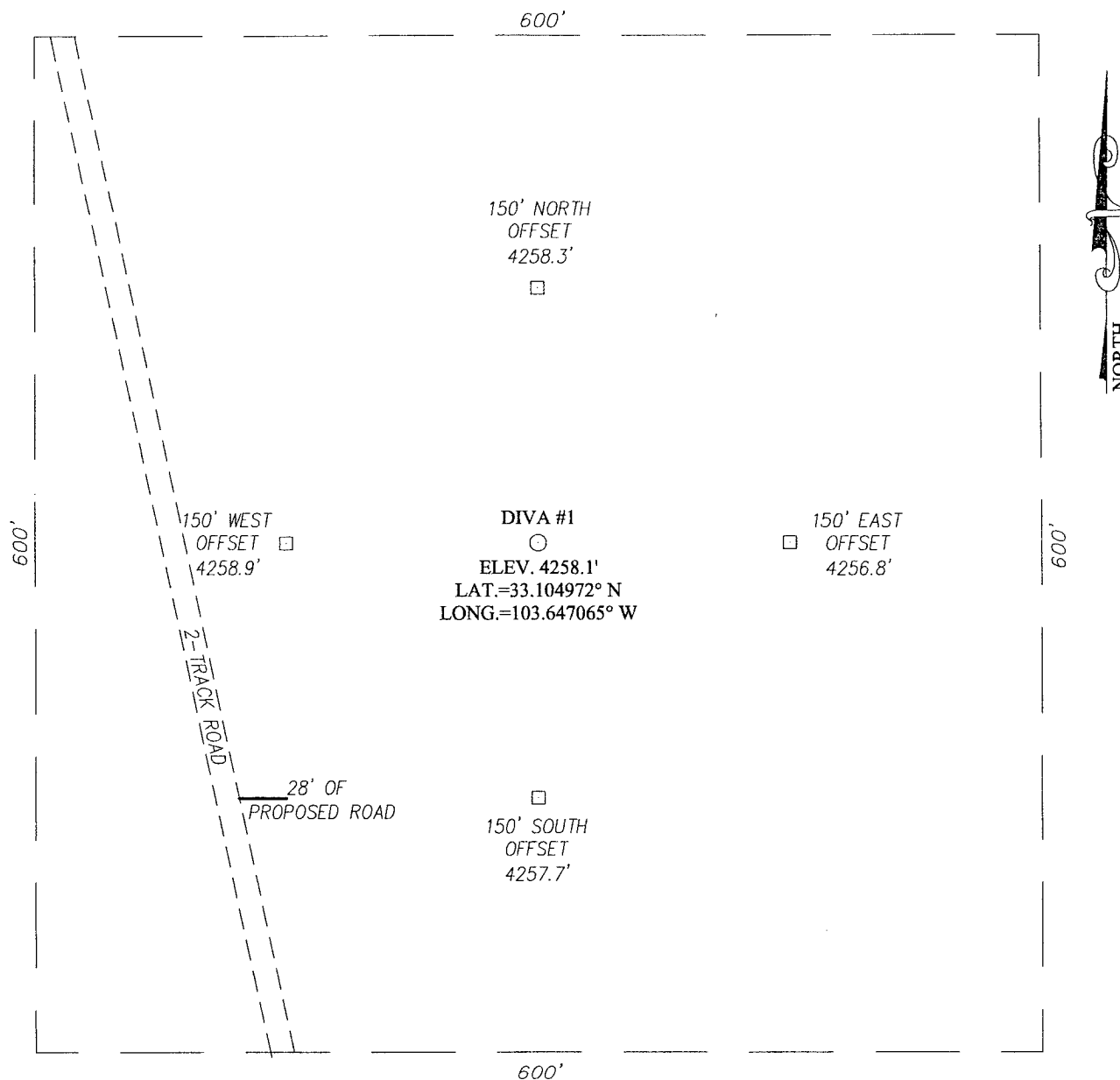


EXHIBIT "E"
PRIMERO OPERATING, INC.
Thunderhead Federal, Well No. 1
BOP Specifications

SECTION 18, TOWNSHIP 14 SOUTH, RANGE 33 EAST, N.M.P.M.

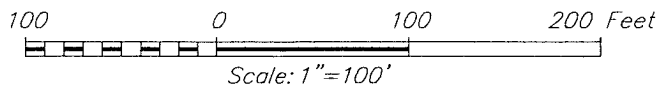
LEA COUNTY

NEW MEXICO



DIRECTIONS TO LOCATION

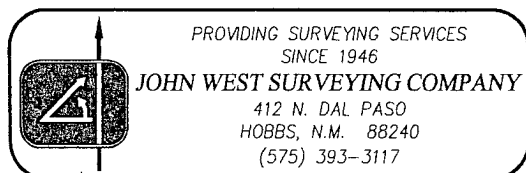
FROM THE INTERSECTION OF ST. HWY. #457 AND CO. RD. #T108 (TULK RD.), GO WEST ON CO. RD. T108 APPROX. 1.9 MILES. TURN LEFT AND GO SOUTH-SOUTHWEST APPROX. 1.2 MILES. TURN LEFT AND GO SOUTHEAST APPROX. 0.3 MILES. THIS LOCATION IS APPROX. 200 FEET EAST.



