

DATE IN	SUSPENSE	ENGINEER <i>WVS</i>	LOGGED IN	TYPE <i>DHC</i>	SP <i>PWJ/229334076</i>
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] **[NSP-Non-Standard Proration Unit]** **[SD-Simultaneous Dedication]**
[DHC-Downhole Commingling] **[CTB-Lease Commingling]** **[PLC-Pool/Lease Commingling]**
[PC-Pool Commingling] **[OLS - Off-Lease Storage]** **[OLM-Off-Lease Measurement]**
[WFX-Waterflood Expansion] **[PMX-Pressure Maintenance Expansion]**
[SWD-Salt Water Disposal] **[IPI-Injection Pressure Increase]**
[EOR-Qualified Enhanced Oil Recovery Certification] **[PPR-Positive Production Response]**

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

KRISTINA GRAHAM

Print or Type Name

Signature

Title

Date

e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240

District II
811 S. First St., Artesia, NM 88210

District III
1000 Rio Brazos Road, Artesia, NM 88210

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised August 1, 2011

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☐ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Logos Operating, LLC

4001 N. Butler, Bldg 7101 Farmington, NM 87401

DA-4587

Operator
Rita Com

#2

Address
Unit Letter O, Section 5, T23N, R6W

Rio Arriba

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 289408 Property Code 310179 API No. 30-039-22883 Lease Type: ☐ Federal ☒ State ☐ Fee

R-7034

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Wildcat Mesa Verde <i>oil</i>		Counselors Gallup-Dakota
Pool Code			13379
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Est. 3505' - 4214' <i>Mesa Verde</i>		5292' - 5504' <i>Gallup</i>
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	Est. 1500 psi		350 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	Est. Oil Gravity 42		Oil Gravity 45
Producing, Shut-In or New Zone	New Zone		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Offset production history attached. Date: Rates: Est. 30 bopd, Est. 45 mcf/d	Date: Rates:	Date: 4/30/2012 (6 mon avg) Rates: 0.44 bopd, 2.2 mcf/d
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	The allocation of produced volumes will be based on the production history of the Gallup zone which is well establish and stabilized. The new volumes of oil, gas, and water will be allocated to the Mesa Verde perforations.		

160 acre
OIL POOL

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?

Yes ☐ No ☒

If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

C-102 for each zone to be commingled showing its spacing unit and acreage dedication.

Production curve for each zone for at least one year. (If not available, attach explanation.)

For zones with no production history, estimated production rates and supporting data.

Data to support allocation method or formula.

Notification list of working, royalty and overriding royalty interests for uncommon interest cases.

Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools

List of all operators within the proposed Pre-Approved Pools

Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.

Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Kristy Graham TITLE Director of Admin. & Eng.

Support DATE 9/11/2012

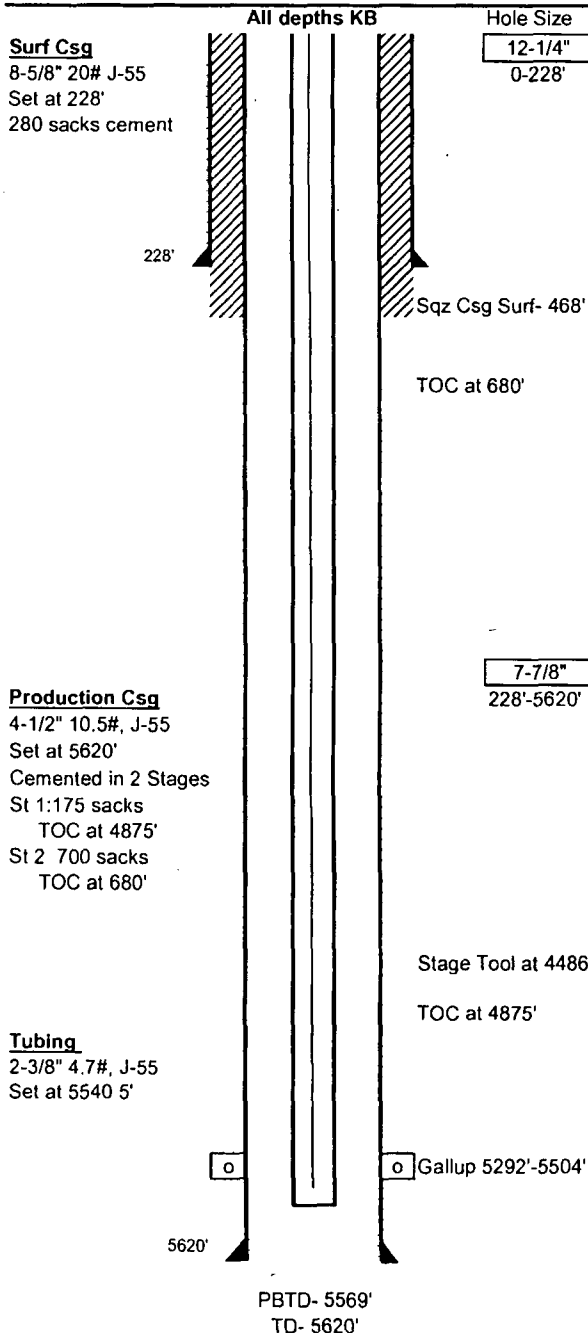
TYPE OR PRINT NAME Kristy Graham TELEPHONE NO. (505) 436-2627



