<u>District I</u> 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

Printed Name: Title:

Email Address:

Date:

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

Electronically filed by Michal A Weesner

Phone: 713-351-0535

mweesner@rockcliffenergy.com

Operations Analyst

1/17/2018

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 246145

| | APPLICATION | FOR PERMIT | T TO DRIL | L, RE-E | NTER, DEEF | PEN, PLUGBA | ACK, OR | ADD A Z | ONE | | | |
|--|----------------------------|-------------------------------|--|------------|------------------|---------------|-----------|------------|------------------------------------|---------------|--|--|
| 1. Operator Name and Address ROCKCLIFF OPERA 1301 McKinney | FING NEW MEXICO LLC | С | | | | | | | GRID Number 371115 PI Number | | | |
| Houston, TX 77010 | | | | | | | | | 30-005-2 | 9216 | | |
| 4. Property Code | 5. Prope | erty Name | | | | | | 6. W | /ell No. | | | |
| 320512 | | BUTTON MES | SA UNIT | | | | | | 002H | | | |
| | | | | 7. Surfac | e Location | | | | | | | |
| UL - Lot Section N 15 | Township 08S | Range 32E | Lot Idn | N Fe | et From 120 | N/S Line S | Feet From | 2180 | E/W Line W | County Chaves | | |
| | | | 8. Prop | osed Bo | tom Hole Loca | ition | | | | | | |
| UL - Lot Section D 15 | Township F | Range 32E | Lot Idn | D Fe | et From 330 | N/S Line | Feet From | 1300 | E/W Line W | County Chaves | | |
| | | | | 9. Pool I | nformation | | | | | | | |
| CHAVEROO;SAN ANDRES | | | | | | | | | 12049 | | | |
| • | | | ۸d | ditional W | /ell Information | , | | | · I | | | |
| 11. Work Type | 12. Well Type | 13 | | | | | | | 5. Ground Level Elevation | | | |
| New Well | OIL | | · | | | State | | 4386 | | | | |
| 16. Multiple | 17. Proposed Depth 9600 | 18 | 18. Formation 19. Contractor 20 San Andres | | | | | | 20. Spud Date | | | |
| N Depth to Ground water | 9600 | Di | <u> </u> | | | | | | 1/31/2018 nearest surface v | vater | | |
| • | | John Hours of Hours and Hours | | | | | | | | | | |
| We will be using a closed-lo | op system in lieu of lin | ed pits | 21 Propos | od Casin | g and Cement | Drogram | | | | | | |
| Type Hole Size | Casing Size | C | asing Weight/ | | | Depth | Sac | s of Cemen | nt | Estimated TOC | | |
| Surf 12.25 | 8.625 | | 32 | | 17 | 50 | | 1050 | | 0 | | |
| Prod 7.875 | 5.5 | | 23 | | 96 | 00 | | 1600 | 600 0 | | | |
| | | C | asing/Ceme | nt Progra | m: Additional | Comments | | | | | | |
| | | | | | | | | | | | | |
| | | | 22. Propos | ed Blowd | ut Prevention | Program | | | | | | |
| Type Working Pressure | | | Test Pressure | | | | | | Manufacturer | | | |
| Annular 2000 | | | 2000 | | | | | | to be determined | | | |
| 23. I hereby certify that the info knowledge and belief. I further certify I have compli | • | · | | • | : | | OIL CONS | SERVATIO | N DIVISION | | | |
| Ⅺ, if applicable. Signature: | | | | | | | | | | | | |

Approved By:

Approved Date:

Title:

Paul Kautz

Geologist

1/18/2018

Conditions of Approval Attached

Expiration Date: 1/18/2020

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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