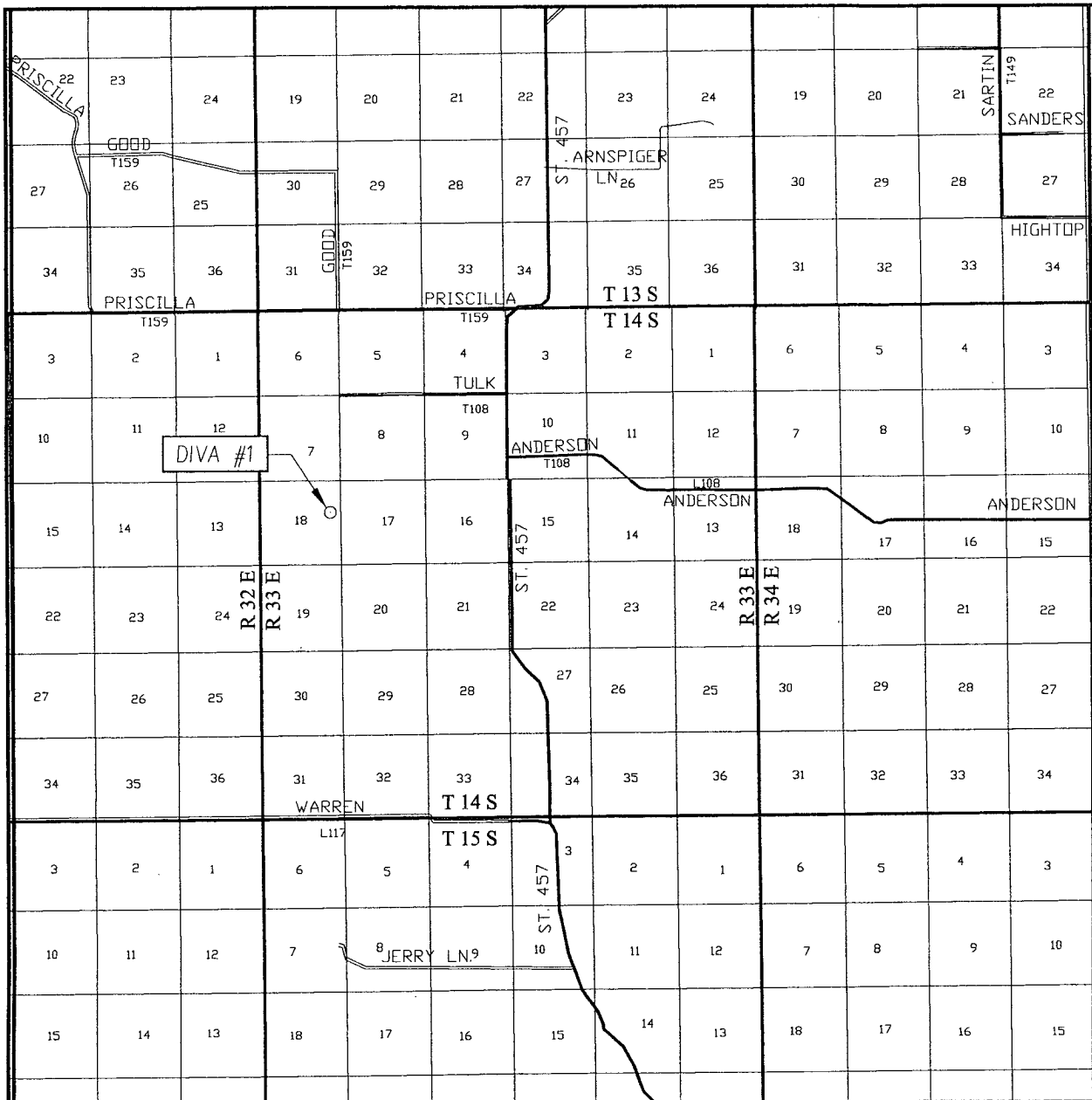
PRIMERO OPERATING

DIVA #1 WELL
LOCATED 2460 FEET FROM THE NORTH LINE
AND 660 FEET FROM THE EAST LINE OF SECTION 18,
TOWNSHIP 14 SOUTH, RANGE 33 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO

Survey Date: 4/12/11	Sheet 1 of 1 Sheets
W.O. Number: 11.11.0511	Dr. By: LA
Date: 4/18/11	Rel. W.O.: 11110511
	Scale: 1"=100'



VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 18 TWP. 14-S RGE. 33-E

SURVEY N.M.P.M.

