

**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 269241

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

|                                                                                                 |  |                               |
|-------------------------------------------------------------------------------------------------|--|-------------------------------|
| 1. Operator Name and Address<br>GREAT WESTERN DRILLING CO<br>P.O. Box 1659<br>Midland, TX 79701 |  | 2. OGRID Number<br>9338       |
| 4. Property Code<br>326033                                                                      |  | 3. API Number<br>30-025-46336 |
| 5. Property Name<br>SAUNDERS 26 STATE                                                           |  | 6. Well No.<br>001            |

**7. Surface Location**

|          |         |          |       |         |           |          |           |          |        |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| C        | 26      | 14S      | 33E   | C       | 150       | N        | 1900      | W        | Lea    |

**8. Proposed Bottom Hole Location**

|          |         |          |       |         |           |          |           |          |        |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| C        | 26      | 14S      | 33E   | C       | 150       | N        | 1900      | W        | Lea    |

**9. Pool Information**

|                               |       |
|-------------------------------|-------|
| WC-025 G-10 S143326C;DEVONIAN | 98323 |
|-------------------------------|-------|

**Additional Well Information**

|                           |                             |                                        |                         |                                    |
|---------------------------|-----------------------------|----------------------------------------|-------------------------|------------------------------------|
| 11. Work Type<br>New Well | 12. Well Type<br>OIL        | 13. Cable/Rotary                       | 14. Lease Type<br>State | 15. Ground Level Elevation<br>4189 |
| 16. Multiple<br>N         | 17. Proposed Depth<br>13600 | 18. Formation<br>Devonian              | 19. Contractor          | 20. Spud Date<br>8/1/2019          |
| Depth to Ground water     |                             | Distance from nearest fresh water well |                         | Distance to nearest surface water  |

☒ 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 | 17.5      | 13.375      | 48               | 400           | 490             | 0             |
| Int1 | 12.25     | 8.625       | 32               | 4200          | 1311            | 0             |
| Prod | 7.875     | 5.5         | 20               | 13600         | 1818            | 3000          |

**Casing/Cement Program: Additional Comments**

|  |
|--|
|  |
|--|

**22. Proposed Blowout Prevention Program**

| Type    | Working Pressure | Test Pressure | Manufacturer |
|---------|------------------|---------------|--------------|
| Annular | 3000             | 3000          |              |

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.  
 I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable.

**OIL CONSERVATION DIVISION**

Signature:

Printed Name: Electronically filed by Dennis L Hendrix

Title: Vice President

Email Address: dhendrix@gwdc.com

Date: 8/14/2019

Phone: 432-682-5241

Approved By: Paul F Kautz

Title: Geologist

Approved Date: 9/4/2019

Expiration Date: 9/4/2021

Conditions of Approval Attached

**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

Form C-102  
August 1, 2011  
Permit 269241

|  |   |  |  |
|--|---|--|--|
|  | ■ |  |  |
|  |   |  |  |
|  |   |  |  |
|  |   |  |  |

**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(s) 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.*

E-Signed By:                      Dennis L Hendrix

Title:                                      Vice President

Date:                                      8/14/2019

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**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.*

Surveyed By:                      RONALD J. EIDSON

Date of Survey:                      6/24/2019

Certificate Number:              3239

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State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

Form APD Comments

Permit 269241

PERMIT COMMENTS

|                                  |  |                        |  |
|----------------------------------|--|------------------------|--|
| Operator Name and Address:       |  | API Number:            |  |
| GREAT WESTERN DRILLING CO [9338] |  | 30-025-46336           |  |
| P.O. Box 1659                    |  | Well:                  |  |
| Midland, TX 79701                |  | SAUNDERS 26 STATE #001 |  |

| Created By | Comment                                                          | Comment Date |
|------------|------------------------------------------------------------------|--------------|
| jwhitaker  | Fee Cancellation - Please resubmit                               | 7/31/2019    |
| msalvidrez | Fee Cancellation - System timed out, please resubmit. Thank you. | 8/14/2019    |

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Form APD Conditions

Permit 269241

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

**PERMIT CONDITIONS OF APPROVAL**

|                                                                                                      |                                 |
|------------------------------------------------------------------------------------------------------|---------------------------------|
| Operator Name and Address:<br>GREAT WESTERN DRILLING CO [9338]<br>P.O. Box 1659<br>Midland, TX 79701 | API Number:<br>30-025-46336     |
|                                                                                                      | Well:<br>SAUNDERS 26 STATE #001 |

|                 |                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| OCD<br>Reviewer | Condition                                                                                                                                                                                                                                                                                                                                                         |
| pkautz          | Will require a deviation survey with the C-105                                                                                                                                                                                                                                                                                                                    |
| pkautz          | If cement does not circulate to surface, must run temperature survey or other log to determine top of cement                                                                                                                                                                                                                                                      |
| pkautz          | Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water                                                                                                                                                                                                                                                              |
| pkautz          | 1)- The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 45 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104               |
| pkautz          | It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD.                                                   |
| pkautz          | Stage Tool 1) Must notify OCD Hobbs Office prior to running Stage Tool at 5753703186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe. |
| pkautz          | Will require a administrative order for non-standard location prior to placing the well on production.                                                                                                                                                                                                                                                            |