

Office

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM

87505

Energy, Minerals and Natural Resources

May 27, 2004

HOBBS OGD

MAR 21 2014

RECEIVED

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-41440

5. Indicate Type of Lease

STATE ☒ FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

OPL 3 State

8. Well Number

#1

9. OGRID Number

113315

10. Pool name or Wildcat

Lovington, Drinkard

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Texland Petroleum-Hobbs, LLC

3. Address of Operator

777 Main Street, Suite 3200, Fort Worth, Texas 76020

4. Well Location

Unit Letter K : 1880 feet from the South line and 2045 feet from the West line
Section 3 Township 17S Range 36E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3870.5' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☒OTHER: ☐ Spud ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

OCD notified

MI & RU rotary rig; spud well @ 1:30 pm 2/17/14;

2/30/14

TD 12 1/4" hole @ 2016'

Ran 46 jts 8 5/8" 24# J55 STC csg, Set @ 2016'

Cmtd w/700 sks 35:65:6 Poz C w/3% salt (12.8 ppg & 1.86 yd)

Tail in w/250 sks Cl "C" w/1% CaCl (14.8 ppg & 1.34 yd)

PD @ 1:30 am 2/19/14, Circ 65 bbls to pit

WOC 18 hrs, test csg to 1200# for 30 min, Held ok

OCD notified

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Vickie Smith TITLE Regulatory Analyst DATE 3/19/14Type or print name Vickie SmithE-mail address: vsmith@texpetro.comTelephone No. 575-397-7450

For State Use Only

APPROVED BY: [Signature]TITLE Petroleum EngineerDATE MAR 31 2014

Conditions of Approval (if any):

MAR 31 2014