

DATE N 10/23/12	SUSPENSE	ENGINEER WVS	LOGGED IN	DHC 4590	APP NO PHWT 1231855032
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



### ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

#### Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

#### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement  
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify \_\_\_\_\_

#### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or "Does Not Apply"

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

#### [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

DAVID GONZALES

Print or Type Name

Signature

Title

Date

VP OPERATIONS 10/23/12  
 KGRAMM@LOSOSRESOURCESLLC.COM  
 e-mail Address

District I  
1625 N. French Drive, Hobbs, NM 88240

District II  
811 S. First St., Artesia, NM 88210

District III  
1000 Rio Brazos Road, Aztec, NM 87410

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised August 1, 2011

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

APPLICATION TYPE  
☒ Single Well  
☐ Establish Pre-Approved Pools  
EXISTING WELLBORE  
☐ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Logos Capital Management, LLC

4001 North Butler, Building 7101 Farmington, NM 87401

Operator  
Logos

#2

Address  
Sec. 6, T22N, R5W

Sandoval

Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 287123 Property Code 39236 API No. 30-043-21120 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Venado Mesa Verde	Wildcat Gallup	Wildcat Dakota
Pool Code	62490		
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Est. 4062'-4340'	Est. 4621'-6134'	Est. 6149'-6583'
Method of Production (Flowing or Artificial Lift)	Artificial Lift	Artificial Lift	Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	1885 psi	2100 psi	2750 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	Est. Oil Gravity 48.9	Est. Oil Gravity 42	Est. Oil Gravity 45
Producing, Shut-In or New Zone	New Zone	New Zone	New Zone
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates: Offset production history attached.	Date: Rates: Offset production history attached.	Date: Rates: Offset production history attached.
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil                      Gas %                      % Each interval will be swab tested independently and used for allocation.	Oil                      Gas %                      % Each interval will be swab tested independently and used for allocation.	Oil                      Gas %                      % Each interval will be swab tested independently and used for allocation.

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐  
Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

**CONFIDENTIAL** 11/25/14  
Expired [Signature]

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE [Signature] TITLE Director of Admin and Eng. Support DATE 10/22/2012

TYPE OR PRINT NAME Kristy Graham

TELEPHONE NO. (505) 436-2627

E-MAIL ADDRESS kgraham@logosresourcesllc.com



4001 N. Butler Ave  
Farmington, NM 87401  
Phone: (505) 215-8215  
Fax: (303) 974-1767

RECEIVED OCD

2012 OCT 23 P 12: 39

Date: October 19, 2012

To: NMOCD and BLM

Re: Request for Confidential Status on Logos #2 (API 30-043-21120)

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Dear NMOCD and BLM,

Logos Capital Management, LLC (287123) is requesting "Tight Hole/Confidential" status for the Logos #2 (API 30-043-21120).

The Logos #2 is a wildcat Dakota, wildcat Gallup, and Venado MesaVerde oil well with a spud date of 9/28/2012. Logos requests confidential status for the maximum allowable time frame.

Regards,

A handwritten signature in black ink, appearing to read "David Gonzales", with a stylized flourish extending to the right.

David Gonzales  
Vice President of Operations

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2014

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.  
Jicarilla Tribal #424

6. If Indian, Allottee or Tribe Name  
Jicarilla Apache

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator  
Logos Capital Management, LLC

3a. Address  
4001 North Butler, Building 7101  
Farmington, New Mexico 87401

3b. Phone No. (include area code)  
505-436-2627

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1930' FSL & 730' FEL  
Section 6, Township 22N, Range 5W

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.  
Logos #2

9. API Well No.  
30-043-21120

10. Field and Pool or Exploratory Area  
\*Please see sundry summary for Pool information

11. County or Parish, State  
Sandoval, New Mexico

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Trimmingle wellbore.</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Logos Capital Management, LLC proposes to trimmingle the referenced well upon completion of the Venado MesaVerde, Wildcat Gallup and Wildcat Dakota intervals. Please refer to the attached documents.

The allocations per zone will be established by using the stabilized flowback rates of each zone which will be isolated during flowback. The stabilized flowback rates will be compared against the swab test data for each isolated zone. After the completion, Logos will isolate each zone and swab test the zones to ensure that the flowback data is accurate.

The pressures per zone are calculated based on data gathered during drilling and also data gathered during flowback. The Dakota and Mesaverde pressure are at or above the water gradient. The Gallup pressure is below water gradient and is calculated at 0.4 PSI/ft.

