District I PO Box 1980. Hobbs. NM 88241 1980

District IV

PO Drawer DD, Artesia, NM 88211-0719 District III

1000 Rio Brazos Rd., Aztec, NM 87410

Form C-101 Revised February 10. 1994 Instructions on back Submit to Appropriate District Offico

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

State Lease - 6 Copies Fee Lease - 5 Copies

| PO Box 2088, Sai | nta Fe, NM 8 | 37504-2088 | | | | | | | |]amen | DED REPORT | |
|--|--|---|--------------------------|-------------------|-----------------------|--|-----------------------|-----------------------------|------------|-------------------------|---------------------|--|
| APPLICA | TION | FOR PE | RMIT ' | TO DR1 | LL, RE-EN | ITER, DEF | EPE | N, PLUGBA | ACK, | OR AI | DD A ZONE | |
| Conoc | o loc | | | Operator Nar | me and Address. | | | | | | GRID No_ 005073 | |
| | - | Ste. 430E | | | | | | | | | API Number | |
| | | 79705-450 |)0 | | | | | | | | 5-34794 | |
| Prope | rty Code | | | | · Pr | roperty Name | | | | | ' Well No. | |
| 13 | 396 | | | | | DÝŠTATE J | 6 | | | | 27 | |
| | | | | | 'Surface l | Location | | | | | | |
| UL or lot no. | Section | Township | Range | Lot [dn | Feet from the | North/South I | ine | Feet from the | East/W | Vest line | County | |
| J | 36 | 20-S | 37-E | | 2200 | SOUTH | | 1650 | | AST | LEA | |
| | , | , | · | Bottom | | ion If Ditt | erer | nt From Surf | iace | | | |
| UL or lot no | Section | Township | Range | Lot Idn | Feet from the | North/South I | ine | Feet from the | East/W | Vest line | County | |
| | <u> </u> | ' Propos | ed Pool 1 | <u> </u> | <u> </u> | <u> </u> | | " Propos | ed Pool : | 2 | <u> </u> | |
| | so | OUTH CAS | SS STRA | .WN | | | | | | | | |
| | | | = 14/- U T | - A-3. | T "Cabla | m | · | | | | und Level Elevation | |
| | Гуре Code - | | " Well Type | : Code | " Cable | · | | " Lease type Co | | | | |
| 16 M | Aultiple . | | Q 17 Proposed | 172 | | R S ormation 19 Contractor | | | | 3493 20 Spud Date | | |
| | • | | 17 Proposed | - | | 15 0011100001 | | | _ | | | |
| N | 0 | | 8260 | | | TRAWN CAPSTAR DRLG. 2-10-00 Ing and Cement Program | | | | | 2-10-00 | |
| Hole S | 170 | Casi | ng Size | | | | | | | | Table 1700 | |
| 12-1/4 | | | " J-55 | Casa | ng weight/foot 36# | | | Sacks of | f Cement | | Estimated TOC | |
| 8-3/4 | + | | S95-110 | + | 23# | 7900' | | | 1025 | | SURFACE SURFACE | |
| | | 1 1100 | 9/2 110 | | 25# | 1700 | 1700 | | 23 | | SURFACE | |
| | | | | + | | | | | | | | |
| | | | | _ | | | | | | | | |
| zone. Describe | the blowou d to drill | ut prevention_ a vertical | _program, it wellbore | fanyUse ac | dditional sheets if n | necrssary. | | present productive | | | ed new productive | |
| Well Loc Proposed Cementin BOP = D TOPO in | l Well Plang progra Oouble Randicatiing | an Outline am am - 11" 30 ; access rou | 000 PSI \ ite to wel | WP Il location | | Permit Ex Date U | rpire Jmie | es 1 Year F ess Drilling | rom Und | Approv erwa y | /al | |
| 23 I hereby cenify that the information given above is true and complute to the best of my knowledge and belief. | | | | | | | | CONSERVA | | | | |
| Signature: Stallink William | | | | | A | hpproved by Gir | · | SIGNED BY | 19119. | WILLI AM | 18 | |
| Printed name: | St | ephen R | . Wils | on | П | ītte: | The State of State of | FIRST CO. | | .717 | | |
| Title: | | W Agent | | | A | pproval Date: | Expiration Date: | | | | | |
| Date: | | M Agene | Phone | | C | Conditions of App | roval: | | | | | |
| | 12-9-99 | | -686-55 | 11 | Attached | | | | | | | |

