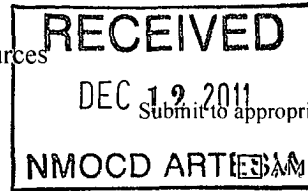


District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr., Santa Fe, NM 87505

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



Form C-101
June 16, 2008

Submit to appropriate District Office

RECOMMENDED REPORT

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

¹ Operator Name and Address Marshall & Winston Inc. P.O.B. 50880, Midland, TX 79710-0880		² OGRID Number 014187
³ Property Code 38966	⁵ Property Name HOLIDAY	³ API Number 30-015-35770 ⁶ Well No # 2H
⁹ Proposed Pool 1 North Seven Rivers Gloria Yeso [97665]		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no C	Section 1	Township 20-S	Range 25-E	Lot Idn	Feet from the 330	North/South line North	Feet from the 1700	East/West line West	County Eddy
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⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no N	Section 1	Township 20-S	Range 25-E	Lot Idn	Feet from the 330	North/South line South	Feet from the 1700	East/West line West	County Eddy
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Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3431'
¹⁶ Multiple N	¹⁷ Proposed Depth 2780 TVD	¹⁸ Formation Yeso	¹⁹ Contractor Patterson	²⁰ Spud Date 1/10/2012

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12.5	9.625	40#	1,000'	450	0' Surface
8.75	5.50	17#	1000-2139'	850	0' Surface
7.875	5.50	17#	2139-5053'	850	2139' TOL

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

A 3,000 BOPE, choke, manifold, gas separator shall be installed after setting the 9 5/8" surface casing. Steel tanks and roll-off bins accompany the rig layout. An H2S contingency plan shall be started prior to drilling below the surface casing. A waiver to test the BOPE to 1500 psi is requested. Contact Vernon Dyer at (575) 420-0355 or Gary Gourley (575) 623-5880 with any concerns regarding the application.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature <i>Vernon D Dyer</i>		OIL CONSERVATION DIVISION	
Printed name Vernon D Dyer		Approved by <i>T. C. Shugart</i>	
Title Agent		Title Geologist	
E-mail Address Vdyer01@cblcone.com		Approval Date DEC 13 2011	Expiration Date 12/13/13
Date 12-12-2011	Phone (575) 420-0355	Conditions of Approval Attached <input type="checkbox"/>	

**Permit Expires 2 Years From Approval
Date Unless Drilling Underway**

dm

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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-39770	Pool Code 38966	Pool Name NORTH Seven Rivers Gloria
Property Code 38966	Property Name HOL IDAY	Well Number 2H
UGRD No. 14187	Operator Name MARSHALL & WINSTON, INC	Elevation 3416'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	1	20-S	25-E		330	NORTH	1700	WEST	EDDY

