

**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-103  
August 1, 2011

Permit 166434

|                                                                                                                                                                                                                                                                                                                                         |  |                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-------------------------------------------------|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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.)                                                                                                                           |  | WELL API NUMBER<br>30-015-41186                 |
| 1. Type of Well: O                                                                                                                                                                                                                                                                                                                      |  | 5. Indicate Type of Lease<br>S                  |
| 2. Name of Operator<br>ALAMO PERMIAN RESOURCES, LLC                                                                                                                                                                                                                                                                                     |  | 6. State Oil & Gas Lease No.                    |
| 3. Address of Operator<br>415 W. Wall Street Suite 500, Midland, TX 79701                                                                                                                                                                                                                                                               |  | 7. Lease Name or Unit Agreement Name<br>STATE N |
| 4. Well Location<br>Unit Letter <u>N</u> : <u>1060</u> feet from the <u>S</u> line and <u>1600</u> feet from the <u>W</u> line<br>Section <u>8</u> Township <u>18S</u> Range <u>28E</u> NMPM <u>Eddy</u> County                                                                                                                         |  | 8. Well Number<br>002                           |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>3522 GR                                                                                                                                                                                                                                                                            |  | 9. OGRID Number<br>274841                       |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____ |  |                                                 |

|                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                               |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data</b>                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                               |
| <b>NOTICE OF INTENTION TO:</b><br>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/><br>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE OF PLANS <input type="checkbox"/><br>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/><br>Other: _____ | <b>SUBSEQUENT REPORT OF:</b><br>REMEDIAL WORK <input type="checkbox"/> ALTER CASING <input type="checkbox"/><br>COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/><br>CASING/CEMENT JOB <input type="checkbox"/><br>Other: <b>Drilling/Cement</b> <input checked="" type="checkbox"/> |

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.

See Attached  
5/1/2013 Spudded well.

| Casing and Cement Program |        |            |           |          |              |       |         |          |       |       |       |         |           |           |           |
|---------------------------|--------|------------|-----------|----------|--------------|-------|---------|----------|-------|-------|-------|---------|-----------|-----------|-----------|
| Date                      | String | Fluid Type | Hole Size | Csg Size | Weight lb/ft | Grade | Est TOC | Dpth Set | Sacks | Yield | Class | 1" Dpth | Pres Held | Pres Drop | Open Hole |
| 05/02/13                  | Surf   | FreshWater | 12.25     | 8.625    | 24           | J55   | 0       | 507      | 350   | 1.34  | C     |         | 750       | 0         | N         |
| 05/08/13                  | Prod   | CutBrine   | 7.875     | 5.5      | 17           | J55   | 0       | 2605     | 500   | 1.33  | C     |         |           |           | N         |

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 Electronically Signed          | TITLE REGULATORY AFFAIRS COORDINATOR       | DATE 5/31/2013                    |
| Type or print name <u>CARIE A STOKER</u> | E-mail address <u>cstoker@helmsoil.com</u> | Telephone No. <u>432-664-7659</u> |
| <b>For State Use Only:</b>               |                                            |                                   |
| APPROVED BY: <u>Randy Dade</u>           | TITLE <u>District Supervisor</u>           | DATE <u>6/4/2013 6:28:33 AM</u>   |

## State N # 2

## Drilling Report - Daily Recap

## United Drilling # 32

API # 3001541186

(1/1/2013 thru 5/8/2013)