DISTRICT I P.O. Box 1950, Hobbs, NM 55240 State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102 Revised February 10, 1994 Instruction on back Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT II P.O. Drawer DD, Artesia, NM 68210

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

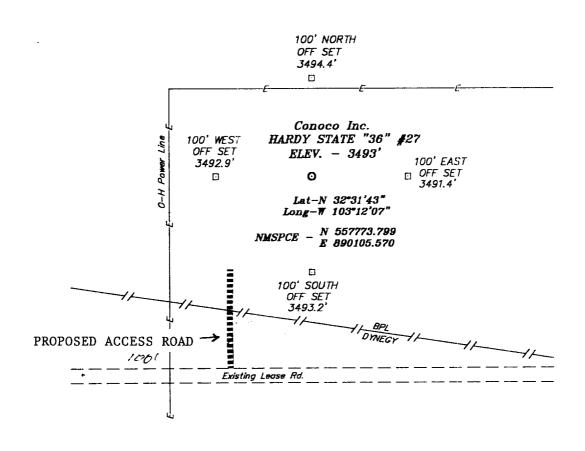
WELL LOCATION AND ACREAGE DEDICATION PLAT

| API | , | Pool Code Pool Name | | | | | | | | | |
|---------------|--|---------------------|--------------|---------|-----------------|------------------|---------------|----------------|-----------|--|--|
| 30-025- | 3479 | <i>†</i> | 10 |)460 | 340 | South | Cass Strawn | | | | |
| Property (| Code | T | | | Property Nam | | | Well Nu | ımber | | |
| 13396 | | | | l | HARDY STATE | "36" | | 27 | 7 | | |
| OGRID No |). | | | | Operator Nam | 16 | | Elevat | Elevation | | |
| 005073 | } | | | | 3493' | | | | | | |
| | Surface Location | | | | | | | | | | |
| UL or lot No. | Section | Township | Range Lot Id | | Feet from the | North/South line | Feet from the | East/West line | County | | |
| J | 36 | 20 S | 37 E | | 2200 | SOUTH | 1650 | EAST | LEA | | |
| | | | Bottom | Hole Lo | cation If Diffe | erent From Sur | face | | | | |
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | | |
| | Dedicated Acres Joint or Infill Co | | | | der No. | <u> </u> | <u>L</u> | <u> </u> |] | | |
| 40 - | | | | | · | | | | · | | |

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

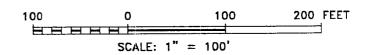
| OPERATOR CERTIFICATION | |
|---|-----|
| I hereby certify the the informa. | |
| contained herein is true and complete to best of my knowledge and belief. | the |
| | i |
| Signature STEPHEN R. WILSON Printed Name ROW AFTENT Title | |
| STEPHEN R. WILSON | |
| Printed Name RAIN AFREWT | |
| Title | - |
| 1 12-7-9/ | |
| LAT - N 32*31'43" | |
| LONG - W 103°12'07" SURVEYOR CERTIFICATION | |
| I hereby certify that the well location sh | |
| on this plat was plotted from field note: | |
| 1650' actual surveys made by me or under | - 1 |
| correct to the best of my belief. | |
| November 11, 1999 | |
| Date Survey CARY L. JONES | |
| Signature & Seet of MEX/CO | |
| | - |
| No. \$399A 5 | |
| | 977 |
| BASIN SURVEYS | |

SECTION 36, TOWNSHIP 20 SOUTH, RANGE 37 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.



DIRECTIONS TO WELL LOCATION:

FROM JUNCTION NORTH LOOP 18 AND COUNTY ROAD C-22 IN EUNICE, GO NORTH ON LOOP 18 TO COUNTY ROAD C-34; THENCE NORTHWEST ON C-34 APPROX. 3.5 MILES TO A POINT WHICH LIES 200' SOUTH OF THE PROPOSED WELL LOCATION.



