

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
Revised March 17, 1999

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

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

¹ Operator Name and Address Cambrian Management, Ltd P.O. Box 272 Midland, Texas 79702		² OGRID Number 198688
³ Property Code 30423		⁴ API Number 30-025-35980
⁵ Property Name Chem/State		⁶ Well No. 8

⁷ Surface Location

U.L. or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	4	15S	32E		1700	South	2310	West	Lea

⁸ Proposed Bottom Hole Location If Different From Surface

U.L. or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

⁹ Proposed Pool 1 Tulk (Wolkcamp)	¹⁰ Proposed Pool 2
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¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4312'
¹⁶ Multiple No	¹⁷ Proposed Depth 10,000	¹⁸ Formation Penn	¹⁹ Contractor Unk	²⁰ Spud Date 10/1/02

²¹ 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	450	495	Surf
12 1/4"	8 5/8"	32	4100	1145	Surf
7 7/8"	5 1/2"	17	10,000	1020	3800'

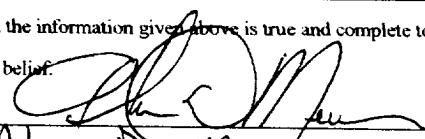
²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone.

Describe the blowout prevention program, if any. Use additional sheets if necessary.

- 1) Drill to 450' utilizing Fw mud, set 13 3/8" cement to surface.
- 2) Drill to 4100' utilizing Sw mud, set 8 5/8" cement to surface.
- 3) Drill to 10,000' utilizing Fw mud, set 5 1/2" production casing and cement to 3800'.

Schematic of BOP and choke attached.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: 		APPROVED AND SIGNED BY PAUL F. KAUTZ PETROLEUM ENGINEER	
Printed name: Alan D. Means		Title:	
Title: Operations Manager		Approval Date: AUG 23 2002	
Date: 8/20/02		Expiration Date:	
Phone: (505) 620-9181		Conditions of Approval:	
		Attached <input type="checkbox"/>	

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico

Form C-102

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

Energy, Minerals, and Natural Resources Department

Revised August 15, 2000

Submit to Appropriate District Office

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

OIL CONSERVATION DIVISION

State Lease - 4 copies

Fee Lease - 3 copies

1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-35950	² Pool Code 60420	³ Pool Name Talk Wolfcamp
⁴ Property Code 16042 30423	⁵ Property Name CHEM STATE "B"	⁶ Well Number 8
⁷ OGRID No. 198688	⁸ Operator Name CAMBRIAN MANAGEMENT	⁹ Elevation 4312'

¹⁰ Surface Location

UL or lot no. K	Section 4	Township 15 SOUTH	Range 32 EAST, N.M.P.M.	Lot Idn	Feet from the 1980'	North/South line SOUTH	Feet from the 2310'	East/West line WEST	County LEA
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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
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 	<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.</p> <p></p> <p>Signature Alan D. Means</p> <p>Printed Name Operations Manager</p> <p>Title 8/20/02</p> <p>Date</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>AUGUST 6, 2002</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p></p> <p>Certificate Number V. L. BEZNER R.P.S. #7920</p> <p>JOB #83017 / 122 SW / J.C.P.</p>
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New Mexico Oil Conservation Division
C-102 Instructions

IF THIS IS AN AMENDED REPORT, CHECK THE BOX LABELED
"AMENDED REPORT" AT THE TOP OF THIS DOCUMENT.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed contact the appropriate OCD district office. Independent subdivision surveys will not be acceptable.

1. The OCD assigned API number for this well
2. The pool code for this (proposed) completion
3. The pool name for this (proposed) completion
4. The property code for this (proposed) completion
5. The property name (well name) for this (proposed) completion
6. The well number for this (proposed) completion
7. Operator's OGRID number
8. The operator's name
9. The ground level elevation of this well
10. The surveyed surface location of this well measured from the section lines. NOTE: If the United States government survey designates a Lot Number for this location use that number in the "UL or lot no." box. Otherwise use the OCD unit letter.
11. Proposed bottom hole location. If this is a horizontal hole indicate the location of the end of the hole.
12. The calculated acreage dedicated to this completion to nearest hundredth of an acre
13. Put a Y if more than one completion will be sharing this same acreage or N if this is the only completion on this acreage
14. If more than one lease of different ownership has been dedicated to the well show the consolidation code from the following table:
C Communitization
U Unitization
F Forced pooling
O Other
P Consolidation pending

16. This grid represents a standard section. You may superimpose a non-standard section over this grid. Outline the dedicated acreage and the separate leases within that dedicated acreage. Show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the dimensions from the section lines in the cardinal directions. (Note: A legal location is determined from the perpendicular distance to the edge of the tract.) If this is a high angle or horizontal hole show that portion of the well bore that is open within this pool.

Show all lots, lot numbers, and their respective acreage.

If more than one lease has been dedicated to this completion, outline each one and identify the ownership as to both working interest and royalty.

17. The signature, printed name, and title of the person authorized to make this report, and the date this document was signed.
18. The Registered surveyors certification. This section does not have to be completed if this form has been previously accepted by the OCD and is being filed for a change of pool or dedicated acreage.

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!

15. Write in the OCD order(s) approving a non-standard location, non-standard spacing, or directional or horizontal drilling