

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-3 APD form.

Operator Signature Date: 5/21/13

Well information;

Operator Logos, Well Name and Number Logos #8

API# 30-043-21156, Section 5, Township 22 NS, Range 5 EW

Conditions of Approval:

(See the below checked and handwritten conditions)

- Notify Aztec OCD 24hrs prior to casing & cement.
- Hold C-104 for directional survey & "As Drilled" Plat
- Hold C-104 for NSL, NSP, DHC
- Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
- Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:
 - A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A
 - A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A
 - A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C
- 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
- Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils

Charlie Perin
NMOCD Approved by Signature

9-10-2013 ca
Date

CONFIDENTIAL

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAY 23 2013

APPLICATION FOR PERMIT TO DRILL OR REENTER
Farmington Field Office
Bureau of Land Management

5. Lease Serial No.
Jicarilla Apache Lease #424

6. If Indian, Allottee or Tribe Name
Jicarilla Apache Nation

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
Logos #8

9. API Well No.
30-043-21156

10. Field and Pool, or Exploratory
Wildcat Dakota

11. Sec., T. R. M. or Blk. and Survey or Area
Sec 5, T22N, R5W, UL G

12. County or Parish
Sandoval

13. State
NM

1a. Type of work: DRILL REENTER

1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator Logos Operating, LLC

3a. Address 4001 North Butler Ave., Building 7101
Farmington, NM 87401

3b. Phone No. (include area code)
505-436-2627

4. Location of Well (Report location clearly and in accordance with any State requirements.)
At surface 1640' FNL, 2250' FEL
At proposed prod. zone same as above

14. Distance in miles and direction from nearest town or post office*
4 miles SW of Counselors, NM

15. Distance from proposed* 1640'
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)

16. No. of acres in lease
2561.60 acres

17. Spacing Unit dedicated to this well
SW/4 NE/4 40 acres

18. Distance from proposed location* 1501'
to nearest well, drilling, completed,
applied for, on this lease, ft.

19. Proposed Depth
-6500'

20. BLM/BIA Bond No. on file
1062402
RCVD SEP 5 '13
DIL CONS. DIV.

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
6888' GL

22. Approximate date work will start*
08/01/2013

23. Estimated duration
45 days
DIST. 3

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification
- 6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature *King* Name (Printed/Typed) Kristy Graham Date 05/21/2013

Title Production Engineer

Approved by (Signature) *[Signature]* Name (Printed/Typed) Date 9/5/13

Title AFM Office FFO

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

*(Instructions on page 2)

CONFIDENTIAL

This action is subject to technical and procedural review pursuant to 43 CFR 816.30 and appeal pursuant to 43 CFR 3165.4

DRILLING OPERATIONS AUTHORIZED AND SUBJECT TO COMPLIANCE WITH ALL FEDERAL AND STATE GENERAL REQUIREMENTS.

NMOCD
AV

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

District I
1625 N. French Drive, Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First Street, 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 Drive, Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to
Appropriate District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Drive
Santa Fe, NM 87505

RECEIVED

MAY 23 2013

AMENDED REPORT

Farmington Field Office
Bureau of Land Management

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-043-21156		*Pool Code 97977		*Pool Name we 22NSW5; DAKOTA (L)	
*Property Code 311963		*Property Name LOGOS			*Well Number 8
*GRID No. 289408		*Operator Name LOGOS RESOURCES, LLC			*Elevation 6888'

