| District I | State of New Mexico | Form C-101 |
|---|---------------------------------------|-----------------------|
| 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (57) 100-001L CONSERVAT | ION | Revised July 18, 2013 |
| District II ARTESIA DISTRICT | Energy Minerals and Natural Resources | |
| 811 S. First St., Artesia, NM 88210 | | |
| Phone: (575) 748-1283 Fax: (575) 748-9720 NOV 1 4 2014 | Oil Conservation Division | AMENDED REPORT |
| District III | | |
| 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 | 1220 South St. Francis Dr. | |
| District IV | | |
| 1220 S. St. Francis Dr., Santa Fe, NM 87505 | Santa Fe, NM 87505 | |
| Phone: (505) 476-3460 Fax: (505) 476-3462 | | |
| | | |
| | | |

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

| | | | - | rator Nam | | | | | | | | [•] OGRID Numb 258894 | er |
|---|---------------|-----------------|--|---------------------------------------|--------------------------------------|------------------|--|----------|---------------------|------------|-------------|------------------------------------|----------------|
| Proper | (Y 100 | 2 | Leg 1502 1 | end Natura Katy Free Jouston, T | l Gas III, I way, Ste. X 77094 | _P 200 | | | | | | ³ API Number 30-015- | 42796 |
| 3137 | | | | | | s. FUI | Property Name LL CHOKE SWD |) | | sijs | | δ. W | ell No. 7 |
| | | | | _ | | ^{7.} Su | rface Locatio | n | | 1 | | | |
| UL - Lot C | Section 32 | Township 24S | | Range 28E | Lo | t Idn | Feet from 510 | | Line orth | Feet 13 | From 40 | E/W Line WEST | County Eddy |
| | | • | | | 8. J | ropose | ed Bottom Hol | le Locat | tion | | | | |
| UL - Lot | Section | Township | | Range | i Loi | t Idn | Feet from | N/S | Line | Feet | From | E/W Line | County |
| L | | L | | | | ^{9.} Po | ol Informatio | n | | | L | • | J |
| | | | | | | Pool | Name | | | - | | | Pool Code |
| | · | | | | | SWD; DE | LAWARE | | | | | | 96100 |
| | • | | | | A | dition | al Well Inforn | nation | | | | | |
| ^{11.} Work Type ^{12.} Well Type | | | ^{13.} Cable/Rotary ^{14.} | | | 2. | | | und Level Elevation | | | | |
| | N INJ (SWD) | | | | R | | | State | | 3036' | | | |
| | ultiple | | | posed Deptl | 1 | | ^{18.} Formation ^{19.} Contractor | | | or | | | |
| | <u>N</u> | | 60 | 00'TVD | | Delawar | | | | | | | Upon Arrival |
| Depth to Grou | und water | <201' | | Dist | ance from | nearest f | resh water well | 3703' SW | | | Distance to | nearest surface | water 180' NE |

$_{\rm X}$ 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. | 14 1/2 | 10 3/4 | J-55 45.5# | 500 | 480 | Surface |
| Prod. | 9 7/8 | 7 | N-80 23# | 6000 | 3000 | Surface |
| | | | | | | |
| | | Casin | g/Cement Program: A | dditional Comments | | |

^{22.} Proposed Blowout Prevention Program

| Туре | Working Pressure | Test Pressure | Manufacturer |
|------|------------------|---------------|--------------|
| | 5000 | 3500 | |

| ^{23.} I hereby certify that the information given above is true and complete to the best of my knowledge and belief. | OIL CONSERVATION DIVISION |
|---|---|
| I further certify that I have complied with 19.15.14.9 (A) NMAC and/or 19.15.14.9 (B) NMAC | Approved By: |
| Signature: Unnifu April | 1. C. Shapard |
| Printed name: Jennifer Elrod | Title: |
| Title: Sr. Regulatory Analyst | Approved Date: 11-14-2014 Expiration Date: 11-14-2016 |
| E-mail Address: jelrod@lng2.com | |
| Date: 10/08/2014 Phone: 817-872-7822 | Conditions of Approval Attached |