Conoco Inc.

REF: HARDY STATE "36" No. 27 / Well Pad Topo

THE HARDY STATE "36" No. 27 LOCATED 2200' FROM THE SOUTH LINE AND 1650' FROM THE EAST LINE OF SECTION 36, TOWNSHIP 20 SOUTH, RANGE 37 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 9399 Drawn By: **K. GOAD**Date: 11-12-99 Disk: KJG #122 - 9399A.DWG

Survey Date: 11-11-99 Sheet 1 of 1 Sheets

PROPOSSI WELL PLAN OUTLINE

WFIL NAME

Ground Level : Kelly Bushing:

3492'

| Depth MD O | FORMATION TOPS | DRILLING PROBLEMS | TYPE OF FORMATION EVALUATION | HOLE SIZE | CASING PROGRAM | FRAC GRAD | FORM. PRES. GRAD. | Mud Weight & Type | Days |
|------------------|---------------------------------|---|---|--------------|---|--------------|-------------------------|-------------------------|------|
| | | Possible Hole Enlargement & Sloughing | | 12-1/4" | | | Less than 8.3 | 8.4 - 9.5 Fresh | |
| | | | | | | | | 110311 | |
| | | | | | | | | | |
| 1000 | | | | | | | | | |
| 1000 | | | | | | | | | |
| | Top Salt @ 1,430' | | | | 9-5/8", 36#, J-55 ST&C @ 1,500' | | | | 3 |
| | | Washouts in Salt Section | | 8-3/4" | Circulate Cement | | | 10 Brine | |
| | | | | | | | | | |
| 2000 | | | | | | | Less than 8.4 | | |
| | Bass Sale @ 2 EOO! | | | | | | | | |
| | Base Salt @ 2.500' Yates 2,707' | | Mud Loggers F/ Yates | | ! | | | | |
| | 7 Rivers 2,957' | | Mud Loggers F/ Yates to TD H2S Monitor on at 2900' | | | | | | |
| 3000 | | | | | | | | | |
| | | | | | | | | | |
| | Queen 3,540' | | | | | | | | |
| | Grayburg 3,810' | | | | | | | | |
| 4000 | San Andres 4,020' | Lost Returns in San Andres | | | | | | | 7 |
| | | • | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| 5000 | Glorietta 5,290' | | | | | | | | |
| | Giorietta 5,250 | Possible differential sticking thru Glorietta & Paddock | | | | | | | |
| | | | | | | | | | |
| | Blinebry Mkr 5,825 | ; | | | | | | | |
| 6000 | | | | | | | | | |
| | Tubb 6,360' | | | | | | | | |
| | Drinkard 6,600' | | | | | | | | |
| | Abo 6,890' | | | | | | | | |
| 7000 | | | First Log Run: GR-CAL-DLL-MLL-Sonic FDC-CNL-PE: TD to 2650' | | | | | | |
| | Strawn 7,460' | | Pull GR-CNL-Cal to Surf | | | | | | |
| | | STOP DRILLING WHEN | Second Log Run: 60 rotary sidewall cores | | 7". 23.0#. S/P110 | | | | |
| 8000 | TD @ 7,960' Devonian 7,960' | WOODFORD SHALE IS CUT Severe losses in Devonian | Third Run: FMI imaging log | | 7", 23.0#, S/P110 LT&C f/0'-7,960' Circulate Cement | | | 10 ppg Starch Gel | 20 |

Note: The Devonian formation is associated with severe lost circulation problems. This well will be TD'd very close to the top of the Devonian. The mud loggers will pick the Woodford shale which is 40' thick and sits on top of the Devonian. Stop drilling once the Woodford is entered.