Pool Information:

Wildcat Dakota,  
Wildcat Gallup,  
Venado MesaVerde

~~CONFIDENTIAL~~

expired 11/25/14

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Kristy Graham

Title Director of Administration and Engineering Support

Signature

*Kristy Graham*

Date 10/19/2012

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

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 & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☒ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-043-21120	<sup>2</sup> Pool Code 62490	<sup>3</sup> Pool Name VENADO MESA VERDE
<sup>4</sup> Property Code 39236	<sup>5</sup> Property Name Logos	<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 287123	<sup>8</sup> Operator Name Logos Capital Management, LLC	<sup>9</sup> Elevation 6,901'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	6	22N	5W	NESE	1,930	South	730	East	Sandoval

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.

<sup>16</sup> 	<sup>17</sup> <b>OPERATOR CERTIFICATION</b> 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 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature:  Date: 10/22/12 John Austin Akers Printed Name aakers@logosresourcesllc.com E-mail Address	
	<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> 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. Date of Survey: 10/22/12 Signature and Seal of Professional Surveyor: This survey uses the exact footages as the original survey filed for the Logos No. 2 with the NMOCID - said survey was completed by Jason C. Edwards- Certificate 15269 Certificate Number	

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
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Phone: (575) 748-1283 Fax: (575) 748-9720  
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State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
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District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-043-21120	<sup>2</sup> Pool Code 97968	<sup>3</sup> Pool Name Wildcat GALLUP (O)
<sup>4</sup> Property Code 39236	<sup>5</sup> Property Name Logos	<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 287123	<sup>8</sup> Operator Name Logos Capital Management, LLC	<sup>9</sup> Elevation 6,901'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	6	22N	5W	NESE	1,930	South	730	East	Sandoval

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

<sup>16</sup> 	<sup>17</sup> OPERATOR CERTIFICATION 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 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature:  Date: 10/22/12 John Austin Akers Printed Name aakers@logosresourcesllc.com E-mail Address	
	<sup>18</sup> 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. 10/22/12 Date of Survey Signature and Seal of Professional Surveyor:	
	This survey uses the exact footages as the original survey filed for the Logos No. 2 with the NMOCD - said survey was completed by Jason C. Edwards- Certificate 15269 Certificate Number	

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
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811 S. First St., Artesia, NM 88210  
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1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-043-21120	<sup>2</sup> Pool Code 97977	<sup>3</sup> Pool Name Wildcat, DAKOTA (O)
<sup>4</sup> Property Code 39236	<sup>5</sup> Property Name Logos	<sup>6</sup> Well Number 2
<sup>7</sup> GRID No. 287123	<sup>8</sup> Operator Name Logos Capital Management, LLC	<sup>9</sup> Elevation 6,901'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	6	22N	5W	NESE	1,930	South	730	East	Sandoval

