

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

HOBBS OGD AMENDED REPORT

JAN 09 2019

RECEIVED

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

¹ Operator Name and Address 3BEAR FIELD SERVICES, LLC 1512 LARIMER ST., SUITE 540 DENVER, CO 80202		² OGRID Number 372603
⁴ Property Code 322488		³ API Number 30-025-45470
⁵ Property Name SMITH RANCH SWD		⁶ Well No. 2

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
A	25	19S	33E		1297	NORTH	1154	EAST	LEA

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; DEVONIAN-SILURIAN	Pool Code 97869
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Additional Well Information

¹¹ Work Type N	¹² Well Type S	¹³ Cable/Rotary R	¹⁴ Lease Type S	¹⁵ Ground Level Elevation 3253
¹⁶ Multiple YES	¹⁷ Proposed Depth 15,800'	¹⁸ Formation SILURO-DEVONIAN	¹⁹ Contractor JDC DRILLING	²⁰ Spud Date UPON APPROVAL OF C-108
Depth to Ground water 110'		Distance from nearest fresh water well 4774'		Distance to nearest surface water 18,725 (LAGUNA TONTO)

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	26"	20.0"	94# J-55	1500	2515	0
INTER(1)	17.5	13.375"	54.5# J-55	3400	1810	0
INTER 2	12.25"	9.625"	40# L-80 HC	10880	2555	0

Casing/Cement Program: Additional Comments

LINER/8.75"/7.625"/39# P-110 UFJ/14471'/365 SXS/TOC @ 10630'; OPEN HOLE FROM 14472'-15800'; PLEASE SEE ATTACHED WBD

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
	SEE ATTACHMENT		

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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/> if applicable. Signature: <i>Jennifer Elrod</i> Printed name: JENNIFER ELROD Title: SR. REGULATORY TECH E-mail Address: jelrod@chisholmenergy.com Date: 08/27/2018 Phone: 817-953-3728	OIL CONSERVATION DIVISION	
	Approved By: <i>[Signature]</i>	
	Title: Petroleum Engineer	
	Approved Date: <i>01/09/19</i>	Expiration Date: <i>01/09/21</i>
	Conditions of Approval Attached	

**See Attached
Condition of Approval**

CONDITIONS OF APPROVAL

API #	Operator	Well name & Number
30-025-45470	3Bear Field Services LLC	SMITH RANCH SWD # 002

Applicable conditions of approval marked with XXXXXX

Administrative Orders Required

XXXXXXXX	Review administrative order when approved for additional conditions of approval

Other wells

Casing

XXXXXXXX	SURFACE, INTERMEDIATE(1), PRODUCTION CASING - Cement must circulate to surface -- Liner(1) Cement come to top of liner
XXXXXXXX	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water

Lost Circulation

XXXXXXXX	Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186

Water flows

XXXXXXXX	Must notify OCD Hobbs Office of any water flow in the Salado formation at 575-370-3186. Report depth and flow rate.

Stage Tool

XXXXXXXX	Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186
XXXXXXXX	If using Stage Tool on Surface casing, Stage Tool must be greater than 350' and a minimum 200 feet above surface shoe.
XXXXXXXX	When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.

Completion & Production

XXXXXXXX	Will require a deviational survey with the C-105
XXXXXXXX	Must notify Hobbs OCD office prior to conducting MIT (575) 393-6161 ext. 114
XXXXXXXX	Must conduct & pass MIT prior to any injection
XXXXXXXX	May not inject prior to C-108 approval (SWD order approval)
XXXXXXXX	Approval of this APD does not guarantee approval of C-108
XXXXXXXX	Approval of this APD does not approve your tubing sizes. Please see SWD order for approved tubing sizes.
XXXXXXXX	Must conduct & pass MIT prior to any injection
XXXXXXXX	If C-108 and/or SWD order is not approved and well has been drilled, the well must be plugged within 90 days of denial of your C-108