

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

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

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 July 16, 2010

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-35342	² Pool Code 96333 97594	³ Pool Name SALT DRAW, UPPER PEAN (GAS) Sulphate Draw, Wolfcamp, NW (Gms)
⁴ Property Code VA-2740-1 State	⁵ Property Name Winchester "5" State	⁶ Well Number 1
⁷ OGRID No. 258894	⁸ Operator Name Legend Natural Gas III, Limited Partnership	⁹ Elevation 3007

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
K	5	25S	28E		1004	South	1986	West	Eddy

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
K	5	25S	28E		833.30	South	1172.61	West	Eddy

¹² Dedicated Acres	¹³ Joint or Infill	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.

¹⁶ 	¹⁷ OPERATOR CERTIFICATION 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. Signature: <u>R Brock Hendrickson</u> Date: <u>03/01/2011</u> Printed Name: <u>R Brock Hendrickson</u> E-mail Address: <u>bhendrickson@lng2.com</u>
	¹⁸ SURVEYOR CERTIFICATION 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. Date of Survey: _____ Signature and Seal of Professional Surveyor: _____ Certificate Number: _____

Kautz, Paul, EMNRD

From: Brock Hendrickson [BHendrickson@lng2.com]
Sent: Tuesday, April 05, 2011 12:26 PM
To: Kautz, Paul, EMNRD
Cc: Anders Storaune; Boardroom Boardroom; Coby Nathanson; Cassandra Rauch; Carl Wimberley; Kendal Kuiper; Mark Hargis; Marianne Soon; Mark Tantillo; Randy Ferrell
Subject: Fwd: RE: Financial Assurance Bond
Attachments: Winchester 5 State #1 Procedure.doc; C-101 Winchester 5 St 1.pdf; C-102 Winchester 5 St 1.pdf; Wellbore Diagram.pdf

Mr Kautz,

Please see below, the e-mail from Dorothy Phillips, stating that we are now approved on our financial assurance & Rule 5.9. As was discussed last week, the well in question is the Winchester 5 State #1 (30-015-35342). I e-mailed you the documents to this well, as attachments, and have attached them again, in case there was an issue. If there is any further requirements or changes that need be made, please let me know so that I may make the appropriate changes. Thank you for your aid in this matter; have a nice day.

Regards,

Brock Hendrickson
Legend Natural Gas II, LP
410 W. Grand Pkwy
Katy, TX 77494
O. (281) 644.5905
F. (281) 644.5901

>>> "Phillips, Dorothy, EMNRD" <dorothy.phillips@state.nm.us> 4/5/2011 12:52 PM >>>

I have received the rider. You are okay on your financial assurance and Rule 5.9. The Y should come off tomorrow morning. Questions? Let me know.

From: Brock Hendrickson [<mailto:BHendrickson@lng2.com>]
Sent: Tuesday, April 05, 2011 9:28 AM
To: Phillips, Dorothy, EMNRD
Cc: Cassandra Rauch; Melody Lanier
Subject: RE: Financial Assurance Bond

Thank you for your response. I've spoken with our bonding agent, and the rider should arrive this morning. Is that all that is missing, from our end? If there is anything else that is needed, on our behalf, please let me know and we'll be sure to get it expedited. Thank you for your help in this matter; have a nice day.

Regards,

Brock Hendrickson
Legend Natural Gas II, LP
410 W. Grand Pkwy
Katy, TX 77494
O. (281) 644.5905

F. (281) 644.5901

>>> "Phillips, Dorothy, EMNRD" <dorothy.phillips@state.nm.us> 4/5/2011 10:09 AM >>>

Yes, I received the bond, however, I need a rider to the bond changing the name of the well to State GQ Com No. 1. You did not put the number on the bond and OCD Attorney will not sign off. Questions? Let me know.

API Number	ULSTR	Footages
3001522894	J-7-25S-28E	1980 FSL & 1980 FEL
Well Name & Number: STATE GQ COM No. 001		
Operator: LEGEND NATURAL GAS III LIMITED PARTNERSHIP		

From: Brock Hendrickson [<mailto:BHendrickson@lng2.com>]
Sent: Friday, April 01, 2011 9:35 AM
To: Phillips, Dorothy, EMNRD
Cc: Cassandra Valk
Subject: Financial Assurance Bond

Dorothy,

My name is Brock Hendrickson, with Legend Natural Gas, LLC in Houston, TX. This e-mail is to find if the bond we sent, last week, was accepted and approved. The well in question is the State GQ Com #1 (30-015-22894). The bond was for \$17,930, and should have arrived on Friday, March 25, 2011. Thank you for your time and have a nice day.

Regards,

Brock Hendrickson
Legend Natural Gas II, LP
410 W. Grand Pkwy
Katy, TX 77494
O. (281) 644.5905
F. (281) 644.5901