<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

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 261048

		APPLICA	ATION F	FOR PERMIT TO	DRILL, RE	-ENTER, DEEPEN	N, PLUGBACI	K, OR ADD A Z	ONE		
	ame and Address							2. 0	GRID Number		
	dge Runner Resou		, LLC						373013		
	04 N. Big Spring S	reet						3. Al	3. API Number		
Mid	dland, TX 79701								30-025-45457	,	
4. Property Co	ode		5. Propert	ty Name				6. W	ell No.		
32	323041 PERSEUS 2 STATE					001H					
					7. Su	face Location					
UL - Lot	Section	Township	R	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
М	2	208	3	35E	M	100	S	330	W		Lea
					8. Proposed	Bottom Hole Location	n				
UL - Lot	Section	Township	R	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
D	2	208	3	35E	4	100	N	330	W		Lea

PEARL;BONE SPRING, SOUTH	49685	

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
New Well	OIL		State	3672
16. Multiple	17. Proposed Depth	18. Formation	19. Contractor	20. Spud Date
N	15200	2nd Bone Spring Sand		
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

Туре	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	1900	1400	0
Int1	12.25	9.625	36	5800	1200	0
Prod	8.75	5.5	17	15200	2050	5300

Casing/Cement Program: Additional Comments

22. Proposed Blowout Prevention Program	

	22.1 Toposed Biowout Trevention Trogram						
Туре	Working Pressure	Test Pressure	Manufacturer				
Annular	3000	1500					
Double Rem	5000	3000					

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 ☑ and/or 19.15.14.9 (B) NMAC ☑, if applicable.				OIL CONSERVATI	ON DIVISION
Signature:					
Printed Name: Electronically filed by Michelle Sena			Approved By:	Paul F Kautz	
Title:			Title:	Geologist	
Email Address:	msena@3ROperating.com		Approved Date:	1/3/2019	Expiration Date: 1/3/2021
Date: 12/26/2018 Phone: 432-684-7877 C			Conditions of Appr	oval Attached	

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 & 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

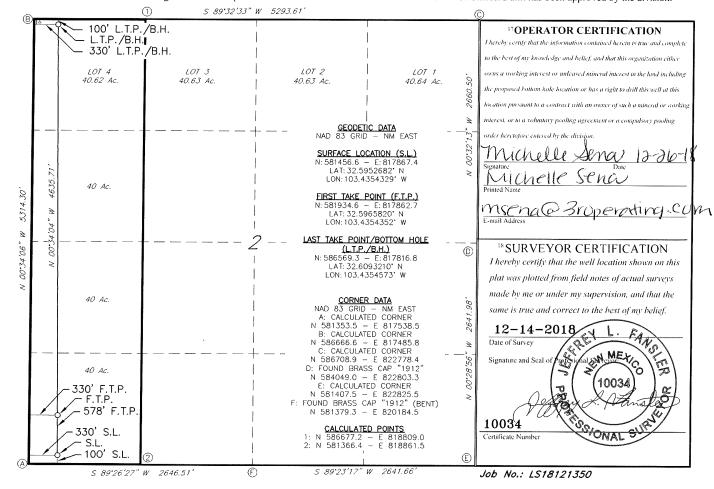
LAPI Number	² Pool Code	3 Pool Name
4Property Code	PERSEUS STATE 2	⁶ Well Number 1 H
⁷ OGRID NO.	*Operator Name RIDGE RUNNER RESOURCES OPERATING, LI	CC. 9 Elevation 3672'

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 M 2 **20S** 35E 100 SOUTH 330 WEST LEA

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
4	2	20S	35E		100	NORTH	330	WEST	LEA
12 Dedicated Acres	i 13 Joint	or Infill 1-	4 Consolidation	Code 15 (Order No.			1	***************************************
				1					

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.



Form APD Comments

<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

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**

Permit 261048

PERMIT COMMENTS

Operator Name and Address:	API Number:
Ridge Runner Resources Operating, LLC [373013]	30-025-45457
1004 N. Big Spring Street	Well:
Midland, TX 79701	PERSEUS 2 STATE #001H

Created By Comment Comment Date

Form APD Conditions

<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

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**

Permit 261048

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
Ridge Runner Resources Operating, LLC [373013]	30-025-45457
1004 N. Big Spring Street	Well:
Midland, TX 79701	PERSEUS 2 STATE #001H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
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	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	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	Stage Tool 1) Must notify OCD Hobbs Office prior to running Stage Tool at 5753703186 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.