

District I - (505) 393-6161
P. O. Box 1980
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
10 Rio Brazos Road
Ec, NM 87410
District IV - (505) 827-7131

New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Form C-1.
Originated 11/1

Submit Original
Plus 2 Copies
to appropriate
District Office

H-0028

APPLICATION FOR
QUALIFICATION OF WELL WORKOVER PROJECT
AND CERTIFICATION OF APPROVAL

THREE COPIES OF THIS APPLICATION AND ALL ATTACHMENTS MUST BE FILED WITH THE APPROPRIATE DISTRICT OFFICE OF THE OIL CONSERVATION DIVISION.

- I. Operator: Burgundy Oil & Gas of New Mexico, Inc. OGRID #: 003044
Address: 401 W. Texas, Suite 1003 Midland, Texas 79701-4413
Contact Party: Rhett Gist Phone: (915) 684-4033
- II. Name of Well: San Simon '2' #1 API #: 30-025-26772
Location of Well: Unit Letter H, 2080 Feet from the North line and 660 feet from the East line,
Section 2, Township 22S, Range 34E, NMPM, Lea County
- III. Date Workover Procedures Commenced: January 16, 1996
Date Workover Procedures were Completed: January 31, 1996
- IV. Attach a description of the Workover Procedures undertaken to increase the projection from the Well.
Attach an estimate of the production rate of the Well (a production decline curve or other acceptable method, and table showing monthly oil and/or gas Project Production) based on at least twelve (12) months of established production which shows the future rate of production based on well performance prior to performing Workover.
- VI. Pool(s) on which Production Projection is based: Grama Ridge, E. (Morrow)

VII. AFFIDAVIT:

State of Texas)
) ss.
County of Midland)

Rhett Gist, being first duly sworn, upon oath states:

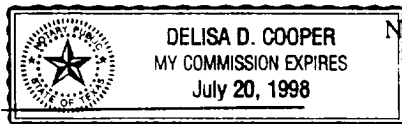
1. I am the Operator or authorized representative of the Operator of the above referenced Well.
2. I have made, or caused to be made, a diligent search of the production records which are reasonably available and contain information relevant to the production history of this Well.
3. To the best of my knowledge, the data used to prepare the Production Projection for this Well is complete and accurate and this projection was prepared using sound petroleum engineering principles.

Rhett Gist
(Name) Rhett Gist

Vice President
(Title)

SUBSCRIBED AND SWORN TO before me this 21 day of May, 1996.

Delisa D. Cooper



Notary Public

My Commission expires: _____

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This Application for Qualification of Well Workover Project is hereby approved and the above referenced Well is designated as a Well Workover Project pursuant to the "Natural Gas and Crude Oil Production Incentive Act" (Laws 1995, Chapter 15, Sections 1 through 8). The Oil Conservation Division hereby verifies the Production Projection for the Well Workover Project attached to this application. By copy of this Application and Certification of Approval, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project has been completed as of 5-24, 1996

[Signature]
District Supervisor, District 1
Oil Conservation Division

DISTRICT 1 SUPERVISOR

Date: MAY 24 1996

IX. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT.

DATE: _____

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-025-26772
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No. 013832
7. Lease Name or Unit Agreement Name San Simon '2'
8. Well No. 1
9. Pool name or Wildcat Grama Ridge, E. (MORROW)

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: OIL WELL ☐ GAS WELL ☒ OTHER
2. Name of Operator Burgundy Oil & Gas of New Mexico, Inc.
3. Address of Operator 401 W. Texas, Ste 1003 Midland, Texas 79701
4. Well Location Unit Letter <u>H</u> : <u>2080</u> Feet From The <u>North</u> Line and <u>660</u> Feet From The <u>East</u> Line Section <u>2</u> Township <u>22S</u> Range <u>34E</u> NMPM Lea County 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3645' KB

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK ☒	REMEDIAL WORK ☐
TEMPORARILY ABANDON ☐	ALTERING CASING ☐
PULL OR ALTER CASING ☐	COMMENCE DRILLING OPNS. ☐
OTHER: ☐	PLUG AND ABANDONMENT ☐
	CASING TEST AND CEMENT JOB ☐
	OTHER: ☐

12. 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.

Date 1/16/96

1. POH with 2 3/8" tbg and packer
2. RIH with 2 7/8" tbg and baker 5" lok set packer.
3. Circulate packer fluid.
4. Re-perforate 12, 841 ft. to 12,848 ft.
5. Fracture treat with 29,500 gallons of Quality Alcofoam and 15,500 # of sand.
6. Flow well back. Turn down sales line.