Bottom Hole Location If Different From Surface

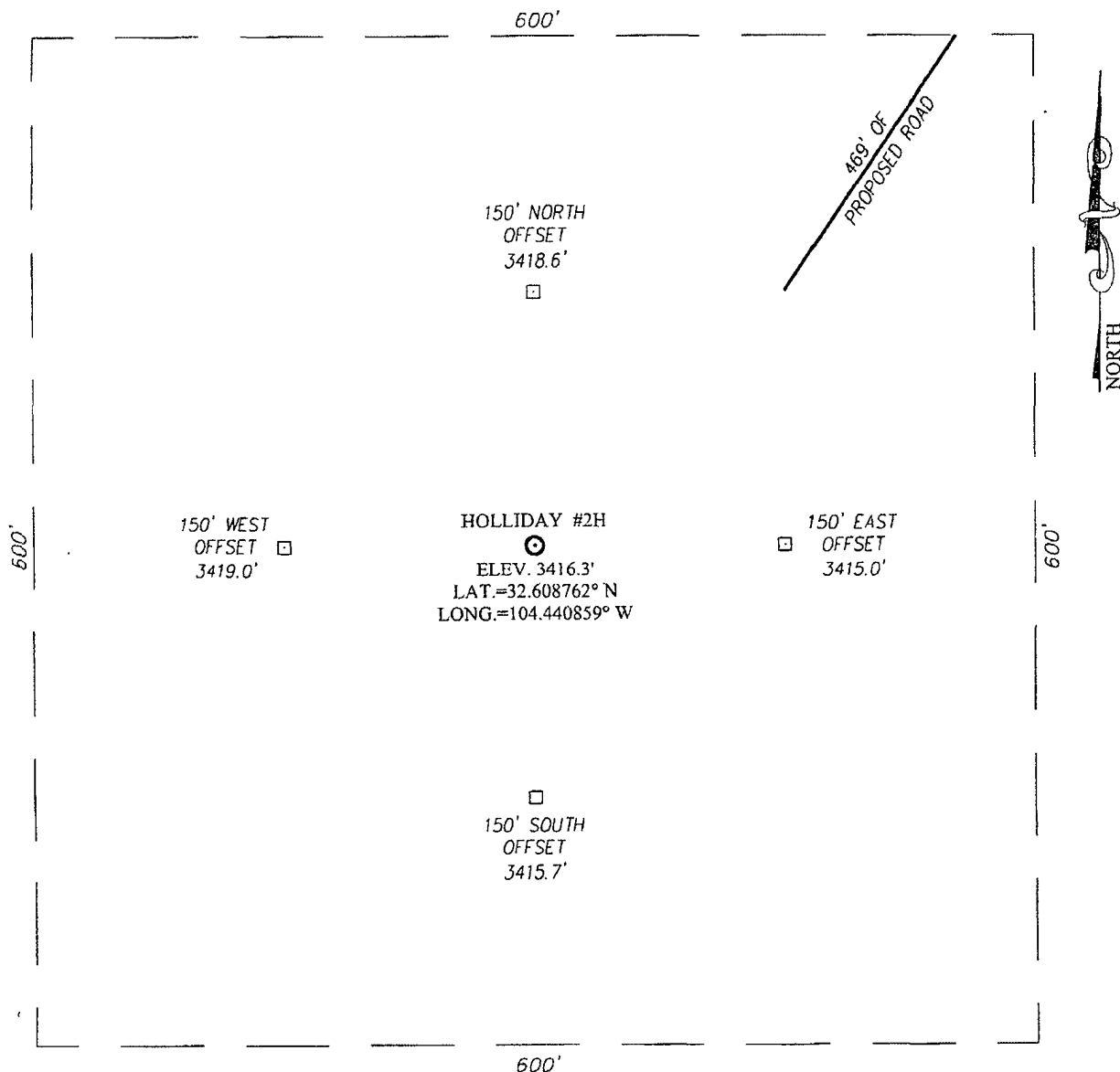
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	1	20-S	25-E		330	SOUTH	1700	WEST	EDDY

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No
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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

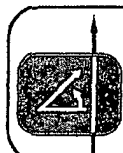
	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=585195.8 N X=466889.6 E</p> <p>LAT = 32.608762° N LONG = 104.440859° W</p> <p>BOTTOM HOLE LOCATION Y=580545.5 N X=466878.1 E</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best 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 or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</p> <p><i>Vernon D. Dyer</i> Signature Date 12-12-2011</p> <p>VERNON D. DYER Printed Name</p> <p><i>vdyer01@calleanco.net</i> E-mail Address</p>
	<p>CORNER COORDINATES TABLE</p> <p>Ⓐ - Y=585524.6 N, X=466511.9 E</p> <p>Ⓑ - Y=585528.5 N, X=467832.9 E</p> <p>Ⓒ - Y=580218.6 N, X=466497.5 E</p> <p>Ⓓ - Y=580208.1 N, X=467817.2 E</p>	<p>SURVEYOR CERTIFICATION</p> <p>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</p> <p>NOVEMBER 5, 2011</p> <p>Date of Survey</p> <p>Signature & Seal of Professional Surveyor:</p> <p><i>Gary G. Eidson</i> GARY G. EIDSON NEW MEXICO Professional Surveyor 11/24/11</p>
		<p>Certificate Number Gary G. Eidson 12641 Ronald J. Eidson 3239</p>
		<p>AF JWSC W.O. 11.11 2346</p>

SECTION 1, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.
EDDY COUNTY NEW MEXICO

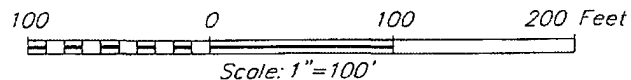


DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF U.S. HIGHWAY #285 AND C.R. #23 (ROCK DAISY) GO WEST ON C.R. #23 APPROX. 1.7 MILES. TURN LEFT AND GO SOUTH APPROX. 0.3 MILES. VEER LEFT AND GO SOUTHEAST APPROX. 0.5 MILES TO THE COG HEARSE 36 STATE #3H WELL FROM THE SOUTHWEST CORNER OF THIS WELL PAD FOLLOW ROAD SURVEY SOUTHWEST APPROX. 680 FEET TO THIS LOCATION STAKE