Wellbore Schematic

Well Name Rita Com #2
Location O-05-23N-06W 980' FSL 1820' FEL
County Rio Arriba
API # 30-039-22883
Co-ordinates 36 2489508, -107.4892514
Elevations: GROUND 6773'
KB 6786'
PBTD 5569'
Depths (KB): TD 5620'

Date Prepared 7/27/2012
Last Updated
Spud Date 2/5/1982
Completion Date 4/6/1982
Last Workover Date



Surface Casing. (2/5/1982)

Drilled 12-1/4" surface hole Set 5 joints (215') of 8-5/8" casing at 228'.
Cemented with 175 sacks Class B 2% CaCl2 cement. TOC calculated at surface with
1 32 yield/sack and 50% efficiency

Production Casing: (2/13/1982)

Drilled 7-7/8" hole to 5620' Set 4-1/2", 10.5#, J-55 casing at 5620' with ST at 4486'
Cemented in 2 stages: Stage 1 cemented with 175 sacks Class H cement TOC at
4875' per CBL (2/13/82). Stage 2 cemented with 600 sacks Class B, followed with
100 sacks Class H. TOC at 680' per CBL (11/30/2007).

Tubing (12/19/2007)

	Length (ft)
Pup Joint	24
168 Joints 2-3/8" 4.7# J-55	5477 37
SN	1.1
Perf Pup Joint	4 00
Open-End Mud Anchor	21 00
Set at	5540 47 ft

Rods (12/19/2007)

	Length (ft)
71: 3/4" rods w/PATCO	1775
39: 5/8" rods w/ PATCO Scrapers	975
69: 5/8" rods plain	1723
26: 3/4" rods plain	650
10 3/4" plain + EO Guided rods	250
5 3/4" Guided rods	125
2"x1-1/4"x8"x10"x13" RHAC Pump	2
Set at	5513 ft

Perforations:

Perforated Gallup from 5292'- 5504' with 28 total holes.
5292'- 5302' (6 holes), 5312'- 5320' (5 holes), 5431'- 5443' (7 holes), 5467' (1 hole),
5469' (1 hole), 5478' (1 hole), 5480' (1 hole), and 5494'- 5504' (6 holes)
Fractured Gallup with 100,100 gal 75Q foam, 25,025 gal 2% KCl water, 1,811,504
scf N2, and 200,150# 20/40 sand Average Rate- 30 bpm.

