

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 177194

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

1. Operator Name and Address ELEVATION RESOURCES LLC 200 N. Loraine, Ste. 1010 Midland, TX 79701		2. OGRID Number 302164
4. Property Code 40264		3. API Number 30-025-41528
5. Property Name Birdog 20 State		6. Well No. 001H

7. Surface Location

UL - Lot F	Section 20	Township 21S	Range 34E	Lot Idn	Feet From 2415	N/S Line N	Feet From 2330	E/W Line W	County Lea
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8. Proposed Bottom Hole Location

UL - Lot C	Section 17	Township 21S	Range 34E	Lot Idn C	Feet From 350	N/S Line N	Feet From 1735	E/W Line W	County Lea
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9. Pool Information

BERRY;BONE SPRING, SOUTH	96660
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3719
16. Multiple N	17. Proposed Depth 17988	18. Formation Bone Spring	19. Contractor	20. Spud Date 12/1/2013
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	54.5	1980	1155	0
Int1	12.25	9.625	40	5800	610	0
Prod	8.75	5.5	17	17988	2000	0

Casing/Cement Program: Additional Comments

Drill 17-1/2" hole to +/-1980' w/fresh water spud mud. Run 13-3/8" 54.5# J-55 STC casing to TD and cement to surface in one stage. Will use 1" tubing and Class C w/2% CaCl2 to cement to surface if necessary. Drill 12-1/4" hole to +/-5800' w/cut brine water. If losses occur in the Reef, will switch to fresh water to interval TD. Run 9-5/8" 40# HCK-55 LTC casing to TD with DV tool placed 100' above surface shoe. Plan to circulate cement on both stages. An 8-3/4" pilot hole will be drilled to 12,900', logged and plugged back. A kick-off plug or whipstock will be set to drill 8-3/4" curve and 7-7/8" lateral to 17,988' MD w/cut brine. Run 5-1/2" 17# P-110 CDC casing to TD with a DV tool placed 100' above 9-5/8" shoe. Cement amount to be determined. Plan to circulate cement on both stages.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	Cameron

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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable. Signature: _____ Printed Name: Electronically filed by Sherry Harper Title: Production Analyst Email Address: sharper@elevationres.com Date: 11/27/2013 Phone: 432-688-3382	OIL CONSERVATION DIVISION Approved By: Paul Kautz Title: Geologist Approved Date: 12/2/2013 Expiration Date: 12/2/2015 Conditions of Approval Attached
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Form C-102
August 1, 2011
Permit 177194

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-41528	2. Pool Code 96660	3. Pool Name BERRY;BONE SPRING, SOUTH
4. Property Code 40264	5. Property Name Birddog 20 State	6. Well No. 001H
7. OGRID No. 302164	8. Operator Name ELEVATION RESOURCES LLC	9. Elevation 3719

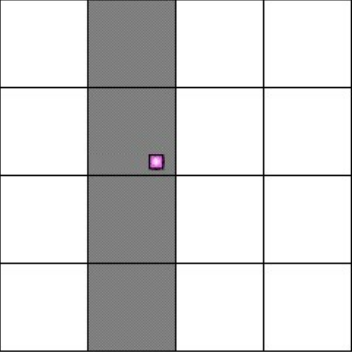
10. Surface Location

UL - Lot F	Section 20	Township 21S	Range 34E	Lot Idn c	Feet From 2415	N/S Line N	Feet From 2330	E/W Line W	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot C	Section 17	Township 21S	Range 34E	Lot Idn c	Feet From 2415	N/S Line N	Feet From 2330	E/W Line W	County Lea
12. Dedicated Acres 240.00			13. Joint or Infill		14. Consolidation Code			15. Order No.	

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 style="text-align: center;">OPERATOR CERTIFICATION</p> <p><i>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.</i></p> <p>E-Signed By: Sherry Harper Title: Production Analyst Date: 11/27/2013</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Surveyed By: Macon McDonald Date of Survey: 10/29/2013 Certificate Number: 12185</p>
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Form APD Comments

Permit 177194

PERMIT COMMENTS

Operator Name and Address: ELEVATION RESOURCES LLC [302164] 200 N. Loraine, Ste. 1010 Midland, TX 79701	API Number: 30-025-41528
	Well: Birddog 20 State #001H

Created By	Comment	Comment Date
nolivas	No Federal Potash lease found within a 1 mile radius of this well.	11/27/2013
pkautz	SURFACE & PRODUCTION CASING - cement must circulate to surface	12/2/2013
pkautz	SURFACE CASING must be set 25' below top of Rustler Anhydrite in order to seal off protectable water	12/2/2013
pkautz	Land s/S	12/2/2013

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Form APD Conditions

Permit 177194

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: ELEVATION RESOURCES LLC [302164] 200 N. Loraine, Ste. 1010 Midland, TX 79701	API Number: 30-025-41528
	Well: Birdog 20 State #001H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	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
pkautz	SURFACE & PRODUCTION CASING - cement must circulate to surface