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

Phone:(575) 393-6161 Fax:(575) 393-0720 <u>District II</u>:
311 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 <u>District III</u>:
1000 Rio Brazos Rd., Azteo, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 <u>District IV</u>:
1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form C-101 August 1, 2011

Permit 222198

OF	ame and Addres PAL RESOUF	RCES II L								2. OGF	Number 370630		
	00 W TIDWE DUSTON, TX		TE 500							3. API	Number 30-025-43294		
4. Property Co 31	de 6330			5. Property Name JADE 1	9 39 29	STATE COM				6. Well	No. 001H		
						7. Sur	face Location						
UL - Lot D	Section	29	Township 1	9S Range	39E	Lot Idn	Feet From 400	N/S Line N	Feet From	400	E/W Line W	County	Lea
						8. Proposed I	Bottom Hole Location	on					
UL - Lot D	Section	32	Township 19	Range 9S	39E	Lot Idn	Feet From 1122	N/S Line N	Feet From	400	E/W Line W	County	Lea
						9. Po	ol Information						
NADINE;AE	O, EAST					1				47393			
						Additiona	Well Information						
11. Work Type Ne	w Well		12. Well T	ype OIL	1	3. Cable/Rotary	14. Lease	Type Private	15. Gro	ound Leve 358	el Elevation 7		
16. Multiple 17. Proposed Depth N 13341			1	18. Formation 19. Contractor 20. S Abo		20. Spi	Spud Date 8/10/2016						
Depth to Ground water				0	Distance from nearest fresh water well Distan			ance to nearest surface water					

21. Proposed Casing and Ceme	of Program
------------------------------	------------

	Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
ſ	Surf	14.75	11.75	42	1750	865	0
ſ	Int1	11	8.625	32	5950	1125	0
Γ	Prod	7.875	5.5	20	13341	1345	0

Casing/Cement Program: Additional Comments

22	Dropocod	Dlowout	Prevention	Drogram

	22.1 Toposcu Biomout i revention i rogium						
Type	Working Pressure	Test Pressure	Manufacturer				
Hydril	3000	3000	Hvdril				

knowledge and be	have complied with 19.15.14.9 (A)			OIL CONSE	ERVATION DIVISION
Printed Name:	Electronically filed by Maria Elsbur	у	Approved By:	Paul Kautz	
Title:	Regulatory & Production Coordinator			Geologist	
Email Address:	mail Address: maria.elsbury@opalresources.com			6/14/2016	Expiration Date: 6/14/2018
Date:	6/10/2016	Phone: 832-667-4127	Conditions of App	oroval Attached	

DISTRICT I
1625 N. French Dr., Hobba, NM 88240
Phone: (573) 393-4616 Pacs (575) 393-9770
DISTRICT II
81 I.S. First St., Artesia, NM 88210
Phone: (575) 784-1282 Pacs (753) 748-9720
DISTRICT III
1000 Rio Brazor Rd., Azase, NM 87410
Phone: (593) 344-6176 Pacs (595) 334-6170
DISTRICT IV
2120 S. St. Pancis Dr., Santa Fa, NM 87505
Phone: (595) 476-3460 Pacs (595) 476-3462

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

		WEJ	L LOCA		IND ACKEA	GE DEDICAT			
1	API Number			Pool Code		Pool Name			
				47393		N/	ADINE; ABO, E	ASI	
Property C	Code				Property Name			Well Number	
				,	JADE 19S-39E	-S29		1H	
OGRID I	No.				Operator Name			Elevati	on
37063	30			OPA	L RESOURCE	S II, LLC		3586	.7'
		1			Surface Locat	ion			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	29	198	39 E		400	NORTH	400	WEST	LEA
		•	Bott	om Hole I	Location If Diff	erent From Surfac	e		•
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	32	198	39 E		1122	NORTH	400	WEST	LEA
Dedicated Acres	Joint or	Infill	Consolidated Co	ie Orde	r No.				
200				7,000					
o allowable wi	ill be assign	ed to this co	mpletion unti	all interest	s have been conso	lidated or a non-stan	dard unit has been	approved by the di	vision.
SHL:									
GR. ELEV. 3586.	7'		400						
MSP-E (NAD 83	<u>3)</u>		122	<i>'''''</i>			OPERAT	OR CERTIFICA	TION
1.(1)-09/915.1	(Y)=597915.1' 400' I hereby certify that the information contained								contained