API Number

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

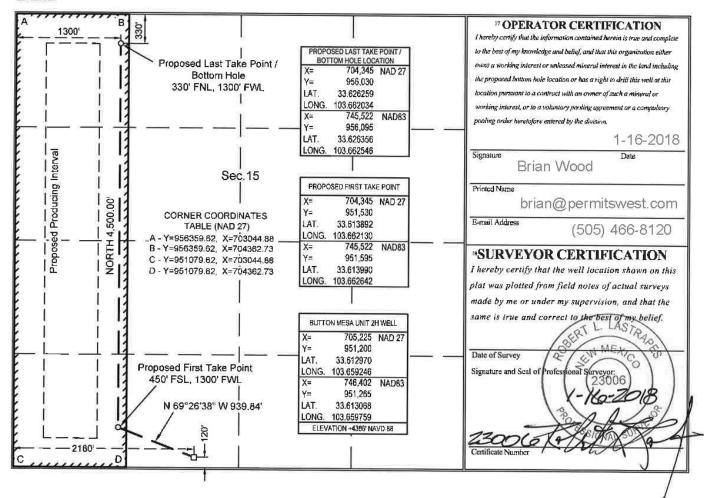
3 Pool Name

| W | E | J | L | OC | A | TI | O | V | 11 | VΠ | A | | R | F/ | 16 | GE. | D | ΕI | 1 | C | A' | TI | n | N | ΡI | Δ | T |
|---|---|---|---|----|---|----|---|---|----|----|---|--|---|----|----|-----|---|----|---|---|----|----|---|---|----|---|---|
|---|---|---|---|----|---|----|---|---|----|----|---|--|---|----|----|-----|---|----|---|---|----|----|---|---|----|---|---|

² Pool Code

| 30-005- | | | 12049 CHAVAROO;SAN ANDRES | | | | | | | |
|------------------------|--------------|--------------|---------------------------|-----------|---------------|------------------|---|----------------|--|--|
| 4 Proper | ty Code | | | 5 P | 6 | 6 Well Number | | | | |
| 316 | 875 | | | BUTTO | ON MESA UN | IT | | | 2H | |
| ⁷ OGRI | ID No. | | | 8 O | perator Name | | | | 9 Elevation | |
| 371 | 115 | | ROCKC | LIFF OPER | ATING NEW | | 4386' | | | |
| | | | | 10 Sur | face Locat | ion | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | |
| N | N 15 8 SOU | | 32 EAST, N.M.P.M. | | 120' | SOUTII | 2180' | WEST | CHAVES | |
| | | | " Bottom Ho | ole Locat | ion If Diffe | erent From S | urface | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | |
| D | D 15 8 SO | | OUTH 32 EAST, N,M,P,M. | | 330' | NORTH | 1300' | WEST | CHAVES | |
| 12 Dedicated Ad 160 | cres 13 Join | nt or Infill | Consolidation Code 15 C | Order No. | | | 1 | | Secretary and the Secretary of the Secre | |

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.



Form APD Comments

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

Permit 246145

PERMIT COMMENTS

| Operator Name and Address: | API Number: |
|---|------------------------|
| ROCKCLIFF OPERATING NEW MEXICO LLC [371115] | 30-005-29216 |
| 1301 McKinney | Well: |
| Houston, TX 77010 | BUTTON MESA UNIT #002H |

| Created By | Comment | Comment Date |
|------------|--|--------------|
| pkautz | REJECTED Well locations must be 10 feet off any government subdivision of a section. | 12/22/2017 |
| pkautz | REJECTED Well locations must be 10 feet off any government subdivision of a section. | 12/22/2017 |
| ksharp | Gas Capture Plan must be submitted to Paul Kautz for completion of approval process | 1/17/2018 |
| pkautz | GCP Received 01/18/2018 | 1/18/2018 |

Form APD Conditions

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

Permit 246145

PERMIT CONDITIONS OF APPROVAL

| Operator Name and Address: | API Number: | | | | | |
|---|------------------------|--|--|--|--|--|
| ROCKCLIFF OPERATING NEW MEXICO LLC [371115] | 30-005-29216 | | | | | |
| 1301 McKinney | Well: | | | | | |
| Houston, TX 77010 | BUTTON MESA UNIT #002H | | | | | |

| OCD Reviewer | Condition |
|-----------------|---|
| pkautz | Will require a directional survey with the C-104 |
| pkautz | Will require a administrative order for non-standard location prior to placing the well on production. |
| pkautz | SURFACE & PRODUCTION CASING - Cement must circulate to surface |
| 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 | 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 45 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104 |
| 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. |