10 Surface Location

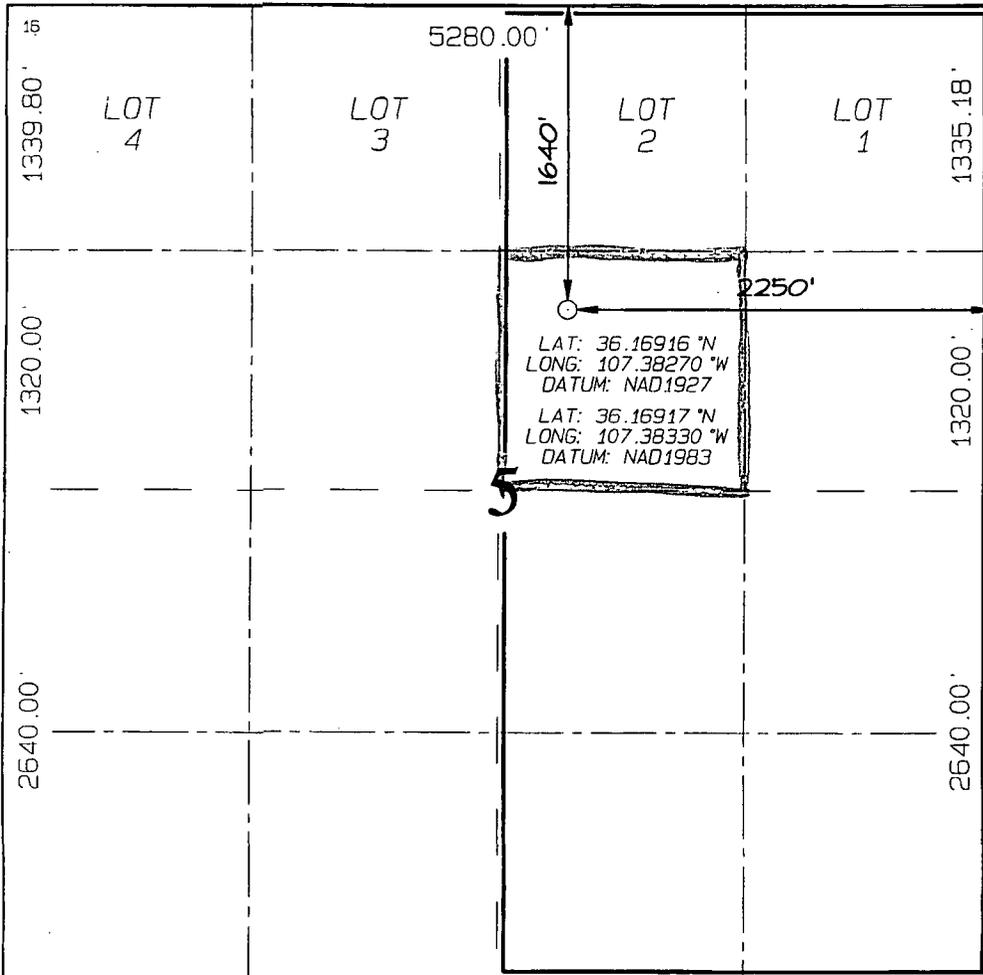
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	5	22N	5W		1640	NORTH	2250	EAST	SANDOVAL

11 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

12 Dedicated Acres 40 acres SW/4 NE/4	13 Joint or Infill	14 Consolidation Code	15 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



17 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 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.

Signature: *Kristy Galan* Date: 5/21/13
Printed Name: Kristy Galan
E-mail Address: *kgalan@logosresources.com*

18 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.

Date of Survey: MARCH 14, 2013

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269

5277.36'

The production hole will be drilled with a fresh water mud and will use bentonite to increase the viscosity. The weighting material will be drill solids or if conditions dictate, barite. The maximum mud weight expected is 9.2 ppg. The water loss will be controlled to a 6 - 8 cc/30 min. and loss circulation will be controlled with cedar fiber, paper, etc.

The Chacra, Cliff House, Menefee, and Point Lookout, Mancos, Niobrara, and Dakota formations will all be considered for completion in this well. A completion procedure will be developed after evaluating the wireline and mud logs.

C. Minimum Blowout Control Specifications:

Double ram type 2000 psi working pressure BOP with a rotating head. See the attached Exhibit #1 for details on the BOP equipment. All ram type preventers and related equipment will be hydraulically tested at nipple-up to 250 psi (Low) for 5 minutes and 1,500 psi (High) for 10 minutes. All tests and inspections will be recorded in the daily drilling tour book.

The blind rams will be hydraulically activated and checked for operational readiness each time pipe is pulled out of the hole. All checks of the BOP stack and equipment will be noted on the daily drilling report. The BOP equipment will include a kelly cock, floor safety valve, and choke manifold all rated to 2000 psi.