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

SIGNATURE Rhett Gist TITLE Vice-President DATE 1/23/96

TYPE OR PRINT NAME Rhett Gist TELEPHONE NO. 684-4033

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

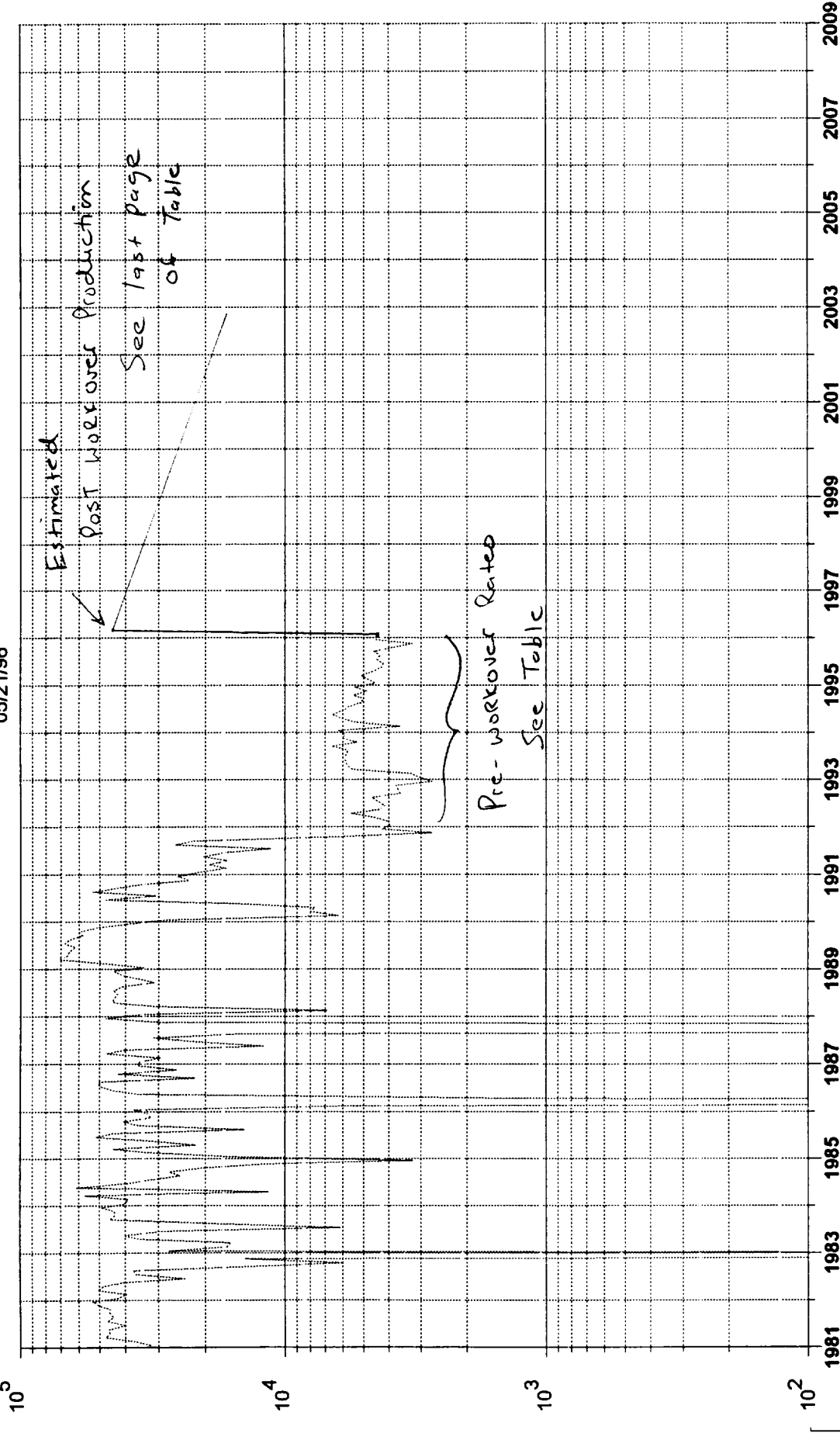
CONDITIONS OF APPROVAL, IF ANY:

Dwights

Lease: SAN SIMON 2 STATE 000001

05/21/96

Retrieval Code: 250,025,22S34E02H00PM



County: LEA, NM	F.P. Date: 10/80
Field: GRAMA RIDGE EAST (MORROW) PM	Oil Cum: 33.34 mbbl
Reservoir: MORROW	Gas Cum: 4567 mmcf
Operator: BURGUNDY OIL & GAS INC	Location: 2H 22S 34E

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Gas

Run Date: 5/21/96
Published 4/96
(#250,025,22S34E02H00PM)

Operator:	BURGUNDY OIL & GAS INC	
Well/Lease Name:	SAN SIMON 2 STATE	
Well #:	000001	First Production Date: 10/80
Location:	2H 22S 34E	Last Production Date: 12/95
State:	NM	Cum. Thru L. P. Date Oil: 33,341
District:	002	
County:	LEA	Cum. Thru L. P. Date Gas: 4,567,108
Regulatory #:	96996	
API #:	30-025-2677200	
Field:	GRAMA RIDGE EAST (MORROW) PM	
Reservoir:	MORROW	
Basin:	PERMIAN BASIN	
Gas Gatherer:	GPMGC	Temperature Gradient: 0.987
Liquid Gatherer:	NAVAJ	
Status Date:		
Status:	ACT	

