

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 and Natural Resources **HOBBS OCD**
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised August 1, 2011

Permit

NOV 03 2011

RECEIVED

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

¹ Operator Name and Address Texland Petroleum-Hobbs, LLC 777 Main Street, Suite 3200 Fort Worth, Texas 76102		² OGRID Number 113315
		³ API Number 30-025- 40321
⁴ Property Code 38903	⁵ Property Name Victorio State 36	
		⁶ Well No #1H

⁷ Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
B	36	16-S	38-E		830	North	1860	East	Lea

⁸ Pool Information

East Garrett, Drinkard	27135
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Additional Well Information

⁹ Work Type N	¹⁰ Well Type O	¹¹ Cable/Rotary R	¹² Lease Type S	¹³ Ground Level Elevation 3683'
¹⁴ Multiple N	¹⁵ Proposed Depth TD 8650; TMD 12,469'	¹⁶ Formation Drinkard	¹⁷ Contractor Norton	¹⁸ Spud Date ASAP
Depth to Ground water 90'		Distance from nearest fresh water well 4962' to the West		Distance to nearest surface water 2 miles

¹⁹ Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
J55	12 1/4"	9 5/8"	36#	2250'	1000 sks	surface
N-80	8 3/4"	7"	23#	8650'	1950 sks	surface
P110	6 1/4"	4 1/2"	11 3/6#	12,469'	650 sks	na

Casing/Cement Program: Additional Comments

See attached wellbore schematic for additional information Exhibit "D"

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Hydraulic Double Ram	3000 PSI	1500 PSI	Townsend

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 ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Vickie Smith

Vickie Smith

Title: Regulatory Analyst

E-mail Address: vsmith@texpetro.com

Date: November 1, 2011

Phone: 575-397-7450

OIL CONSERVATION DIVISION

Approved By:

[Signature]

Title:

Approved Date:

NOV 04 2011

Expiration Date:

11/04/13

Conditions of Approval Attached

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

NOV 08 2011

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State of New Mexico
Energy, Minerals & Natural Resources Department
HOBBS OCD
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

NOV 03 2011

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

RECEIVED

API Number 30-025-40321	Pool Code 27135	Pool Name East Garrett, Drinkard
Property Code 78903	Property Name VICTORIO STATE 36	
OGRID No 113315	Operator Name TEXLAND PETROLEUM	
		Well Number 1H
		Elevation 3683'

Surface Location

U.L. or lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	36	16-S	38-E		830	NORTH	1860	EAST	LEA

Bottom Hole Location If Different From Surface

U.L. or lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	31	16-S	39-E		990	NORTH	2310	WEST	LEA

