

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 242785

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

1. Operator Name and Address AMEREDEV OPERATING, LLC 5707 Southwest Pkwy, Bldg 1 Austin, TX 78735		2. OGRID Number 372224
4. Property Code 319731		3. API Number 30-025-44105
5. Property Name AZALEA 26 36 28 STATE		6. Well No. 121H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	28	26S	36E	D	231	N	280	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
M	28	26S	36E	M	330	S	380	W	Lea

9. Pool Information

WC-025 G-09 S263619C;UPR WOLFCAMP	98234
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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 2918
16. Multiple N	17. Proposed Depth 17100	18. Formation Wolfcamp	19. Contractor	20. Spud Date 10/16/2017
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	1305	890	0
Int1	12.25	9.625	40	10200	1700	0
Prod	8.75	5.5	20	17100	2097	8200

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	To be determined

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 Christie Hanna Title: _____ Email Address: channa@ameredev.com Date: 10/10/2017	<div style="text-align: center;">OIL CONSERVATION DIVISION</div> Approved By: Paul Kautz Title: Geologist Approved Date: 10/11/2017 Expiration Date: 10/11/2019 Conditions of Approval Attached
Phone: 737-300-4723	

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State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-		² Pool Code 98234	³ Pool Name WC-025 G-09 S263619C-UPR WOLFCAMP
⁴ Property Code	⁵ Property Name AZALEA STATE 26-36-28		⁶ Well Number 121H
⁷ GRID No. 326626	⁸ Operator Name AMEREDEV OPERATING, LLC.		⁹ Elevation 2918'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	28	26-S	36-E	-	231'	NORTH	280'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	28	26-S	36-E	-	330'	SOUTH	380'	WEST	LEA

¹¹ Dedicated Acres 160	¹² Joint or Infill	¹³ Consolidation Code	¹⁴ 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>17 OPERATOR CERTIFICATION</p> <p>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 possesses 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.</p> <p>10-9-17</p> <p>Signature _____ Date _____</p> <p>BRIAN WOOD</p> <p>Printed Name _____</p> <p>brian@permitswest.com</p> <p>E-mail Address _____</p> <p>(505) 466-8120</p>
	<p>18 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 to the best of my belief.</p> <p>09/25/2017</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>NEW MEXICO 19642 PROFESSIONAL SURVEYOR</p> <p>Stan W. Lloyd</p> <p>Certificate Number _____</p>
	<p>19 SURFACE LOCATION</p> <p>NEW MEXICO EAST NAD 1983 X=868508 Y=372834 LAT.: N 32.0208832 LONG.: W 103.2776884</p> <p>20 FIRST TAKE POINT</p> <p>NEW MEXICO EAST NAD 1983 X=868610 Y=372836 LAT.: N 32.0206105 LONG.: W 103.2773649</p> <p>21 LAST TAKE POINT/BOTTOM HOLE LOCATION</p> <p>NEW MEXICO EAST NAD 1983 X=868656 Y=368212 LAT.: N 32.0079008 LONG.: W 103.2773635</p>

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Form APD Comments

Permit 242785

PERMIT COMMENTS

Operator Name and Address: AMEREDEV OPERATING, LLC [372224] 5707 Southwest Pkwy, Bldg 1 Austin, TX 78735		API Number: 30-025-44105
		Well: AZALEA 26 36 28 STATE #121H
Created By	Comment	Comment Date
BWOOD	Open hole pilot hole of 8.75" will be drilled to 13600' and plugged back with 890 sx cement to 11555' KOP	10/10/2017

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Form APD Conditions

Permit 242785

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: AMEREDEV OPERATING, LLC [372224] 5707 Southwest Pkwy, Bldg 1 Austin, TX 78735	API Number: 30-025-44105
	Well: AZALEA 26 36 28 STATE #121H

OCD Reviewer	Condition
pkautz	The operator shall keep a copy of the approved form C-101 and a copy of these conditions of approval at the well site.
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	Pit construction and closure must satisfy all requirements of your approved plan.
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
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	Operator shall notify appropriate District office when setting conductor pipe.
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 20 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	If an APD expires and if site construction has occurred, site remediation is required.
pkautz	Lost Circulation - Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186
pkautz	Stage Tool - 1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 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	Gas Capture Plan - Operator to Submit Gas Capture Plan ASAP.