Initial Test:

(4/11/1982) Flowing 18 hour test: 131 bbls oil (24 hr), 180 mcf gas (24 hr), 0 bbls water
Oil Gravity- 45°

Formations:

Ojo Alamo-	1375'
Kirtland-Fruitland-	1540'
Pictured Cliffs-	1962'
Cliff House-	3475'
Menefee-	3512'
Point Lookout-	4220'
Mancos-	4430'
Gallup-	5235'

Additional Notes:

*** (6/23/83) Well name was changed from Rita #2 to Rita Com #2

Jones, William V., EMNRD

From: Kristina Graham <kgraham@logosresourcesllc.com>
Sent: Monday, October 15, 2012 9:07 AM
To: Jones, William V., EMNRD
Cc: John Austin Akers
Subject: FW: Downhole commingle approval for Logos Resources; Rita Com #2 30-039-22883
Attachments: Rita Com 2 CA.pdf; Rita_Com_2_USPS_Certified_Tracking.pdf

Good Morning Will,

- a. Send by regular mail another copy of this application. I am sending you another copy today.
- b. Add the certified mailer numbers for each party that was noticed – showing the party's name and date and certification number. Alternately, just send a copy of the mailers, but make sure the date of the mailing is shown on each one. Please refer to Austin's message below.
- c. Confirm that the Counselors;Gallup-Dakota Pool spacing unit consists of the SE/4 of Section 5. The attached C-102 does not show this. Please refer to Austin's message below and the attachment "Rita Com 2 CA".

I've also attached the USPS tracking receipt. We sent the C107A by certified mail 9/11/12 and was accepted 9/12/12. Please let me know if you need anything else.

Thank you,

Kristy Graham

Director of Administration and Engineering Support
505-436-2627 Office
505-402-6361 Cell
kgraham@logosresourcesllc.com



From: John Austin Akers
Sent: Sunday, October 14, 2012 11:02 AM
To: Kristina Graham
Cc: David Gonzales
Subject: RE: Downhole commingle approval for Logos Resources; Rita Com #2 30-039-22883

Hi Kristy,

The mailings for the downhole commingle were as follows:

Certified No.	Date sent.	Party
70121010000057014959	9/11/2012	Lorna Harvey
70121010000057014966	9/11/2012	Merrion Oil & Gas
70121010000057014942	9/11/2012	BLM Farmington

The spacing unit for the Counselors;Gallup-Dakota Pool for the Rita Com No. 2 is not the SE/4 of Section 5. I have attached the CA which shows the spacing unit. It is the N2SE and SWSE of Section 5, and the NWNE of Section 8.

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

¹ API Number 30-039-22883	² Pool Code 97984	³ Pool Name WC 23N14W5; Mesa Verde (6)
⁴ Property Code 310179	⁵ Property Name RITA COM	⁶ Well Number 2
⁷ OGRID No. 289408	⁸ Operator Name LOGOS OPERATING, LLC	⁹ Elevation 6,773'

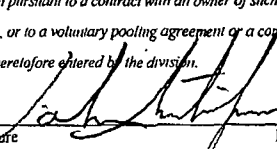
¹⁰ Surface Location

UL or lot no. O	Section 5	Township 23N	Range 6W	Lot Idn O	Feet from the	North/South line 980 FSL	Feet from the	East/West line 1820 FEL	County RIO ARriba
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 40.00	¹³ Joint or Infill Y	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.

<div style="text-align: center; font-size: 2em;">5</div> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">M</div> <div style="text-align: center;">N</div> <div style="text-align: center;"> <div style="border: 2px solid black; padding: 5px;"> <div style="text-align: center;">980'</div> </div> </div> <div style="text-align: center;"> <div style="border: 1px solid black; padding: 5px;">1,820'</div> </div> </div>	<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 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p style="text-align: right;">  8/29/12 Signature Date </p> <p>John Austin Akers Printed Name</p> <p>AAkers@logosresourcesllc.com E-mail Address</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 and correct to the best of my belief.</p> <p>UPDATED 8/29/2012</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor.</p> <p>NOTE: THIS SURVEY USES THE EXACT FOOTAGES OF THE CERTIFIED SURVEY FOR THE RITA COM 2 WELL FILED WITH THE COMMISSION 1/20/1982 CERTIFIED BY FRED B. KERR (SURVEYOR)- CERT NO. 3950</p>

All distances must be from the corner boundaries of the section.