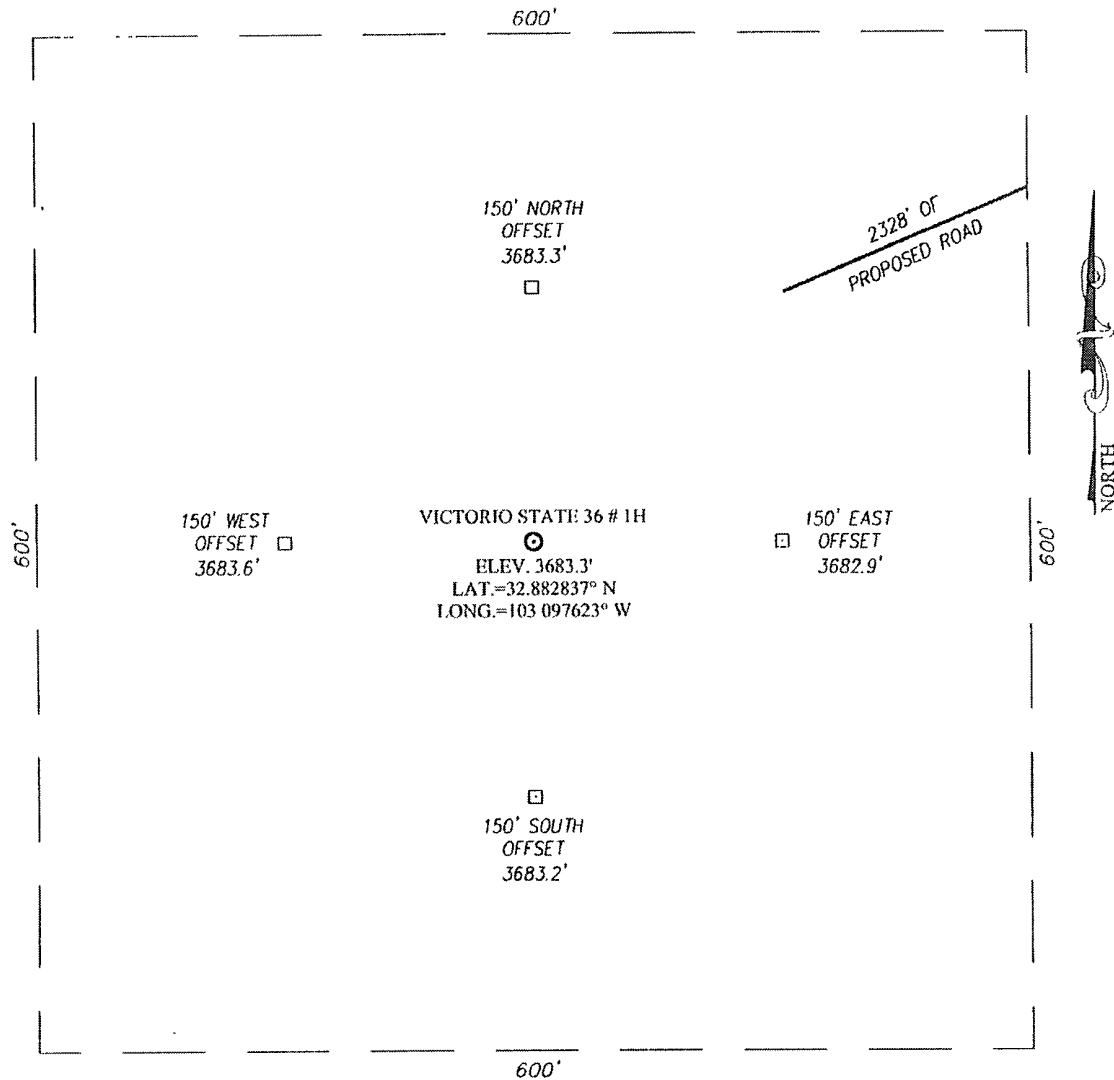
Dedicated Acres	Joint or Infill	Consolidation Code	Order No
160			

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

Texland et al 830' 250' S.L. 1860'	GRID AZ. = 91°31'49" HORIZ. DIST. = 4172.7' 990' 2310' B.H.	OPERATOR CERTIFICATION 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 <u>Vickie Smith</u> 11/1/2011 Signature Date <u>Vickie Smith</u> Printed Name <u>vsmith@texpetro.com</u> E-mail Address
SECTION 36 R38E SECTION 31 R39E SECTION, QUARTER & SIXTEENTH CORNER COORDINATES A - Y=687929.6 N, X=878570.4 E B - Y=687960.5 N, X=881212.1 E C - Y=687991.5 N, X=883853.5 E D - Y=686613.7 N, X=878581.7 E E - Y=686669.3 N, X=883867.9 E	GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y=687108.9 N X=879360.1 E LAT = 32.882837° N LONG. = 103.097623° W BOTTOM HOLE LOCATION Y=686997.7 N X=883530.9 E	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 SEPTEMBER 27, 2011 Date of Survey Signature & Seal of Professional Surveyor: <u>GARY G. EIDSON</u> GARY G. EIDSON 12641 RONALD F. EIDSON 3239 NEW MEXICO RECEIVED 12641 11/26/11

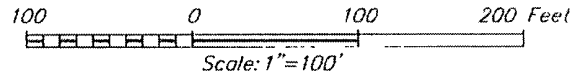
Exhibit 'A'

SECTION 36, TOWNSHIP 16 SOUTH, RANGE 38 EAST, N.M.P.M.
EDDY COUNTY NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF STATE HIGHWAY #132 AND STATE HIGHWAY #133 GO EAST ON #133 FOR APPROX. 2.5 MILES. TURN RIGHT AND GO SOUTH APPROX. 0.95 MILES. TURN RIGHT AND GO WEST APPROX. .85 MILES TO CONE FED. #1 P&A PAD. FROM SOUTHEAST CORNER PAD FOLLOW ROAD SURVEY STAKES 2328 FEET SOUTHWEST TO THIS LOCATION.