IV. Materials

A. Casing Program:

Hole Size	Depth	Casing Size	Wt. & Grade
12-1/4"	500'	9-5/8"	36# J-55
7-7/8"	6,550'	5-1/2"	17# P-110

B. Float Equipment:

a) Surface Casing: Notched collar, aluminum insert float in the first collar, and 3 centralizers on the bottom 3 joints.

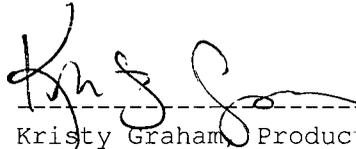
b) Production Casing: Production Casing: 5-1/2" cement float shoe and self-fill insert float collar. Place float one joint above shoe. **Place DV tool at 4,386'**. Place ten centralizers spaced every other joint above the shoe, two turbolizers on the collars below the DV tool and two turbolizers above the DV tool. Place five turbolizers every third joint from the top of the well.

V. Cementing:

Note: Cement volumes will be adjusted based on actual conditions.

Surface casing: 9-5/8" - Use 225 sx (266 cu. ft.) of Type V with 2% CaCl₂ and ¼ #/sk celloflake (Yield = 1.18 cu. ft./sk; slurry weight = 15.6 PPG). 100% excess to circulate cement to surface. WOC 12 hours. Pressure test surface casing to 1500 psi.

Production Casing: 5-1/2" - Before cementing circulate hole with at least 1-1/2 hole volumes of mud. Precede cement with 30 bbls of fresh water. **1st Stage: Lead** with 260 sx (458 cu.ft.) of Cl "B" 65/35 poz with 6% gel, 1% CaCl₂, 4% phenoseal, and ¼ #/sx celloflake (Yield = 1.76 cu. ft./sk; slurry weight = 12.8 PPG). **Tail** with 100 sx (146 cu.ft.) of Cl "B" 50/50 poz with 0.15% dispersant, 1% CaCl₂ and ¼#/sk. celloflake. (Yield = 1.46 cu. ft./sk; slurry weight = 13.0 PPG). **2nd Stage:** Precede cement with 20 bbls of water. **Lead** with 600 sx (1056 cu.ft) Cl "B" 65/35 poz with 6% gel, 1% CaCl₂, and ¼ #/sx celloflake (Yield = 1.76 cu. ft./sk; slurry weight = 12.8 PPG). **Tail** with 100 sx (146 cu.ft.) of Cl "B" 50/50 poz with 0.15% dispersant, 1% CaCl₂ and ¼#/sk. celloflake. (Yield = 1.46 cu. ft./sk; slurry weight = 13.0 PPG). Total cement volume is 1806 cu.ft. (50% excess to hole volume to circulate cement to surface).



Kristy Graham, Production Engineer

MULTI-POINT SURFACE USE PLAN

Logos #8

1. Existing Roads:

All existing roads used to access the proposed location are shown on attached Plat #1 and shall be maintained in the same or better condition than presently found.

Directions: 4 miles southwest of Counselors, NM

2. Planned Access Roads:

Approximately 980' of new access road will be constructed for this location. The existing access road will be maintained in at least the current condition and will be upgraded where necessary to provide uninterrupted access to the proposed well.

3. Location of Existing Wells:

Attached map (Plat #1) shows existing wells within a one mile radius of the proposed well. There is one P&A well, four producing wells, and six permitted wells (including the Logos #8) within one mile. All producing wells and permitted wells are Logos Operating, LLC.

4. Location of Production Facilities:

In the event of production, production facilities will be located on the drill pad. The actual placement of this equipment will be determined when the well's production characteristics can be evaluated after completion.

Upon completion of drilling, the location and surrounding area will be cleared of all debris.

5. Water Supply:

Water for drilling and completion operations will be hauled by truck from various permitted water sources within the area through the water haulers association.

6. Source of Construction Materials:

No additional construction materials will be required to build the proposed location.

