

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

RECEIVED
State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
NMOC D ARTESIA
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised July 18, 2013

☐ AMENDED REPORT

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

¹ Operator Name and Address LEGEND NATURAL GAS III, LP 15021 KATY FREEWAY, STE 200 HOUSTON, TX 77094		² OGRID Number 258894
³ API Number 30-015- 42227		
⁴ Property Code 40492	⁵ Property Name EKG SWD	⁶ Well No. 1

7. Surface Location									
UL - Lot F	Section 29	Township 24S	Range 28E	Lot Idn	Feet from 1810	N/S Line NORTH	Feet From 1980	E/W Line WEST	County EDDY

8. Proposed Bottom Hole Location									
UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

9. Pool Information	
Pool Name SWD; DELAWARE	Pool Code 96100

Additional Well Information				
¹¹ Work Type N	¹² Well Type ING (SWD)	¹³ Cable/Rotary R	¹⁴ Lease Type F	¹⁵ Ground Level Elevation 3049'
¹⁶ Multiple N	¹⁷ Proposed Depth 6000' MD	¹⁸ Formation DELAWARE	¹⁹ Contractor	²⁰ Spud Date UPON ARRIVAL
Depth to Ground water <201'		Distance from nearest fresh water well 2810' (PERMITTED); 4348' (DRILLED)		Distance to nearest surface water 725' SOUTH

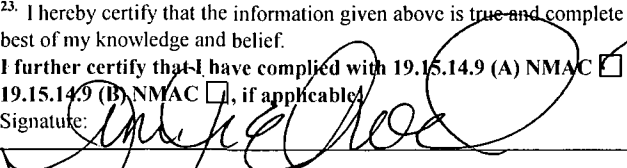
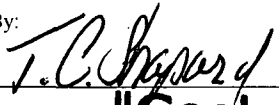
☐ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program						
Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
SURF.	14 1/2"	10 3/4"	J-55 45.5#	400	480	SURFACE
PROD.	9 7/8"	7"	N-80 23#	6000	3000	SURFACE

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program			
Type	Working Pressure	Test Pressure	Manufacturer
	5000	3500	

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 I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☐ , if applicable. Signature:  Printed name: JENNIFER ELROD Title: SR. REGULATORY ANALYST E-mail Address: jelrod@lng2.com Date: 03/20/2014		OIL CONSERVATION DIVISION Approved By:  Title: "Geologist" Approved Date: 3-25-2014 Expiration Date: 3-25-2016 Conditions of Approval Attached	
Phone: 817-872-7822		Date: 03/20/2014	

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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 August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-42227	Pool Code 94100	Pool Name SMD, DELAWARE
Property Code 40472	Property Name EKG SWD	Well Number 1
OGRID No. 258894	Operator Name LEGEND NATURAL GAS III, LP	Elevation 3049'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	29	24-S	28-E		1810	NORTH	1980	WEST	EDDY

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	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

		OPERATOR CERTIFICATION 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. Signature: <i>Jennifer Elrod</i> Date: <i>03/21/2014</i> Printed Name: <i>Jennifer Elrod</i> E-mail Address: <i>jelrod@hng2.com</i>	
GEODETC COORDINATES NAD 27 NME SURFACE LOCATION Y=433221.3 N X=568679.1 E LAT.=32.190848° N LONG.=104.111323° W	GEODETC COORDINATES NAD 83 NME SURFACE LOCATION Y=433279.6 N X=609862.6 E LAT.=32.190969° N LONG.=104.111816° W	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. FEBRUARY 21, 2014 Date of Survey Signature & Seal of Professional Surveyor: Certificate Number: <i>12641</i> Gary G. Eidson Professional Surveyor: <i>3239</i> Ronald J. Eidson DSS	

Permit Conditions of Approval

API: 30-015-40472

OCD Reviewer	Condition
CSHAPARD	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string