<sup>11</sup> 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

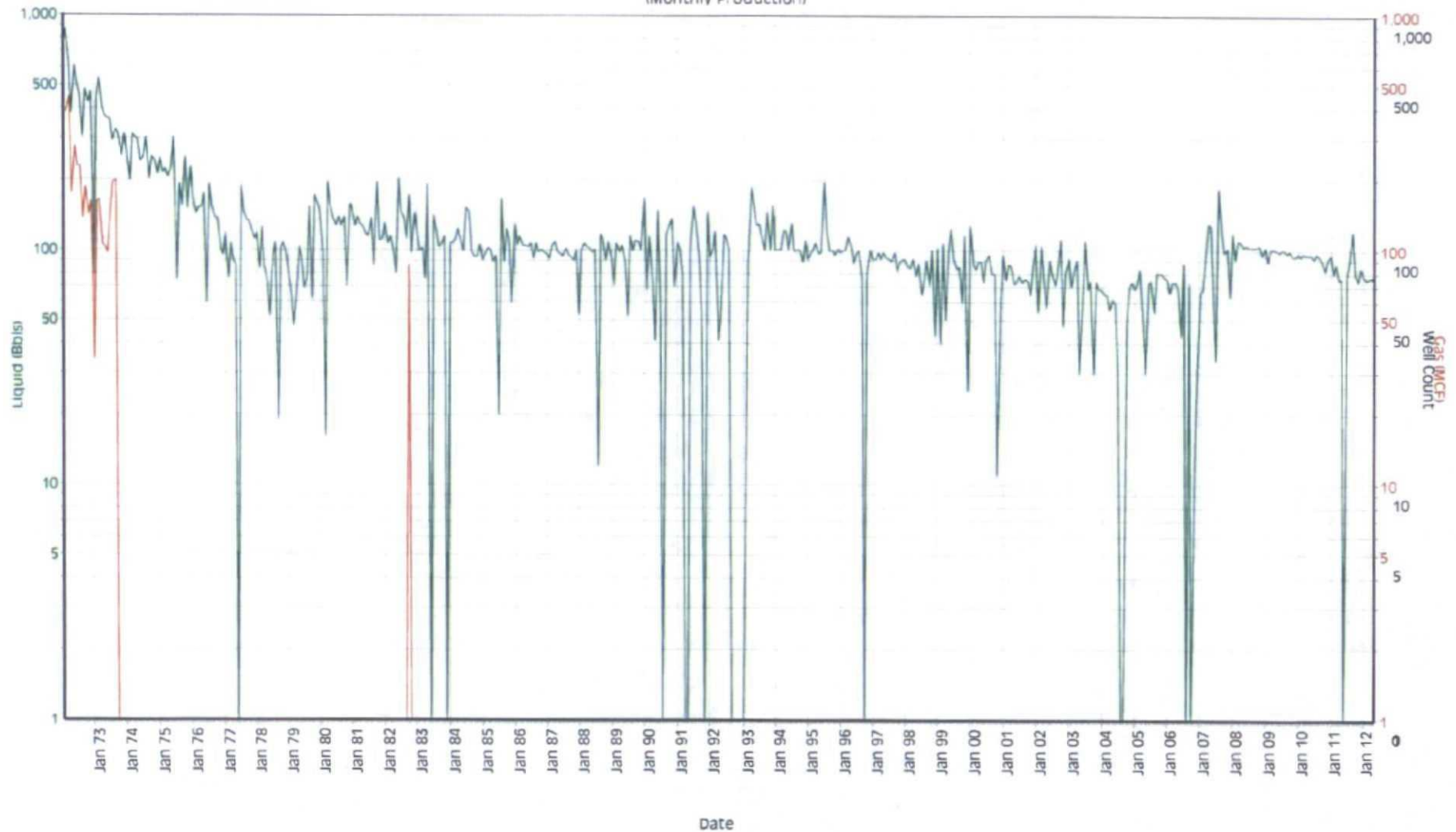
<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
-------------------------------------	-------------------------------	----------------------------------	-------------------------

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.

<sup>16</sup> 	<p><b><sup>17</sup> OPERATOR CERTIFICATION</b></p> <p>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 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature:  Date: 10/22/12</p> <p>John Austin Akers Printed Name</p> <p>aaekers@logosresourcesllc.com E-mail Address</p>
	<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>10/22/12</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>This survey uses the exact footages as the original survey filed for the Logos No. 2 with the NMOCID - said survey was completed by Jason C. Edwards- Certificate 15269</p> <p>Certificate Number</p>

Mesa Verde Offset

JAIR 002  
SANDOVAL (NM)  
22N 05W 08 L  
Operator: LOGOS CAPITAL MANAGEMENT, LLC  
Field: VENADO (MESAVERDE)  
(Monthly Production)