Well Control Equipment Schematic for 2M Service

Attachment to Drilling Technical Program

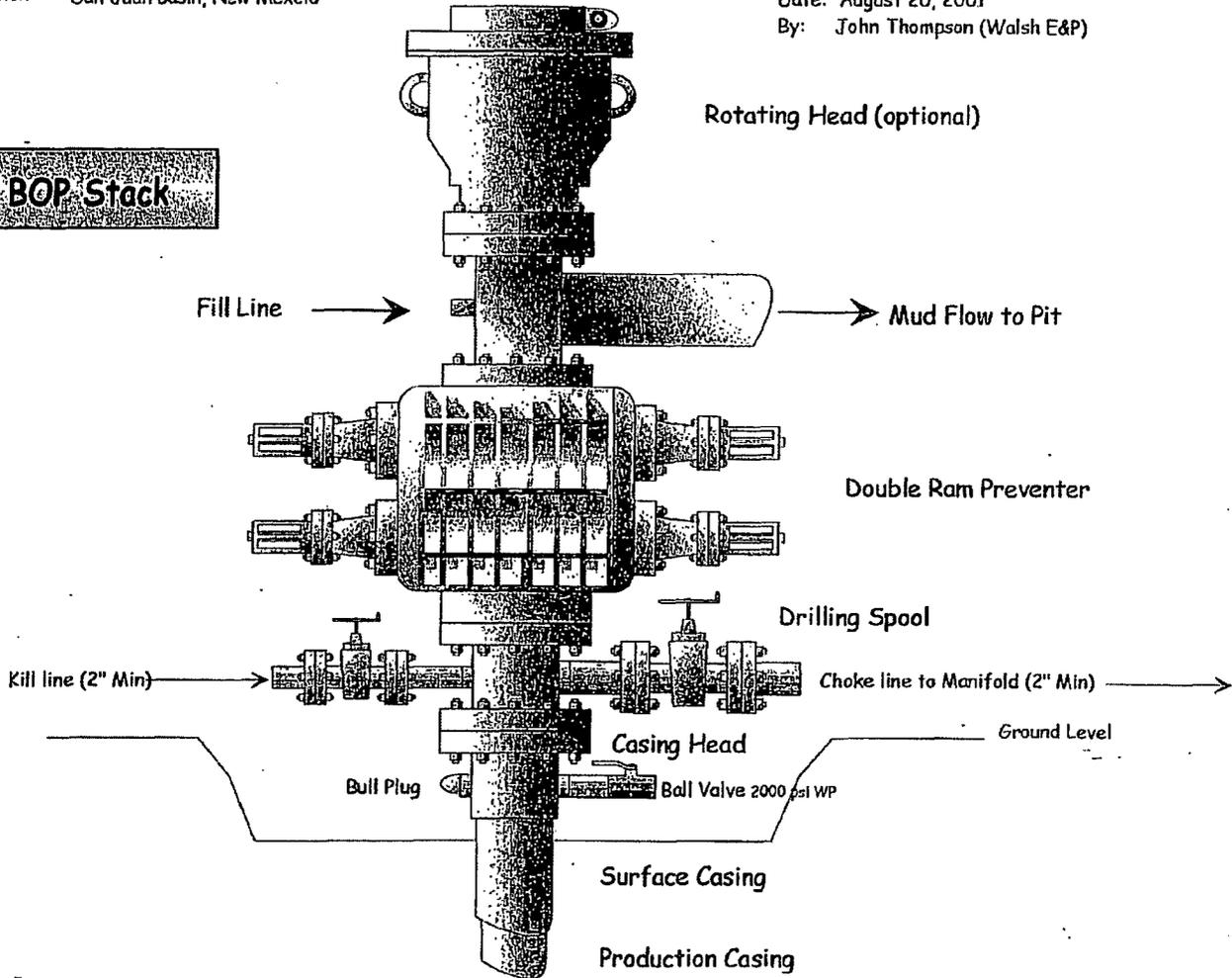
Exhibit #1 Typical BOP setup

Location: San Juan Basin, New Mexico

Date: August 20, 2001

By: John Thompson (Walsh E&P)

BOP Stack



**Choke & Kill
Manifold**

