

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 Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 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 142706

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

1. Operator Name and Address THREE RIVERS OPERATING COMPANY LLC 1122 S. Capital of Texas Hwy Austin, TX 78746		2. OGRID Number 272295
		3. API Number 30-025-40409
4. Property Code 309209	5. Property Name AIRSTRIP 6 STATE COM	6. Well No. 003H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	6	19S	35E	P	660	S	510	E	LEA

8. Pool Information

SCHARB;BONE SPRING	55610
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3879
14. Multiple N	15. Proposed Depth 15500	16. Formation 3rd Bone Spring Sand	17. Contractor	18. Spud Date 5/11/2012
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.37	54.5	1600	1625	
Int1	12.25	9.625	40	4100	1275	
Prod	8.75	5.5	17	15500	2860	

Casing/Cement Program: Additional Comments

1. There are no know Potash leases within 1 (one) mile of this location. 2. Surface Casing will be set in the Basal Rustler Formation at 1890'. Top of the salt is projected to be 2108'. The salt protection string will be set at 3790', 600' below the base of the salt. The base of the salt is projected to be 3190'. A pilot hole will be drilled to 10,800' TVD/MD. After logging, the well will be plugged back to 9470' and a horizontal lateral drilled at a TVD of 10,670' to 15,500 MD. The Production Casing will be cemented to surface utilizing a DV tool set at +/- 5500'.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	5000	Cameron

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Jim Keisling	Approved By: Paul Kautz	
Title: VP Engineering	Title: Geologist	
Email Address: jkeisling@3nmr.com	Approved Date: 1/25/2012	Expiration Date: 1/25/2014
Date: 1/10/2012	Phone: 512-600-3182	Conditions of Approval Attached

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

Form C-102
August 1, 2011
Permit 142706

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-40409	2. Pool Code 55610	3. Pool Name SCHARB;BONE SPRING
4. Property Code 309209	5. Property Name AIRSTrip 6 STATE COM	6. Well No. 003H
7. OGRID No. 272295	8. Operator Name THREE RIVERS OPERATING COMPANY LLC	9. Elevation 3879







10. Surface Location

UL - Lot P	Section 6	Township 19S	Range 35E	Lot Idn	Feet From 660	N/S Line S	Feet From 510	E/W Line E	County LEA
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11. Bottom Hole Location If Different From Surface

11. Bottom Hole Location is Different From Surface									
UL - Lot M	Section 6	Township 19S	Range 35E	Lot Idn 7	Feet From 510	N/S Line S	Feet From 660	E/W Line W	County LEA
12. Dedicated Acres 159.02		13. Joint or Infill		14. Consolidation Code			15. 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

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Permit Comments

Operator: THREE RIVERS OPERATING COMPANY LLC , 272295

Well: AIRSTRIP 6 STATE COM #003H

API: 30-025-40409

Created By	Comment	Comment Date
pkautz	Land p/P&S	1/12/2012
pkautz	Acreage over lap in U/L M(7) with a vertical well blonging to Three Rivers OP LLC	1/12/2012
CHERRERA	OCD FORM 144 CLEZ REC'D. OCD PERMIT # P1-04112	1/25/2012

Permit Conditions of Approval

Operator: THREE RIVERS OPERATING COMPANY LLC , 272295

Well: AIRSTRIP 6 STATE COM #003H

API: 30-025-40409

OCD Reviewer	Condition
pkautz	Land p/P&S requires com agreement
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