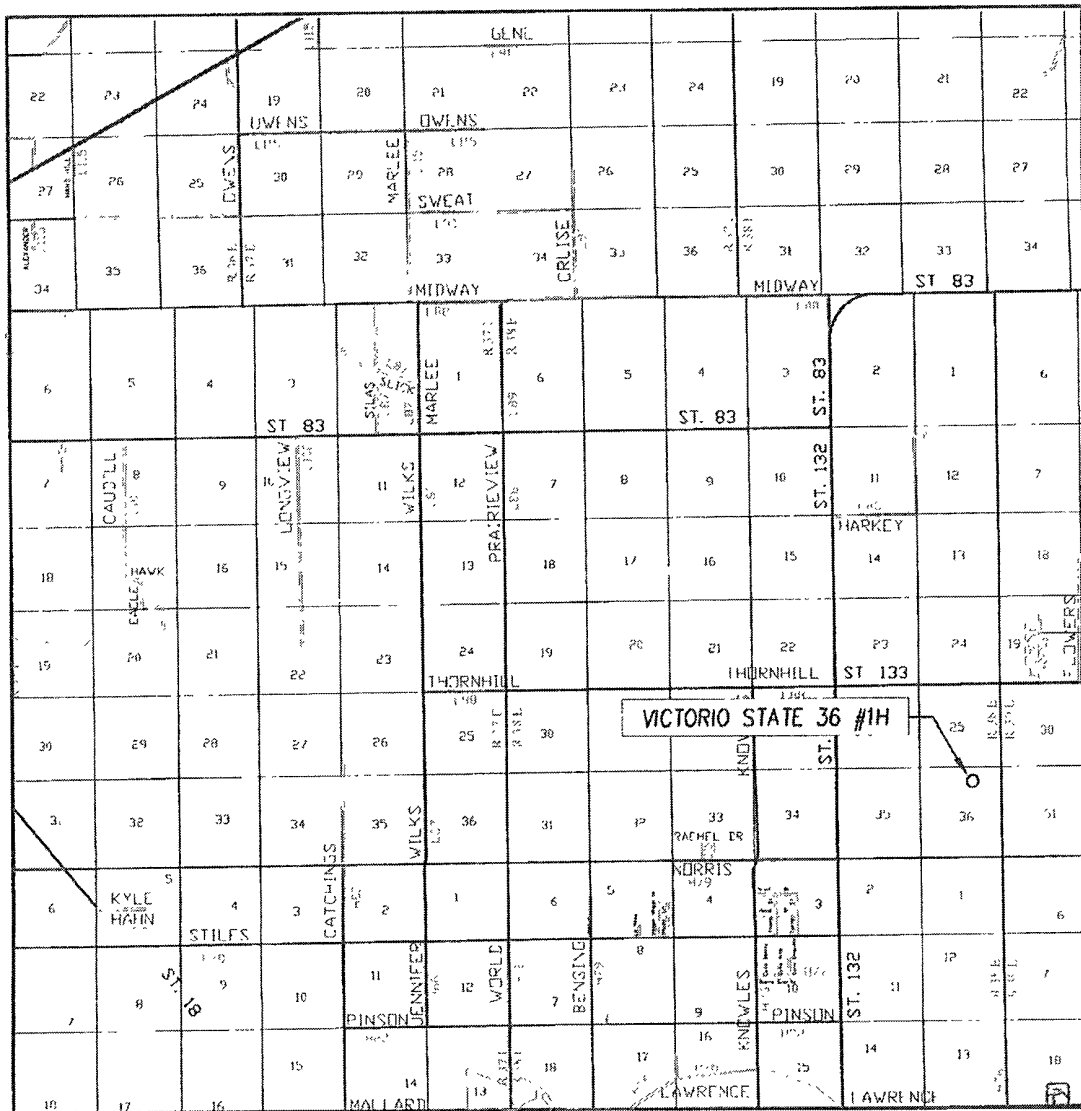


PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(575) 393-3117

TEXLAND PETROLEUM			
VICTORIO STATE 36 #1H LOCATED 830 FEET FROM THE NORTH LINE AND 1860 FEET FROM THE EAST LINE OF SECTION 36, TOWNSHIP 16 SOUTH, RANGE 38 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO			
Survey Date: 09/27/11	Sheet 1 of 1 Sheets		
W.O. Number: 11.11.1971	Dr. By: AF	Rev 1:	
Date: 10/18/11	Rel. W.O.:	11111971	Scale: 1"=100'

Exhibit 'B'

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 36 TWP. 16-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA STATE NEW MEXICO

DESCRIPTION 830' FNL & 1860' FEL

ELEVATION 3683'