DATE

O6-Dec-99

Joe fluck, Geophysical Advisor

Yong hot Drilling Engineer

Joe Miller, Reservoir Engineer





Conoco Hardy 36 St. #27

Sec. 36-T20S-R37E Lea County, New Mexico December 2, 1999

Well Recommendation

Prepared for: Yong Cho **Drilling Engineer**

٠,

Prepared by: **Rocky Chambers** Region Engineer

Bus Phone: Mobile:

915/683-2781 915/557-1239

Pager:

915/498-1605



PowerVision*

Service Point:

Hobbs

Bus Phone:

(505) 392-5556

Fax:

(505) 392-7307

Service Representatives:

Wayne Davis Account Manager

Bus Phone: (915) 683-2781

Well Name:

Hardy 36 St. #27 Job Description: 9-5/8" Surface

Date:

December 2, 1999



WELL DATA

ANNULAR GEOMETRY

| ANNULAR I.D. | DEPTH(ft) | | | | |
|--------------|-----------|---------------|--|--|--|
| (in) | MEASURED | TRUE VERTICAL | | | |
| 12.250 HOLE | 1,500 | 1,500 | | | |

SUSPENDED PIPES

| DIAMET | ER (in) | WEIGHT | DEF | PTH(ft) |
|--------|---------|----------|----------|---------------|
| O.D. | I.D. | (lbs/ft) | MEASURED | TRUE VERTICAL |
| 9.625 | 8.921 | 36 | 1,500 | 1,500 |

10c-302626 Float Collar set @ 1,460 ft **Mud Density** 9.00 ppg Est. Static Temp. 86 ° F Est. Circ. Temp. 85 ° F

★ VOLUME CALCULATIONS

- 1,200-ft 0.3132 cf/ft with 100 % excess X 750.4 cf - 300 ft 0.3132 cf/ft with X 96 % excess 184.3 cf

40 ft 0.4341 cf/ft with 0 % excess 17.4 cf (inside pipe)

> TOTAL SLURRY VOLUME = 952.1 cf 170 bbls

Operator Name: Conoco Well Name: Hardy 36

Job Description: 9-5/8" Surface

Hardy 36 St. #27

Date:

December 2, 1999

3890960 §



FLUID SPECIFICATIONS

| Spacer | | | | 1 | ,500.0 gals Mud Clean I @ 8.4 ppg |
|---------------------------|-----------------|---|------------------|------------|---|
| FLUID | VOLUME CU-FT | • | VOLUME FACTOR | . <u>4</u> | AMOUNT AND TYPE OF CEMENT |
| Lead Slurry | 750 | 1 | 1.88 | C Ib | 00 sacks (35:65) Poz (Fly Ash):Class C ement + 2% bwoc Calcium Chloride + 0.25 s/sack Cello Flake + 6% bwoc Bentonite + .005 gps FP-6L + 96.5% Fresh Water |
| Tail Slurry | 202 | 1 | 1.34 | С | 50 sacks Class C Cement + 2% bwoc Calcium hloride + 0.005 gps FP-6L + 56.3% Fresh /ater |
| Displacement | | | | | 12.9 bbls FRESH WATER + 56.3% Fresh /ater |
| CEMENT PROPERTIES | 3 | | | | |
| | | | | URRY | Y SLURRY NO. 2 |
| Slurry Weight (ppg) | | | 1 | 12.70 | 14.80 |
| Slurry Yield (cf/sack) | | | | 1.88 | 1.34 |
| Amount of Mix Water (gps | | | 1 | 10.07 | 6.35 |
| Amount of Mix Fluid (gps) | | | 1 | 10.07 | 6.35 |

Well Name:

Hardy 36 St. #27 Job Description: 7" Long String

Date:

December 2, 1999



WELL DATA

ANNULAR GEOMETRY

| ANNULAR I.D. | DEPTH(ft) | | | | |
|--------------|-----------|---------------|--|--|--|
| (in) | MEASURED | TRUE VERTICAL | | | |
| 8.921 CASING | 1,500 | 1,500 | | | |
| 8.750 HOLE | 7,900 | 7,900 | | | |