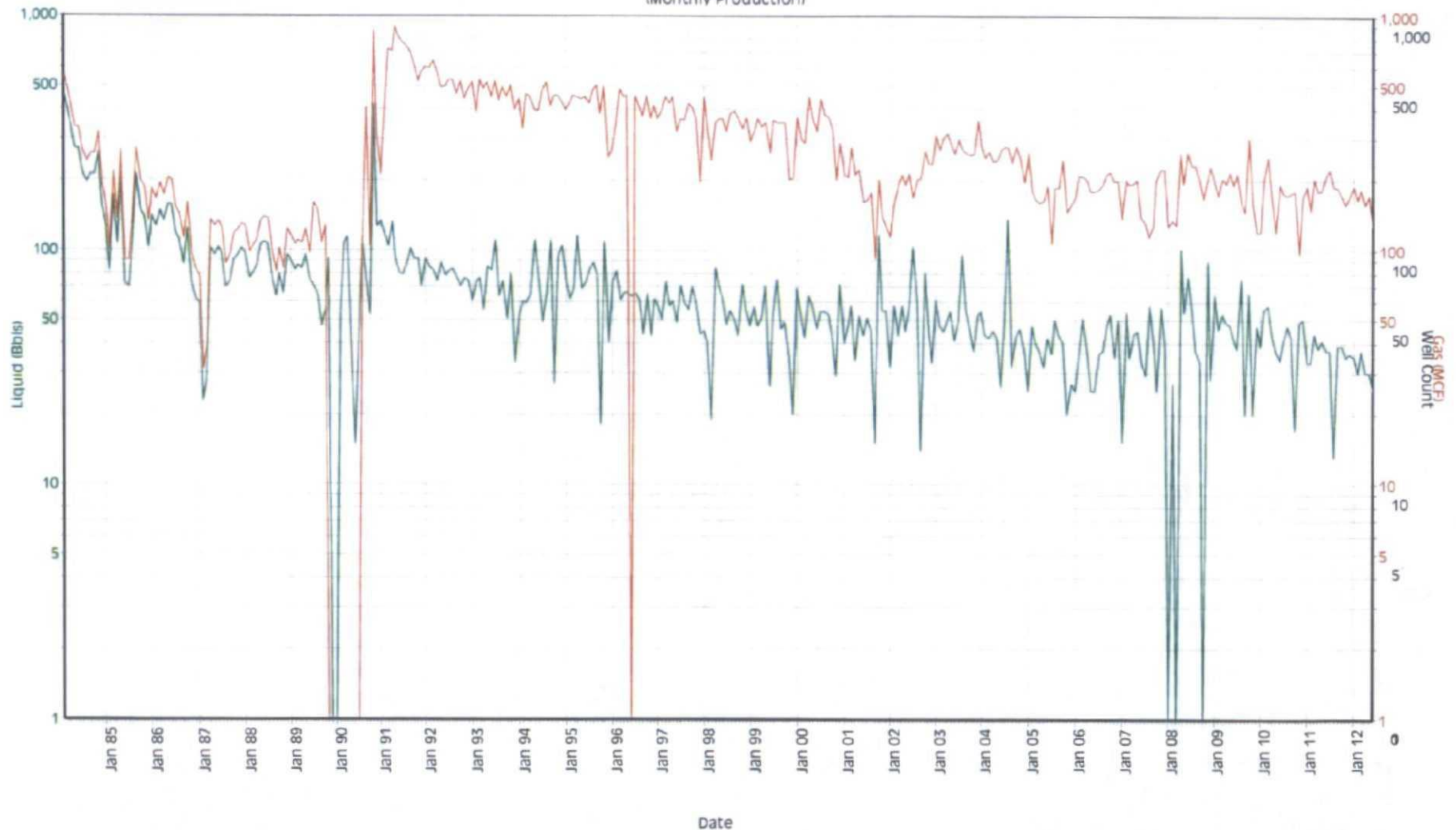
— Liquid (bbls) — Gas (MCF) — Wells

Liquid (bbls): Current Cum: 55,695 Total: 55,695  
Gas (MCF): Current Cum: 4,029 Total: 4,029



# Gallup Offset

LULU 005  
SANDOVAL (NM)  
23N 06W 29 J  
Operator: PARKO OIL  
Field: LYBROOK (GALLUP)  
(Monthly Production)