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N DAL PASO
HOBBS, N.M. 88240
(575) 393-3117

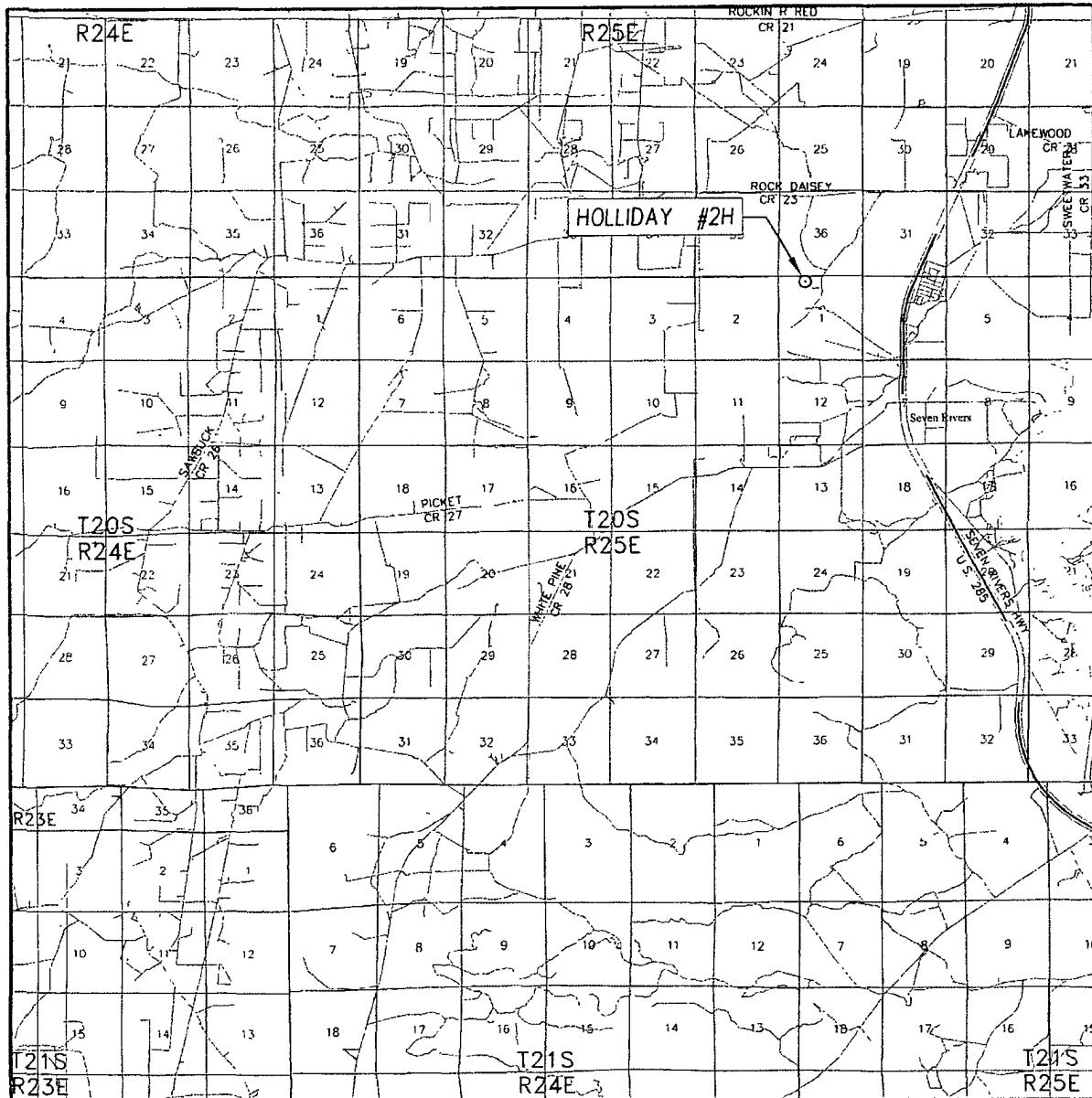


MARSHALL & WINSTON, INC

HOLLIDAY #2H WELL
LOCATED 330 FEET FROM THE NORTH LINE
AND 1700 FEET FROM THE WEST LINE OF SECTION 1,
TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO

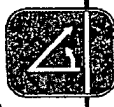
Survey Date: 11/5/11	Sheet 1 of 1 Sheets
W.O. Number: 11.11.2346	Dr By: AF Rev 1:
Date: 11/17/11 Rel. W.O.:	11112346 Scale: 1"=100'