SUSPENDED PIPES

| DIAMETE | R (in) | WEIGHT | DEF | PTH(ft) |
|---------|--------|----------|----------|---------------|
| O.D. | I.D. | (lbs/ft) | MEASURED | TRUE VERTICAL |
| 7.000 | 6.366 | 23 | 7,900 | 7,900 |

Joc e guileace Float Collar set @ 7,860 ft **Mud Density** 8.70 ppg Est. Static Temp. 128 ° F Est. Circ. Temp. 121 ° F

VOLUME CALCULATIONS

| – 1,500 ft | x | 0.1668 cf/ft | with | 0 % excess | = | 250.2 cf |
|------------|---|--------------|------|-------------|---|----------------------|
| ~ 4,000 ft | × | 0.1503 cf/ft | with | 51 % excess | = | 906.0 cf |
| ~ 2,400 ft | × | 0.1503 cf/ft | with | 47 % excess | = | 528.7 cf |
| 40 ft | X | 0.2210 cf/ft | with | 0 % excess | = | 8.8 cf (inside pipe) |

TOTAL SLURRY VOLUME = 1693.8 cf 302 bbls

Well Name:

Hardy 36 St. #27 Job Description: 7" Long String

Date:

December 2, 1999



FLUID SPECIFICATIONS

| Spacer | | | | 1,500.0 gals Mud Clean I @ 8.4 ppg |
|---------------------------|-----------------|---|------------------|---|
| FLUID | VOLUME CU-FT | • | VOLUME FACTOR | AMOUNT AND TYPE OF CEMENT |
| Lead Slurry | 1156 | 1 | 1.85 | = 625 sacks (35:65) Poz (Fly Ash):Class C Cement + 0.25 lbs/sack Cello Flake + 0.005 gps FP-6L + 6% bwoc Bentonite + 95.7% Fresh Water |
| Tail Slurry | 538 | 1 | 1.34 | = 400 sacks Class C Cement + 0.8% bwoc FL-50 + 0.4% bwoc CD-32 + 0.005 gps FP-6L + 0.2% bwoc Sodium Metasilicate + 1% bwoc BA-58 + 55.8% Fresh Water |
| Displacement | | | | 309.4 bbls FRESH WATER + 55.8% Fresh Water |
| CEMENT PROPERTIES | 3 | | | |
| | | | SL | URRY SLURRY |
| | | | N | O. 1 NO. 2 |
| Slurry Weight (ppg) | | | 1 | 2.70 14.80 |
| Slurry Yield (cf/sack) | | | • | 1.85 1.34 |
| Amount of Mix Water (gps | | | Ş | 9.98 6.29 |
| Amount of Mix Fluid (gps) | • | | Ş | 0.99 6.30 |

Well Name:

Hardy 36 St. #27

Date:

December 2, 1999



PRODUCT DESCRIPTIONS

BA-58

very fine, gray, free flowing siliceous powder combined with high molecular weight resins which improves the bond between the cement particles, formation and casing. It is applicable at low to high temperatures.

Bentonite

Commonly called gel, it is a clay material used as a cement extender and to control excessive free water.

CD-32

A patented, free-flowing, water soluble polymer that is an efficient and effective dispersant for primary and remedial cementing.

Calcium Chloride

A powdered, flaked or pelletized material used to decrease thickening time and increase the rate of strength development.

Cello Flake

Graded (3/8 to 3/4 inch) cellophane flakes used as a lost circulation material.

Class C Cement

Intended for use from surface to 6000 ft., and for conditions requiring high early strength and/or sulfate resistance.

FL-50

A water soluble, high molecular weight fluid loss additive used in medium to low density slurries. It is functional from low to high temperature ranges.

FP-6L

A clear liquid that decreases foaming in slurries during mixing.

Poz (Fly Ash)

A synthetic pozzolan, (primarily Silicon Dioxide). When blended with cement, Pozzolan can be used to create lightweight cement slurries used as either a filler slurry or a sulfate resistant completion cement.

Sodium Metasilicate

An extender used to produce an economical, low density cement slurry.

ELF 5/24/01

ABOVE DATE DOES NOT INDICATE WHEN CONFIDENTIAL LOGS WILL BE RELEASED