printed 5/8/2013

Eddy Co., TX

| Date     | Rpt | Depth | Feet | Bit    | Bit Sz         | M W  | Vis. | W L | Chlorides | Solids | Present Operations:                         | Executive Summary:                                                                                                                                                                                                                                              | Daily \$ | Cum \$  |
|----------|-----|-------|------|--------|----------------|------|------|-----|-----------|--------|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|---------|
| 5/1/2013 | 0   | 40    |      |        |                |      |      |     |           |        | Pre-Spud Costs                              |                                                                                                                                                                                                                                                                 | 60,249   | 60,249  |
| 5/2/2013 | 1   | 515   | 475  | 1      | 12.250         | 8.4  | 28   |     | 1,500     | 0.6    | RU Baker-Hughes Cementers to Cmt 8-5/8" Csg | Finish RU United Drilling Rig #32. Weld on Conductor, NU Flowlines & Mix Spud Mud. Spud Well @ 12:00 PM 5/1/13. Drill from 40 ft to 515 ft - Total of 475 ft @ 38.78 ft/hr. Circ. Pump Sweep. TOOH LD BHA. Run 12 Jts 8-5/8", 24#, J-55, STC Csg - Shoe @ 510'  | 49,428   | 109,676 |
| 5/3/2013 | 2   | 937   | 422  | 2      | 7.875          | 9.9  | 29   |     | 165,000   |        | Drilling Ahead @ 45.6 ft/hr                 | Cement w/ 150 sx Lead, 200 sx Tail. Bump Plug, Flts Held. 35 Bbls (113 sx) Cmt Circ to Surface. WOC. NU WH, BOP. Test BOP. TIH w/ BHA #2. Drill Cmt. Drill f/ 515' to 937' @ 45 ft/hr.                                                                          | 56,259   | 165,935 |
| 5/4/2013 | 3   | 1,851 | 914  | 2      | 7.875          | 9.85 | 32   |     | 160,000   | 0.7    | Drilling Ahead @ 37.06 ft/hr                | Drilled from 937 ft to 1851 ft - Total of 914 ft @ 38.89 ft/hr. Ran Two Deviation Surveys @ 1000 ft - 0.8 degrees & @ 1509 ft - 1.7 degrees.                                                                                                                    | 24,705   | 190,640 |
| 5/5/2013 | 4   | 2,356 | 505  | 2      | 7.875          | 9.85 | 32   |     | 160,000   | 0.7    | Drilling Ahead @ 17.03 ft/hr                | Drilled from 1851 ft to 2356 ft - Total of 505 ft @ 21.26 ft/hr. Ran One Deviation Survey @ 2009 ft - 1.4 degrees.                                                                                                                                              | 21,013   | 211,653 |
| 5/6/2013 | 5   | 2,514 | 158  | 2<br>3 | 7.875<br>7.875 | 9.8  | 33   |     | 142,000   | 1.3    | Drilling Ahead @ 10.7 ft/hr                 | Drilled from 2356 ft to 2407 ft w/ Bit #2 - Total of 51 ft @ 7.2 ft/hr. TOOH to Change Bit. Wait One Hour for Bit. TIH w/ STC 7-7/8" Bit #3. Drill w/ Bit #3 to 2514 ft - Total of 107 ft @ 10.7 ft/hr.                                                         | 29,045   | 240,698 |
| 5/7/2013 | 6   | 2,615 | 101  | 3      | 7.875          | 9.85 | 34   |     | 145,000   | 1.5    | Running 5-1/2" Production Casing            | Drilled from 2514 ft to 2615 ft - Total of 101 ft @ 11.54 ft/hr. TD Well @ 3:00 PM 5/6/13. Pump Sweep. Spot Pill on Btm. TOOH LD DP & DCs. Halliburton Run Triple Combo OH Logs From 2616 ft WLTD to 507 ft. RU Csg Crew & LD Machine. Begin Running 5-1/2" Csg | 28,521   | 269,219 |
| 5/8/2013 | 7   | 2,615 | 0    |        |                |      |      |     |           |        | Rig Released @ 8:00 PM 5/7/13               | Run 88 Jts 5-1/2", 17#, J-55, LT&C Csg - Shoe @ 2605 ft & FC @ 2576 ft. RD Csg Crew & LD Machine. Wait on BJ Cmtrs. Cmt 5-1/2" Csg w/ 200 sx Lead, 300 sx Tail. Circ 26 Bbls to Tanks. ND BOP. Set Slips. NU WH. Jet Pits. Release Rig @ 8:00 PM 5/7/13.        | 80,966   | 350,185 |