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased minered 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 a mineral or working interest, or to voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. E.(X)=928700.0' LAT.(N)=32°38'14.68" LONG.(W)=103°04'29,96" NMSP-E (NAD 27) POP/FTP 850' FNL 400' FWL N.(Y)=597857.2' E.(X)=887519.1' LAT.(N)=32.6372997° LONG.(W)=103.0745082° FIRST TAKE/ POINT OF 29 241'34"W 6009 PENETRATION: 6/10/16 NMSP-E (NAD 83) N.(Y)=597465.1' E.(X)=928703.8' LAT.(N)=32°38'10,22" LONG.(W)=103°04'29.98" NMSP-E (NAD 27) N.(Y)=597407.2' gerald.lopa@opalresources. E.(X)=887522.8 LAT.(N)=32.6360629° LONG.(W)=103.0745133° SURVEYORS 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. LAST TAKE: NMSP-E (NAD 83) N.(Y)=592035.2 E.(X)=928749.4' 400' MAY 31, 2016 TOMOTHE LAT.(N)=32°37'16.50" SERVICE SERVICE LONG.(W)=103°04'30.19" NMSP-E (NAD 27) TERMINUS 200' Signature and Seal of Prof MEXICO N.(Y)=591977.3 E.(X)=887568.1 LAT.(N)=32.6211392° 32 LONG.(W)=103.0745752° RES STATE OF EL STORMY AND TERMINUS: NMSP-E (NAD 83) N.(Y)=591905.2' E.(X)=928750.4' LAT.(N)=32°37'15.22" LONG.(W)=103°04'30.20" Job No. NMSP-E (NAD 27) WTC51174 N.(Y)=591847.2' JAMES E. TOMPKINS 14729 E.(X)=887569.2' Certificate Number LAT.(N)=32.6207818° LONG.(W)=103.0745767°

Form APD Comments

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

Permit 222198

PERMIT COMMENTS

Operator Name and Address:	API Number:
OPAL RESOURCES II LLC [370630]	30-025-43294
7600 W TIDWELL RD STE 500	Well:
HOUSTON, TX 77040	JADE 19 39 29 STATE COM #001H

Created By	Comment	Comment Date
geraldlong	Survey and Drilling Plan to be emailed	6/10/2016
geraldlong	Survey and Drilling Plan to be emailed	6/10/2016
geraldlong	Please advise on email address for Opal to transmit the detailed well plan and more detail on survey.	6/10/2016

Form APD Conditions

Permit 222198

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

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
OPAL RESOURCES II LLC [370630]	30-025-43294
7600 W TIDWELL RD STE 500	Well:
HOUSTON, TX 77040	JADE 19 39 29 STATE COM #001H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	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
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface 2) PRODUCTION CASING - Cement must tie back into intermediate casing
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186
pkautz	Must notify OCD Hobbs Office of any water flows in the Salado Formation at 575-370-3186. Report depth and flow rate
pkautz	1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.
pkautz	The New! Gas Capture Plan (GCP) notice is posted on the NMOCD website under Announcements. The Plan became effective May 1, 2016. A copy of the GCP form is included with the NOTICE and is also in our FORMS section under Unnumbered Forms. Please review filing dates for all applicable activities currently approved or pending and submit accordingly. Failure to file a GCP may jeopardize the operator's ability to obtain C-129 approval to flare gas after the initial 60-day completion period.