Date MO/YR	Oil Prod BBLs	BBLs /Day	Cum. Oil Prod. BBLs	Gas Prod MCF	Cum. Gas MCF	YIELD BBLs/MMCF	Water	% Water	# of Wells	Days On	Allowables
01/92	18	0	32,097	3,945	4,340,079	4.56			1	21	
02/92	32	1	32,128	4,028	4,344,108	7.94			1	19	
03/92	72	2	32,201	4,526	4,348,634	15.91			1	31	
04/92	0	0	32,201	5,543	4,354,177	0.00			1	30	
05/92	0	0	32,201	4,306	4,358,483	0.00			1	31	
06/92	0	0	32,201	4,116	4,362,599	0.00			1	30	
07/92	109	3	32,310	4,385	4,366,984	24.86			1	31	
08/92	34	1	32,344	4,612	4,371,596	7.37			1	31	
09/92	51	1	32,395	3,597	4,375,193	14.18			1	30	
10/92	42	1	32,437	3,653	4,378,846	11.50			1	31	
11/92	39	1	32,476	3,750	4,382,596	10.40			1	30	
12/92	26	0	32,502	2,726	4,385,322	9.54			1	31	
Totals	423			49,188						346	
01/93	50	1	32,552	3,020	4,388,342	16.56	0	0.00	1	29	
02/93	36	1	32,588	3,250	4,391,592	11.08	0	0.00	1	25	
03/93	27	0	32,615	5,437	4,397,029	4.97	56	67.47	1	28	
04/93	34	1	32,649	5,767	4,402,796	5.90	0	0.00	1	29	
05/93	45	1	32,694	5,789	4,408,585	7.77	0	0.00	1	31	
06/93	35	1	32,729	5,968	4,414,553	5.86	58	62.37	1	29	
07/93	14	0	32,743	5,722	4,420,275	2.45	0	0.00	1	29	
08/93	19	0	32,762	5,781	4,426,056	3.29	0	0.00	1	31	
09/93	34	1	32,796	6,568	4,432,624	5.18	0	0.00	1	30	
10/93	20	0	32,816	5,281	4,437,905	3.78	0	0.00	1	31	
11/93	22	0	32,838	5,996	4,443,901	3.67	0	0.00	1	30	
12/93	19	0	32,857	5,854	4,449,755	3.25	0	0.00	1	31	
Totals	355			64,433			114			353	
01/94	30	0	32,887	6,200	4,455,955	4.84	35	53.85		31	
02/94	31	1	32,918	3,602	4,459,557	8.61	12	27.91		28	
03/94	38	1	32,956	5,390	4,464,937	7.06	2	5.00		31	
04/94	15	0	32,971	6,056	4,470,993	2.48	23	60.53		30	
05/94	0	0	32,971	6,562	4,477,555	0.00	14	100.00		0	
06/94	77	3	33,048	5,937	4,483,492	12.97	26	25.24		0	
07/94	3	0	33,051	5,657	4,489,149	0.53	16	84.21		31	
08/94	12	0	33,063	5,055	4,494,204	2.37	2	14.28		31	
09/94	21	0	33,084	5,011	4,499,215	4.19	2	8.70		30	
10/94	22	0	33,106	5,422	4,504,637	4.06	0	0.00		31	
11/94	43	1	33,149	4,832	4,509,469	8.90	3	6.52		30	
12/94	22	0	33,171	5,377	4,514,846	4.09	26	54.17		31	
Totals	314			65,091			161			304	
01/95	11	0	33,182	4,487	4,519,333	2.45	0	0.00		31	
02/95	20	0	33,202	4,802	4,524,135	4.16	2	9.08		28	
03/95	12	0	33,214	5,077	4,529,212	2.36	0	0.00		31	
04/95	12	0	33,226	4,593	4,533,805	2.61	0	0.00		30	
05/95	14	0	33,240	4,253	4,538,058	3.29	2	12.50		31	
06/95	15	0	33,255	4,171	4,542,229	3.60	5	25.00		30	

Date MO/YR	Oil Prod BBLs	BBLs /Day	Cum. Oil Prod. BBLs	Gas Prod MCF	Cum. Gas MCF	YIELD BBLs/MMCF	Water	% Water	# of Wells	Days On	Allowables
07/85	20	0	33,275	4,425	4,546,654	4.52	0	0.00		31	
08/85	8	0	33,283	4,301	4,550,955	1.86	0	0.00		31	
09/85	13	0	33,296	4,544	4,555,499	2.86	0	0.00		30	
10/85	21	0	33,317	3,839	4,559,338	5.47	0	0.00		30	
11/85	18	0	33,335	3,232	4,562,570	5.57	0	0.00		31	
12/85	6	0	33,341	4,538	4,567,108	1.32	0	0.00		31	
Totals	170			52,262			9			365	

1/96	4,500 mcf										
2/96	45,000										
3/96	44,400										
4/96	43,800										
5/96	43,200										
6/96	42,600										
7/96	42,000										
8/96	41,500										
9/96	41,000										
10/96	40,500										
11/96	40,000										
12/96	40,000										

ESTIMATED
POST WORKOVER RATES