

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

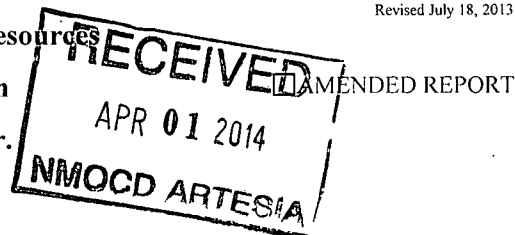
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

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

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

Form C-101
Revised July 18, 2013



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		⁴ OGRID Number 258894
³ Property Code 305419		⁵ API Number 30-015- 42267
² Property Name BUCKSHOT STATE COM		⁶ Well No. 4H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
P	31	24S	28E		195	SOUTH	1145	EAST	Eddy

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
B	31	24S	28E		330	NORTH	1732	EAST	Eddy

9. Pool Information

Pool Name Willow Lake; Bone Spring, WEST	Pool Code 96415
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Additional Well Information

¹¹ Work Type N	¹² Well Type O	¹³ Cable/Rotary R	¹⁴ Lease Type State	¹⁵ Ground Level Elevation 3036'
¹⁶ Multiple N	¹⁷ Proposed Depth 12700' MD; 7985' TVD	¹⁸ Formation Bone Spring	¹⁹ Contractor	²⁰ Spud Date Upon Arrival
Depth to Ground water <133'		Distance from nearest fresh water well 6600' SSE		Distance to nearest surface water >800' NW

☒ 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.	14.75	11.75	42	400	375	Surface
Inter.	10.625	8.625	32	2500	850	Surface
Prod.	73875	5.5	17	12700	2200	Surface

Casing/Cement Program: Additional Comments

Drill 14-3/4" hole to approx 400' with fresh water spud mud system. Run 11-3/4" 42# H40 STC casing to TD and cement to surface in one stage. Will use 1" topout tubing and class "C" cement to cement to surface if necessary. Drill 10-5/8" hole to approx 2,500' with saturated brine water mud system. Run 8-5/8" 32# J55 LTC casing to TD and cement to surface in one stage. Drill 7-7/8" vertical production hole to approx. 7,500' with cut brine mud system. Drill 7-7/8" curve/lateral production hole to approx 12,700' with cut brine mud system. Run 5-1/2" 17# P110 BTC casing to TD and cement to surface in one stage.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
ANNULAR	5000	3000	HYDRIL
BLIND Ram	5000	3000	CAMERON
PIPE Ram	5000	3000	CAMERON

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: <i>Jennifer Elrod</i>	OIL CONSERVATION DIVISION	
Printed name: <i>Jennifer Elrod</i>	Approved By: <i>T. C. Shepard</i> "Geologist"	
Title: <i>Sr. Regulatory Analyst</i>	Approved Date: <i>4-1-2014</i>	Expiration Date: <i>4-1-2016</i>
E-mail Address: <i>jelrod@ing2.com</i>		
Date: <i>3/31/2014</i>	Phone: <i>817-872-7822</i>	Conditions of Approval Attached

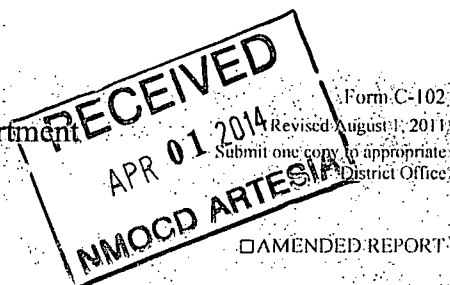
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Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505



WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-42267	Pool Code 90415	Pool Name Willow Lake; Bone Spring, West
Property Code 305419	Property Name BUCKSHOT STATE COM	Well Number 4H
OGRID No. 258894	Operator Name LEGEND NATURAL GAS III, LP	Elevation 3051'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	31	24-S	28-E		195	SOUTH	1145	EAST	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
B	31	24-S	28-E		330	NORTH	1732	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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

LOT 1 GEODETIC COORDINATES NAD 27 NME BOTTOM HOLE LOCATION Y=429337.2' N X=564973.8' E LAT.=32.180191' N LONG.=104.123325' W	GEODETIC COORDINATES NAD 83 NME BOTTOM HOLE LOCATION Y=429395.4' N X=606157.3' E LAT.=32.180312' N LONG.=104.123818' W		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>3/31/14</i> Printed Name: <i>Jennifer Elrod</i> E-mail Address: <i>jelrod@ng2.com</i>
LOT 2 CORNER COORDINATES TABLE NAD 27 A - Y=429659.1' N, X=564039.1' E B - Y=429670.6' N, X=565371.9' E C - Y=429682.1' N, X=566704.6' E D - Y=424320.4' N, X=566717.4' E E - Y=424323.7' N, X=565386.8' E F - Y=424327.0' N, X=564056.3' E NAD 83 A - Y=429717.2' N, X=605222.6' E B - Y=429728.7' N, X=606555.3' E C - Y=429740.3' N, X=607888.1' E D - Y=424378.4' N, X=607901.0' E E - Y=424381.7' N, X=606570.4' E F - Y=424385.0' N, X=605239.8' E			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. JANUARY 6, 2014 Date of Survey Signature: <i>GARY EIDSON</i> Seal of Professional Surveyor <i>GARY EIDSON</i> NEW MEXICO 12641 REGISTERED PROFESSIONAL SURVEYOR Certification Number: <i>Gary Eidson 12641</i> <i>Robert J. Eidson 3239</i> ACK: REL. W. 01/06/14 JWSC W.O. 14.13.0330
LOT 3 GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y=424518.2' N X=565572.2' E LAT.=32.166940' N LONG.=104.121422' W	GEODETIC COORDINATES NAD 83 NME SURFACE LOCATION Y=424576.2' N X=606755.8' E LAT.=32.167062' N LONG.=104.121915' W		
LOT 4			