VICINITY MAP



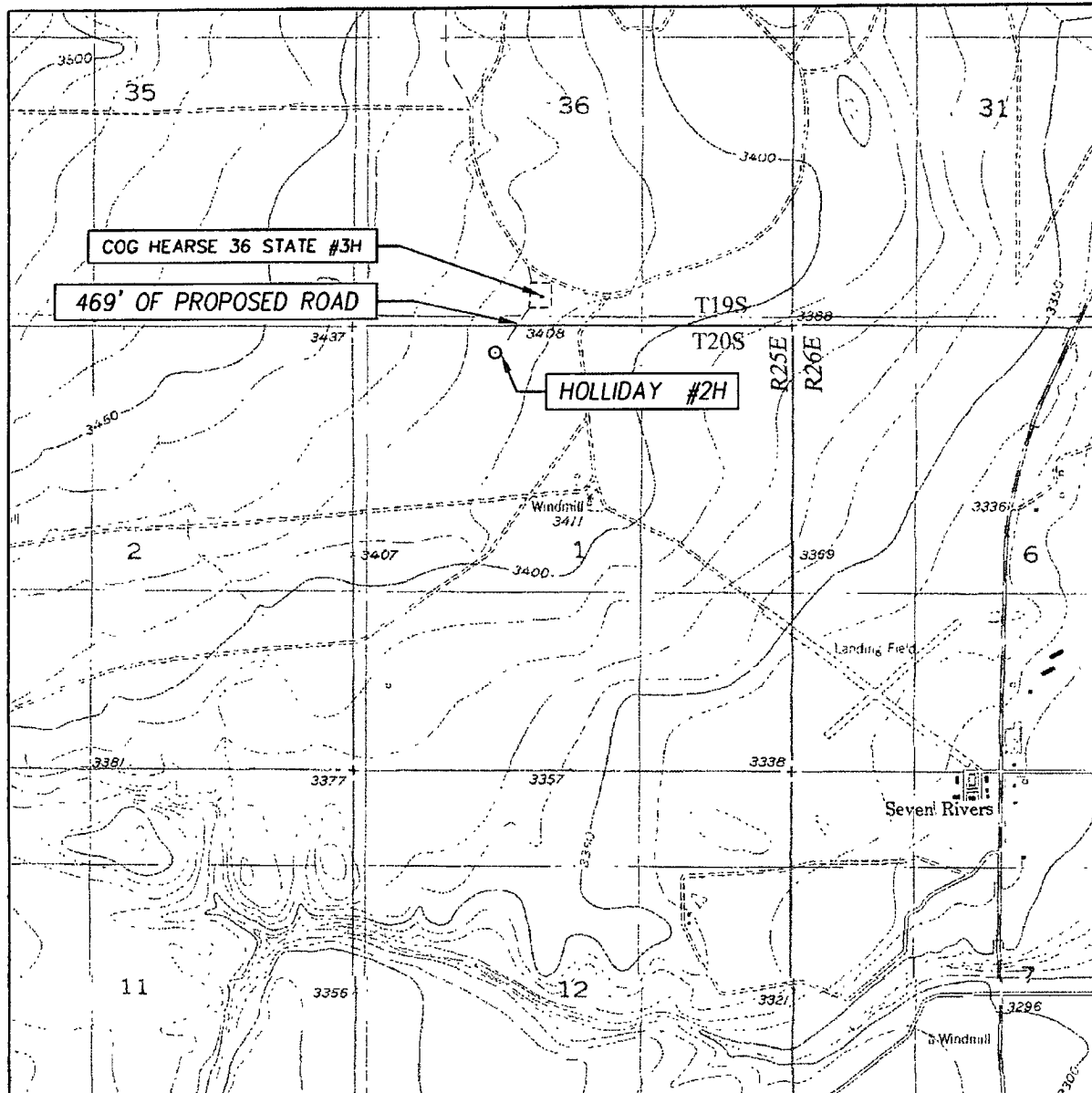
SCALE: 1" = 2 MILES

SEC. 1 TWP. 20-S RGE. 25-E
 SURVEY N.M.P.M.
 COUNTY EDDY STATE NEW MEXICO
 DESCRIPTION 330' FNL & 1700' FWL
 ELEVATION 3416'
 OPERATOR MARSHALL & WINSTON, INC
 LEASE HOLLIDAY



PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (575) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
SEVEN RIVERS, N.M. - 10'

SEC. 1 TWP 20-S RGE. 25-E

SURVEY N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

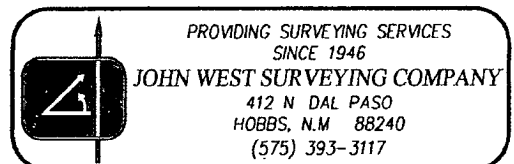
DESCRIPTION 330' FNL & 1700' FWL

ELEVATION 3416'

OPERATOR MARSHALL & WINSTON, INC

LEASE HOLLIDAY

U.S.G.S. TOPOGRAPHIC MAP
SEVEN RIVERS, N.M.