| DISTRICT 1 1625 N. French Dr., Hol Phone: (575) 393-6161 DISTRICT 11 811 S. First St., Artesia, Phone: (575) 748-1283 1 DISTRICT 111 1000 Rin Brazos Road, J Phone: (505) 334-6178 1 DISTRICT 1V 1220 S. St. Francis Dt., S Phone: (505) 476-3460 1 | Fax: (575) 393-(NM 88210 Fax: (575) 748-9 Aziec, NM 8741) Fax: (505) 334-6 Santa Fe, NM 87 | 1720 0 170 7505 | State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, New Mexico 87505 | | | | | | | Submit on | Form C-102 vised August 1, 2011 e copy to appropriate District Office ENDED REPORT |
|--|--|--------------------------|---|---------------|-----------------|------------------------------|---------------|-----------------|------------------|--------------------|--|
| | | WEI | L LOCA | TION A | ND ACR | EAGE DI | EDICA | ATION PLA | Т | | |
| 30-01 | 30-015-72796 Pool Code SWD; DELAWARE | | | | | | - | | | | |
| Property C 31379 | Property Code Proper | | | | | HOKE SWD | | | Well Number 7 | | |
| OGRID N 25889 | ↓o. 2 \ | | | LEGEN | • | rator Name ΓURAL GAS, LLC | | | | Elevation 3040' | |
| | | | | | Surface Lo | ocation | | | | | , |
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from th | ie North/So | ith line | Feet from the | East | /West line | County |
| C | 32 | 24-S | 28-E | | 510 | NOR | TH | 1340 | V | VEST | EDDY |
| L | | | 1 | Bottom Hol | e Location If I | Different From S | Surface | | 1 | 4 | |
| UL or lot No. | Section | Township | Range | Fcet from the | ne North/So | uth line | Feet from the | East | /West line | County | |
| Dedicated Acres | Joint or | 1 Infill | Consolidation C | ode Ord | er No. | · · · | | | I | | |
| NO ALLOWABLE W | ILL BE ASSIG | NED TO THIS C | COMPLETION UN | TIL ALL INTE | RESTS HAVE BE | EN CONSOLIDAT | ed or a 1 | ON-STANDARD UNI | T HAS B | EEN APPROVE | D BY THE DIVISION |

| N | | |
|-------|--|--|
| 1340' | GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y= 429170.4 N X= 568045.5 E | OPERATOR CERTIFICATION I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement of a compulsory pooling order heretofore faitered by the division. |
| | LAT.=32.179715* N LONG.≃104.113398* W GEODETIC COORDINATES NAD 83 NME | Signifuque Signifuque <u>ENNIFER ELPOD</u> |
| | SURFACE LOCATION Y= 429228.6 N X= 609229.0 E LAT.=32.179837 N | <u>JENNIFER ELPOD</u> Printed Name <u>Jelhodetrinityriver energy</u> .com y-mail Address SURVEYOR CERTIFICATION |
| · · | LONG.=104.113891* W | 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. SEPTEMBER 16, 2014 |
| | | Date of Survey Signature & Scal Ql Rrofessional Surveyor: |
| | | 3239 3239 Image: 101 F2 2014 101 F2 2014 Certificated under Gary Q. Edgen 12641 101 F2 2014 Image: 101 F2 2014 101 F2 2014 Certificated under Gary Q. Edgen 12641 101 F2 2014 Image: 101 F2 2014 101 F2 2014 Certificated under Gary Q. Edgen 12641 101 F2 2014 Image: 101 F2 2014 101 F2 2014 |

Permit Conditions of Approval

30-0 15 - 42796 API:

| OCD Reviewer | Condition | ······································ | •••••••••••••••••••••••••••••••••••••• | | |
|-----------------|--|--|--|--|------------|
| CSHAPARD | Once the well is spud, to prevent the operator shall drill without into cement the water protection string | erruption through the fresh wa | through whole or parti ater zone or zones and | al conduits from the sur I shall immediately set in | face. 1 |

Must have approved SWD order in place prior to injecting