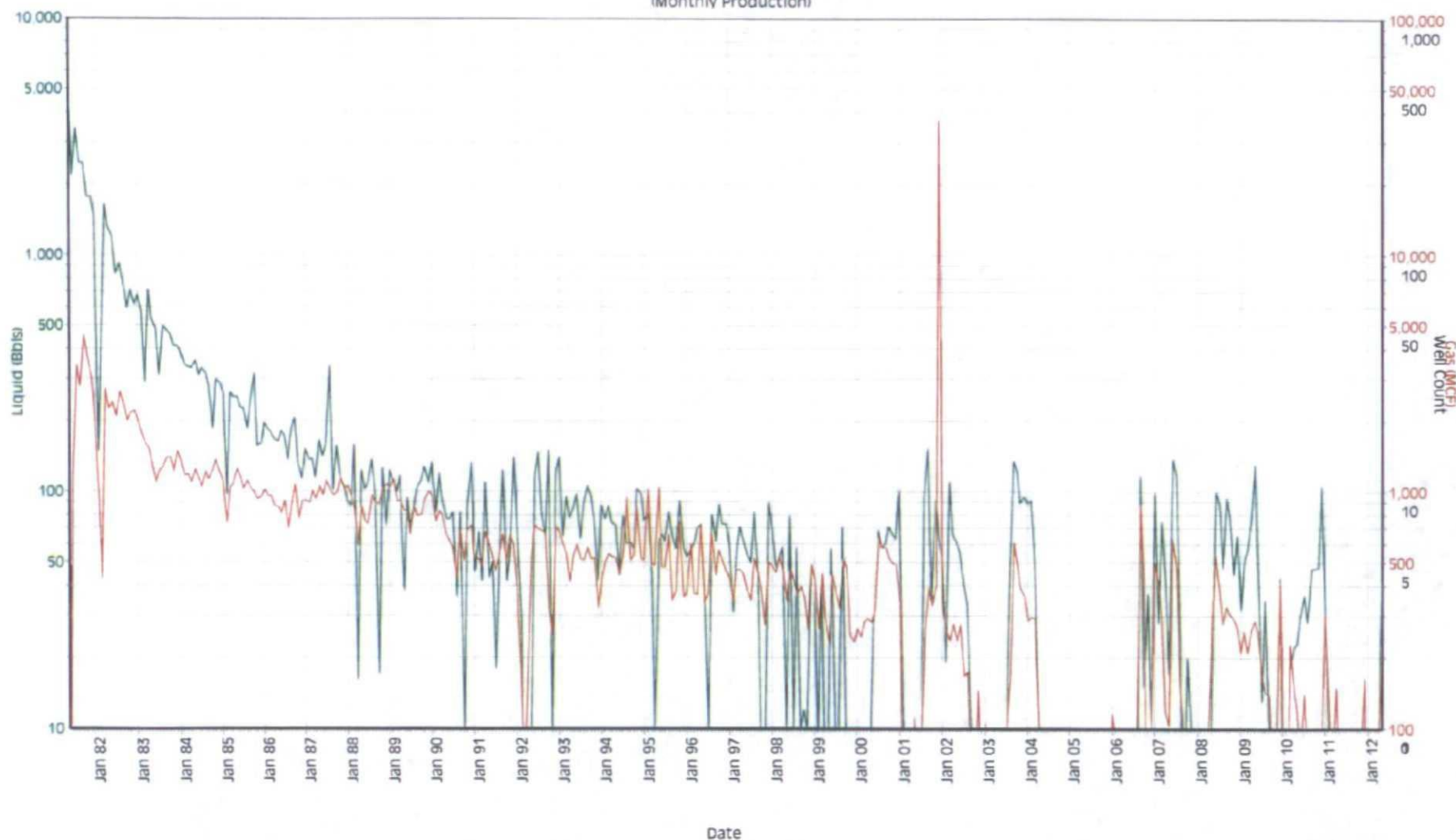


— Liquid (bbls) — Gas (MCF) — Wells

Liquid (bbls): Current Cum: 23,941 Total: 23,941  
Gas (MCF): Current Cum: 91,157 Total: 91,157

Dakota Offset

BONANZA 005  
SANDOVAL (NM)  
22N 03W 12 G  
Operator: ELM RIDGE EXPLORATION COMPANY LLC  
Field: LINDRITH (GALLUP/DAKOTA, WEST)  
(Monthly Production)



— Liquid (bbbls) — Gas (MCF) — Wells

Liquid (bbbls): Current Cum: 59,464 Total: 59,464  
Gas (MCF): Current Cum: 252,308 Total: 252,308



4001 N. Butler Blvd. Bldg 7101  
Farmington, NM 87401  
Phone: (832) 794-1355  
Fax: (303) 974-1767

October 22, 2012

To whom it may concern,

Be it known that as of October 15, 2012, based on the title research of licensed New Mexico attorneys as well as the title work of Logos Resources, LLC and its consultants, Jicarilla Lease 424 covering sections 5-8 in Township 22 North, Range 5 West, NMPM has identical ownership throughout the lease (all depths and all acreage) being Logos Resources, LLC- 100% WI and Jicarilla Apache Nation- 16.666666% RI. **As such, the ownership of all formations in the Logos No. 2 well is identical.**

Should you have any questions or concerns regarding this letter, please feel free to contact me at 303-550-1877.

Very truly yours,

A handwritten signature in black ink, appearing to read "John Akers", written over a horizontal line.

John Austin Akers  
Vice President of Land  
Logos Resources, LLC