Operator MERRIION OIL & GAS COMPANY			Lease R17A		Well No. 2
Unit Letter 0	Section 5	Township 23N	Range 6W	County Rio Arriba	
Aerial Footage Location of Well					
980		feet from the South	line end	1820	feet from the East
Ground Level Elev. 6773	Producing Formation Gallup		Pool <i>Counsellor</i>	Dedicated Acreage 160	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitized

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

L	K	J	I
NM 28735			
M	N	O	P
1820'			
D	C	B	A
Order No. R 7054			
E	F	G	H

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

James Penner
Position
President
Company
Merriion Oil & Gas Corp.
Date
9/8/82

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 knowledge and belief.

Date Surveyed
January 1983
Registration
and/or Transfer
Fred B. Kern Jr.
Certificate No.

R-7054 NSP

EXHIBIT A

Plat of communitized area covering N/2 SE/4 and SW/4 SE/4 of Section 5
and NW/4 NE/4 of Section 8, Township 23N, Range 6W, N.M.P.M.,
Undesignated Gallup field, Rio Arriba
County, New Mexico

TRACT NO. 1 GULF OIL CORPORATION NM-28735 80 acres	
TRACT NO. 2 o Rita Com #2 J. GREGORY MERRION ET AL Fee 60 acres	
TRACT NO. 3 LORNA HARVEY Fee 10 acres	TRACT NO. 4 IRIS BALBACH Fee 10 acres

EXHIBIT B

To Communitization Agreement dated April 10, 1982
embracing:

N/2 SE/4 and SW/4 SE/4 of Section 5 and
NW/4 NE/4 of Section 8, T23N, R6W, N.M.P.M.
Rio Arriba County, New Mexico
Gallup formation only

Operator of Communitized Area: Merrion Oil & Gas Corporation

COMMUNITIZATION AGREEMENT

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of April, 19 82, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto".

W I T N E S S E T H:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 23 North, Range 6 West, N.M.P.M.

Section 5: N/2 SE/4 and SW/4 SE/4

Section 8: NW/4 NE/4

Rio Arriba County, New Mexico

Non-standard spacing unit approved by the New Mexico
Oil Conservation Commission, effective _____

Containing 160 acres, more or less, and this agreement shall include only the Gallup formation underlying said lands and the crude oil and associated natural gas hereinafter referred to as "communitized substances", producible from such formation.

Tract No. 1

Lease Serial No.: NM-28735

Lease Date: November 1, 1976

Lease Term: Held by production

Lessor: United States of America

Original Lessee: Gulf Oil Corporation

Present Lessee: Gulf Oil Corporation

Description of Land Committed:

N/2 SE/4 of Section 5, T23N, R6W, N.M.P.M.
Rio Arriba County, New Mexico
Gallup formation only.

Number of Acres: 80

Royalty Rate: Step scale 12.5% to 25% maximum, depending upon production.

Name and Percent of O.R.R.I. Owners: Gallup Formation, Gulf Oil Corporation,
5% Convertible

Name and Percent of W.I. Owners: Gallup Formation, Aztec Energy Corporation

Tract No. 2

Lease Serial No.: Owned fee minerals

Mineral Ownership:

J. Gregory Merrion	44.79815%
William W. Merrion	23.73704
Donald J. Merrion, Jr., Trustee	23.73704
Robert E. Merrion	7.72777
	<u>100.00000%</u>

Description of Land Committed:

SW/4 SE/4 of Section 5 and N/2 NW/4 NE/4 of Section 8, T25N, R6W. N.M.P.M.
Rio Arriba County, New Mexico
Gallup formation only.

Number of Acres: 60

Name and Percent of R.I. Owners: None

Name and Percent of O.R.R.I. Owners: None

Tract No. 2, Continued

Name and Percent of W.I. Owners:

J. Gregory Merrion	44.79815%
William W. Merrion	23.73704
Donald J. Merrion, Jr., Trustee	23.73704
Robert E. Merrion	7.72777
	<u>100.00000%</u>

~~Authorization for Pooling: Mineral was not in production, pooling~~

Tract No. 3

Lease Serial No.: Leased fee minerals

Lease Date: January 1, 1982

Lease Term: 5 years

Mineral Ownership: Lorna Harvey - 100%

Present Lessee: Merrion Oil & Gas Corporation

Description of Land Committed:

SE/4 NW/4 NE/4 of Section 8, T25N, R6W, N.M.P.M.
Rio Arriba County, New Mexico
Gallup formation only.