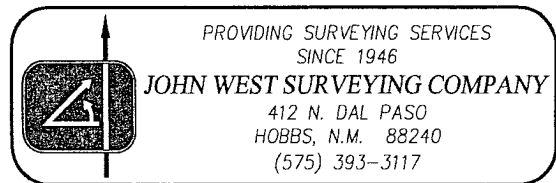
COUNTY LEA STATE NEW MEXICO

DESCRIPTION 2460' FNL & 660' FEL

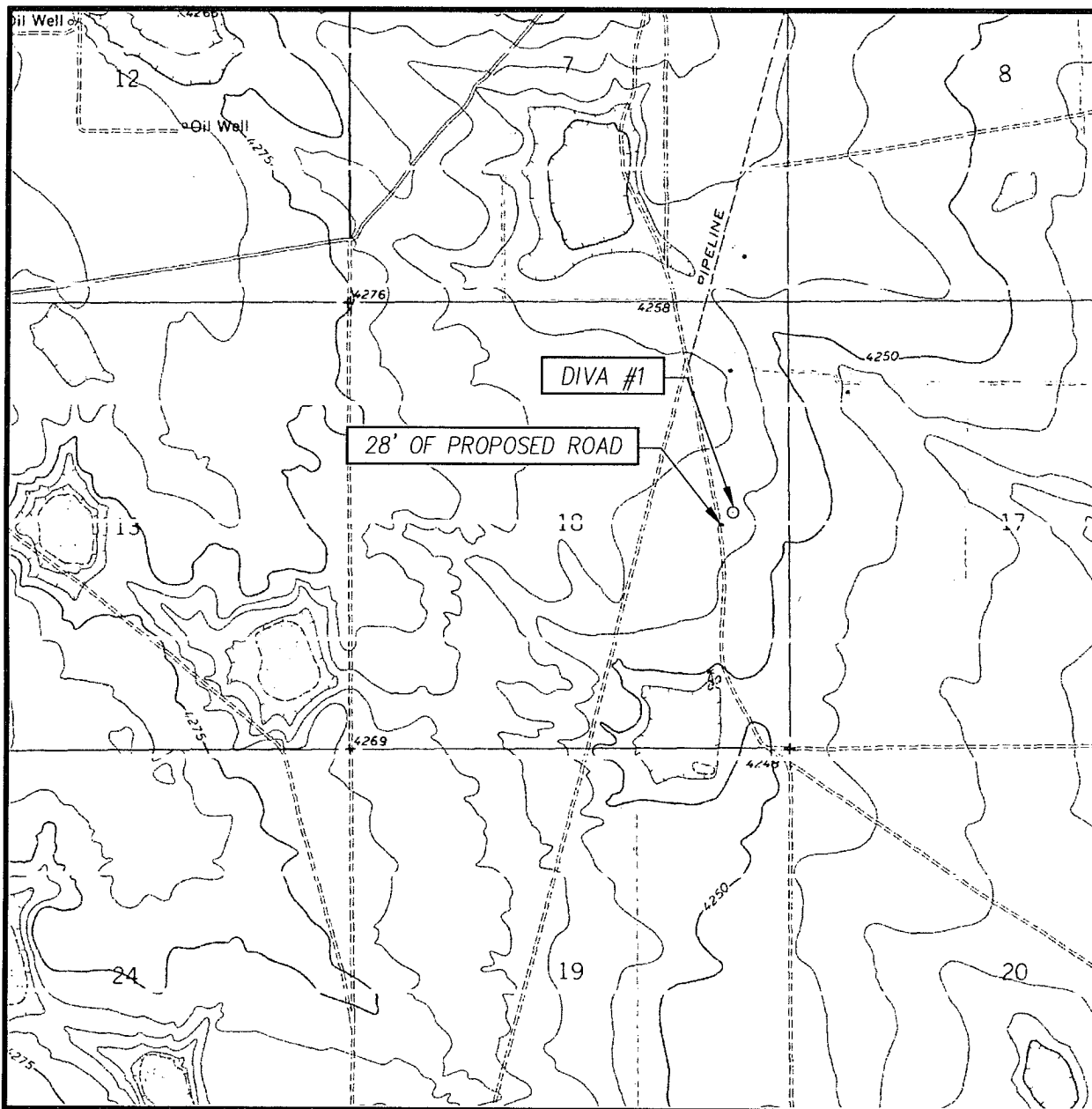
ELEVATION 4258'

OPERATOR PRIMERO OPERATING

LEASE DIVA



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
DEAN RANCH, N.M. - 10'

SEC. 18 TWP. 14-S RGE. 33-E

SURVEY _____ N.M.P.M.

COUNTY LEA STATE NEW MEXICO

DESCRIPTION 2460' FNL & 660' FEL

ELEVATION 4258'

OPERATOR PRIMERO OPERATING

LEASE DIVA

U.S.G.S. TOPOGRAPHIC MAP

DEAN RANCH, N.M.