OPERATOR TEXLAND PETROLEUM

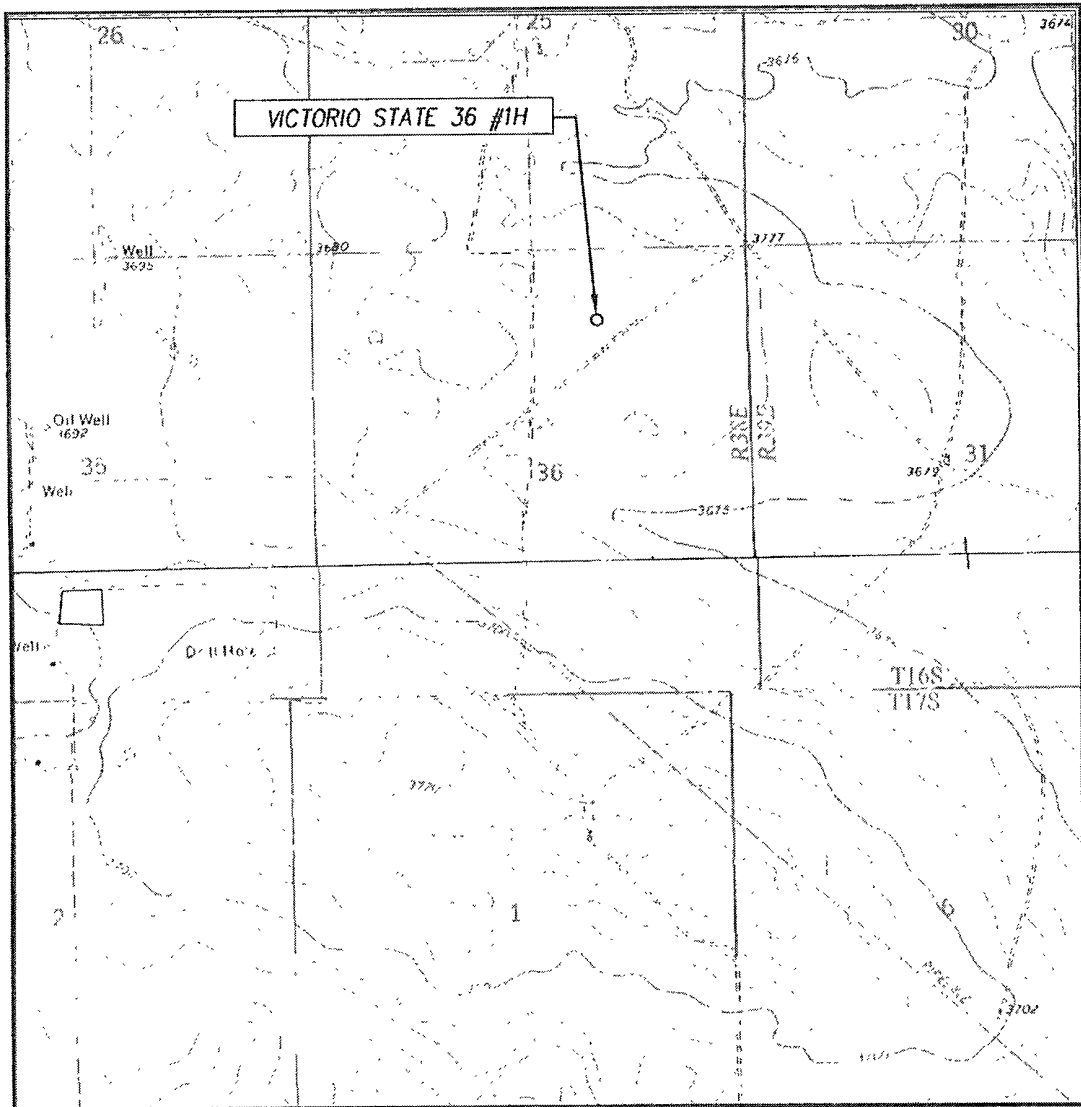
LFASF VICTORIO STATE 36



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

Exhibit 'C'

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
HUMBLE CITY NE, SE N.M. - 5'

SEC. 36 TWP. 16-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA STATE NEW MEXICO

DESCRIPTION 830' FNL & 1860' FEL

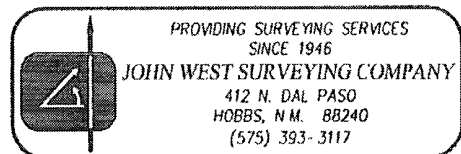
ELEVATION 3683'