Number of Acres: 10

Name and Percent of R.I. Owners: Lorna Harvey - 100.00000%

Name and Percent of O.R.R.I. Owners: None

Name and Percent of W.I. Owners: Merrion Oil & Gas Corporation

Authorization for Pooling: Pooling Clause on file at Merrion Oil & Gas Corporation, P. O. Box 1017, Farmington, New Mexico 87401.

Tract No. 4

Lease Serial No.: Lease fee minerals

Lease Date: January 1, 1982

Lease Term: 5 years

Tract No. 4, Continued

Mineral Ownership: Iris V. Balbach - 100%

Present Lessee: Merrion Oil & Gas Corporation

Description of Land Committed:

SE/4 NW/4 NE/4 of Section 8, T23N, R6W, N.M.P.M.
Rio Arriba County, New Mexico
Gallup formation only.

Number of Acres: 10

Name and Percent of R.I. Owners: Iris V. Balbach - 16.66667%

Name and Percent of O.R.R.I. Owners:

M. Herman Walters', Steven S. Dunn's, and Merle L. Ellsaesser's
working interests are subject to a Merrion Oil & Gas Corporation
O.R.R.I. of 8.33332%.

Name and Percent of W.I. Owners:

Steven S. Dunn	8.00000%
Merle L. Ellsaesser	12.00000
M. Herman Walters	40.00000
Merrion Oil & Gas Corporation	40.00000
	<u>100.00000%</u>

Authorization for Pooling: Pooling Clause on file at Merrion Oil & Gas
Corporation, P. O. Box 1017, Farmington,
New Mexico 87401.

R E C A P I T U L A T I O N

<u>Tract No.</u>	<u># of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	80	50.00%
2	60	37.50
3	10	6.25
4	<u>10</u>	<u>6.25</u>
	160	100.00%



4001 N. Butler Ave
Farmington, NM 87401
Phone: (505) 215-8215
Fax: (303) 974-1767

Date: September 10, 2012

To: Rita Com # 2 (API 30-039-221883) Interest Owners

Re: Downhole Commingle of Mesa Verde and Gallup

Dear Rita Com #2 Interest Owners,

Logos Operating, LLC (UGRID 289408) is proposing to add pay in the Mesa Verde and commingle the new Mesa Verde and existing Gallup producing intervals. The well will remain on artificial lift with the pumping unit and will have the pump intake in the Gallup interval to minimize hydrostatic back pressure on the Gallup.

The production allocation will be based on historical Gallup production and new commingled production. The Gallup 6 month production average is 0.44 BOPD and 2.2 MCFD; therefore, all new volumes above that amount will be credited to the Mesa Verde. Once Mesa Verde production is established, an allocation percentage will be created and used for each formation.

Gallup Allocation Formula:

$$(6 \text{ Month BOPD Gallup Avg}) / (\text{BOPD Gallup and Mesa Verde}) = \text{Gallup Oil Allocation}$$

$$(6 \text{ Month MCFD Gallup Avg}) / (\text{MCFD Gallup and Mesa Verde}) = \text{Gallup Gas Allocation}$$

Please let me know if you have further questions or concerns.

Regards,

A handwritten signature in black ink, appearing to read "David Gonzales", is written over a horizontal line.

David Gonzales
Vice President of Operations

Kristina Graham

From: John Austin Akers
Sent: Monday, September 10, 2012 3:31 PM
To: Kristina Graham
Subject: Royalty and WI contacts- Rita 2

ORRI & Royalty Owner	Merrion Oil & Gas	MERRION OIL, 610 REILLY AVE	FARMINGTON
Royalty Owner	Minerals Management Service/ BLM	BLM Farmington Field office	
Royalty Owner	Lorna R. Harvey	2948 NORTH VIEW DR	GRAND JUNCTION

John "Austin" Akers
Vice President of Land
Logos Resources, LLC
Phone: 303-550-1877
aakers@logosresourcesllc.com



Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Friday, October 12, 2012 3:47 PM
To: 'Kristina Graham'
Cc: Hoppe, William, EMNRD
Subject: RE: Downhole commingle approval for Logos Resources; Rita Com #2 30-039-22883

Hello Kristina,
For some reason, we had not logged this in and I can't find a copy.
The emailed copy is very faint (like me on Monday morning).