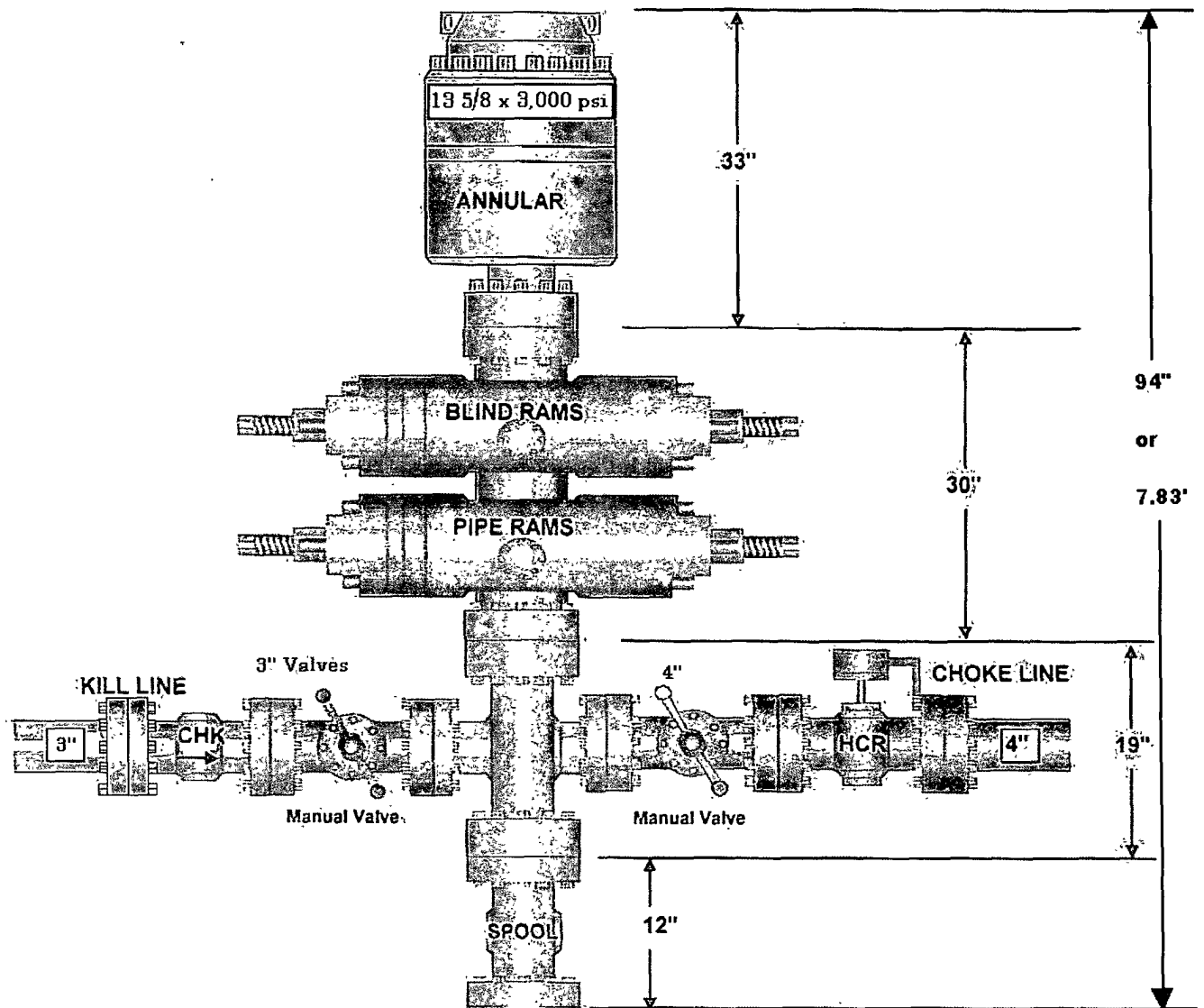


Exhibit 2.1

13 3/8 " x 3M BOPE

stacking configuration