OPERATOR TEXLAND PETROLEUM

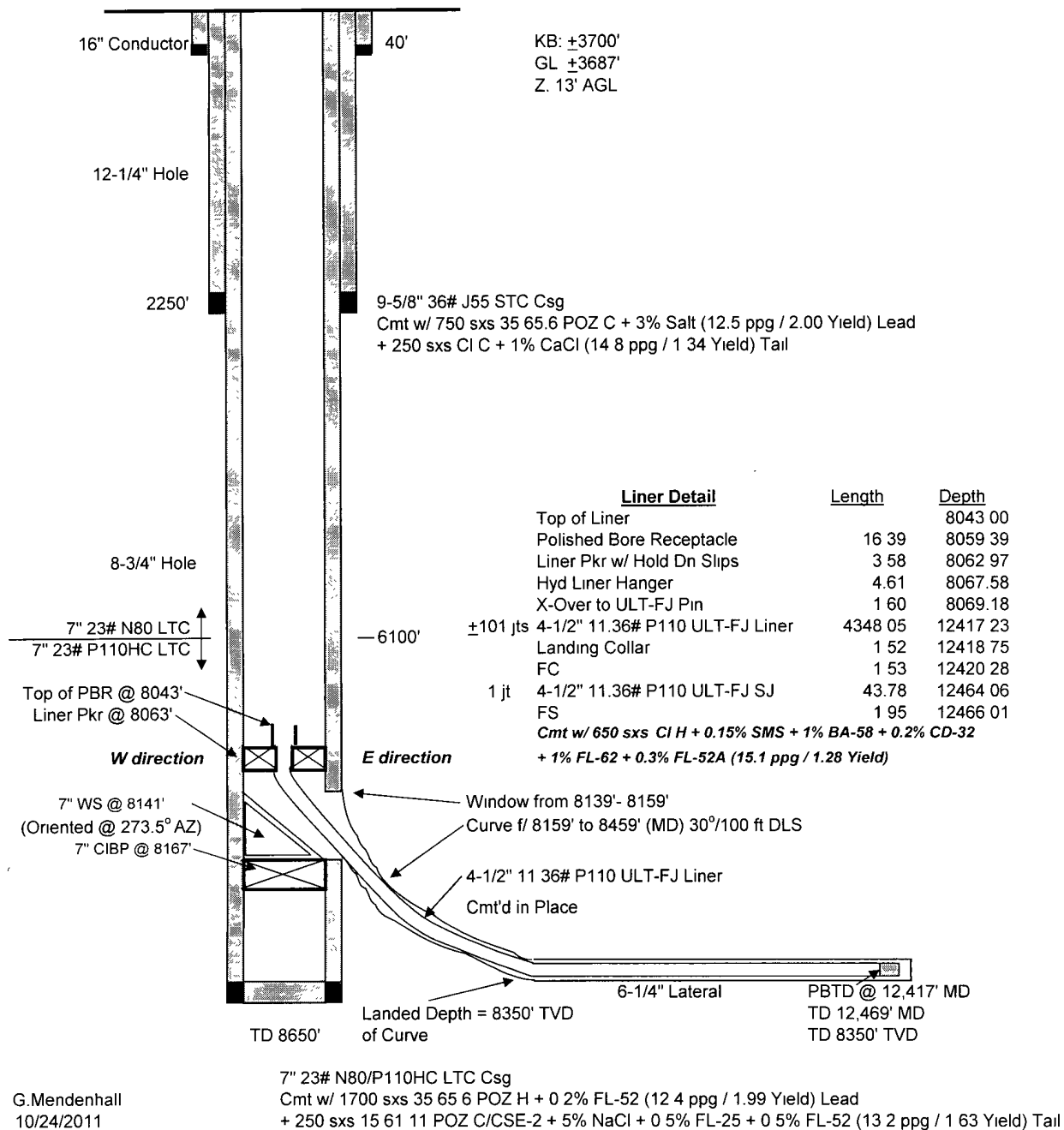
LEASE VICTORIO STATE

U.S.G.S. TOPOGRAPHIC MAP

HUMBLE CITY NE, SE



Victorio State 36 #1H
Proposed Wellbore Schematic



Horizontal Rig 7-1/16" BOP Schematic

[illegible]

Exhibit 'G'

Victoria State 36 #1H
B- 36-16S-38 E
Lea, Co., NM.

RIG 1