I have looked it over and looked at the well file and the Special Rules for the Counselors;Gallup-Dakota Pool and have a couple of requests.

Would you please:

- a. Send by regular mail another copy of this application. ✓
- b. Add the certified mailer numbers for each party that was noticed – showing the party's name and date and certification number. Alternately, just send a copy of the mailers, but make sure the date of the mailing is shown on each one.
- c. ✓ Confirm that the Counselors;Gallup-Dakota Pool spacing unit consists of the ~~SE 1/4~~ of Section 5. The attached C-102 does not show this.

We must wait 20 days after the notices were mailed before the permit can be released.

Thank You,
Will Jones

From: Kristina Graham [<mailto:kgraham@logosresourcesllc.com>]
Sent: Wednesday, October 10, 2012 3:06 PM
To: Jones, William V., EMNRD
Subject: Downhole commingle approval for Logos Resources; Rita Com #2 30-039-22883

Good Afternoon,

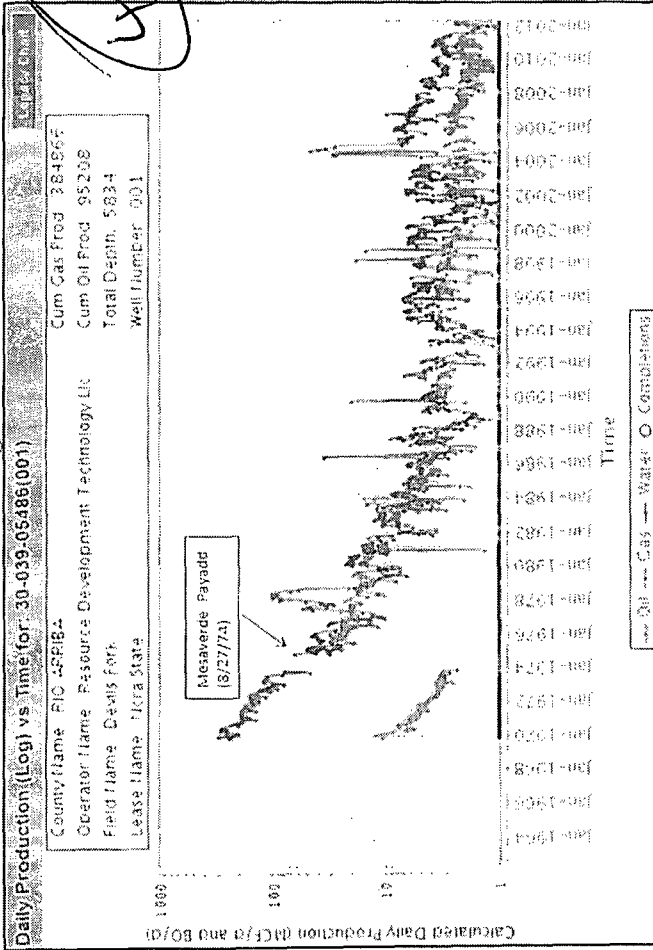
Could I please get an update on the status of the downhole commingle application for the Rita Com #2? I've attached another copy for your reference.

Thank you,

Kristy Graham
Director of Administration and Engineering Support
505-436-2627 Office
505-402-6361 Cell
kgraham@logosresourcesllc.com

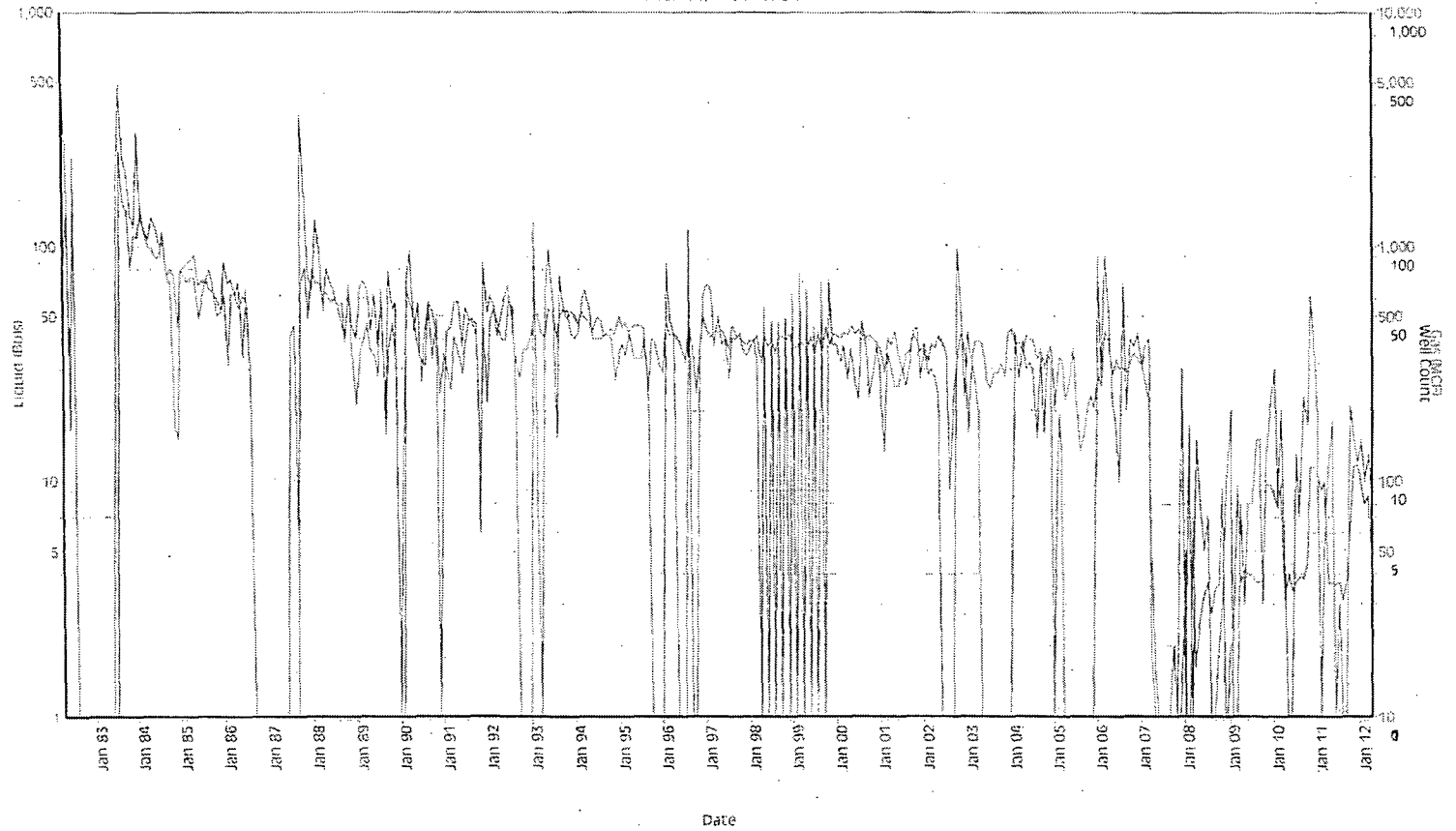


Offset MV Production History



YH 002 R

RITA COM 002
 RIO ARRIBA (NM)
 23N 05W 05 O
 Operator: LOGOS OPERATING, LLC
 Field: COUNSELORS (CALLUP/DAKOTA)
 (Monthly Production)



— Liquid (bbls) — Gas (MCF) — Wells

Liquid (bbls): Current Cum: 14,339 Total: 14,339
 Gas (MCF): Current Cum: 129,988 Total: 129,988