

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUN 09 2015

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
SF 078309

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Logos Operating, LLC

3a. Address
4001 North Butler Avenue, Building 7101
Farmington, NM 87401

3b. Phone No. (include area code)
505-330-9333

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
Brannon Federal 292H

9. API Well No.
30-045-35645

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1824' FNL, 300' FWL (SW/NW) BHL: 1650' FNL & 250' FWL (SW/NW)
Section 28, T25N, R9W, UL E Section 29, T25N, R9W, UL E

10. Field and Pool or Exploratory Area
Basin MN / White Wash MN-DK

11. County or Parish, State
San Juan County, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Down Hole</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Commingle</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Logos proposes to downhole commingle the referenced horizontal well upon completion of the Basin Mancos and White Wash Mancos-Dakota intervals. Please refer to attached documents.

The allocation will be a fixed allocation between the two pools based on the dedicated acreage in each pool. Based on this methodology, the White Wash Mancos-Dakota is proposed to have 50% allocated to it, with the Basin Mancos having 50% allocated to it. The NMOCD has assigned DHC-4767 number for this commingle.

ACCEPTED FOR RECORD OIL CONS. DIV DIST. 3

JUN 11 2015

JUN 15 2015

FARMINGTON FIELD OFFICE
BY: Joe Harsh

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Tamra Sessions

Title Operations Technician

Signature

Tamra Sessions

Date 06/01/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

NMOCD

16



4001 N. Butler Blvd. Bldg 7101
Farmington, NM 87401
Phone: (505) 436-2626
Fax: (303) 974-1767

April 30, 2015

Farmington Field Office
Bureau of Land Management
6251 College Blvd. Suite A
Farmington, NM 87402

Sent Via US Priority Mail

**Re: Logos Operating, LLC
Downhole Comingling Application Notice
Brannon Federal 292H well
API No. – 30-045-35645
1824' FNL and 300' FWL (Surface)
SW/4NW/4 Section 28, T25N, R9W
1650' FNL and 250' FWL (Bottom)
SW/4NW/4 Section 29, T25N, R9W
San Juan County, New Mexico**

To whom it may concern:

Please be advised that Logos Operating, LLC has submitted the attached C-107A application for the Brannon Federal 292H well to the Santa Fe NMOCD office as of the date of this letter. This application requests commingling of the following two pools:

- White Wash Mancos-Dakota (Pool Code 64290)- Oil
- Basin Mancos (Pool Code 97232)- Oil

This downhole comingling application is for one horizontal well to be drilled through one formation that is administratively divided between two pools covering the same Mancos formation (the White Wash Mancos and the Basin Mancos). Pending approval of a non-standard spacing unit application, the spacing unit for the well will be the S/2N/2 of Section 29 of T25N, R9W. Both pools are estimated to have the exact same oil gravity, gas btu, water rates, and bottomhole pressures which will be determined upon the drilling of the well. The S/2NW/4 of Section 29 is considered Basin Mancos by the OCD, and the S/2NE/4 is considered White Wash by the OCD. As such, LOGOS proposes that there be a fixed allocation between the two pools based on the % of the dedicated acreage they cover. Based on this methodology, the White Wash Mancos is proposed to have 50% allocated to it with the Basin Mancos having 50% of production allocated to it.

The Federal government owns 100% minerals in all depths in this well and has been notified of this application. All ownership is uniform across all depths. Please refer to the NSL/NSP application for Unorthodox Well Location and Unorthodox Spacing Unit.

Should you have any concerns regarding this application please contact me at 505-436-2606 or tsessions@logosresourcesllc.com

Very truly yours,

A handwritten signature in black ink that reads "Tamra Sessions". The signature is written in a cursive style with a large, looping initial "T".

Tamra Sessions
Operations Technician
Enclosures: C107A application

JUN 15 2015

Form C-102

Revised August 1, 2011

Submit one copy to appropriate District Office

DISTRICT I
1005 N. French Dr., Hobbs, N.M. 88240
Phone: (505) 393-6181 Fax: (505) 393-0720

DISTRICT II
811 E. First St., Artesia, N.M. 88210
Phone: (505) 748-1283 Fax: (505) 748-0720

DISTRICT III
1000 E. Brunson Rd., Aztec, N.M. 87410
Phone: (505) 334-6179 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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-35645	² Pool Code 64290 / 97232	³ Pool Name WHITE WASH MANCOS DAKOTA / BASIN MANCOS
⁴ Property Code 314773	⁵ Property Name BRANNON FEDERAL	⁶ Well Number 292H
⁷ OGHD No. 289408	⁸ Operator Name LOGOS OPERATING, LLC	⁹ Elevation 6680'

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
E	28	25-N	9-W		1824	NORTH	300	WEST	SAN JUAN

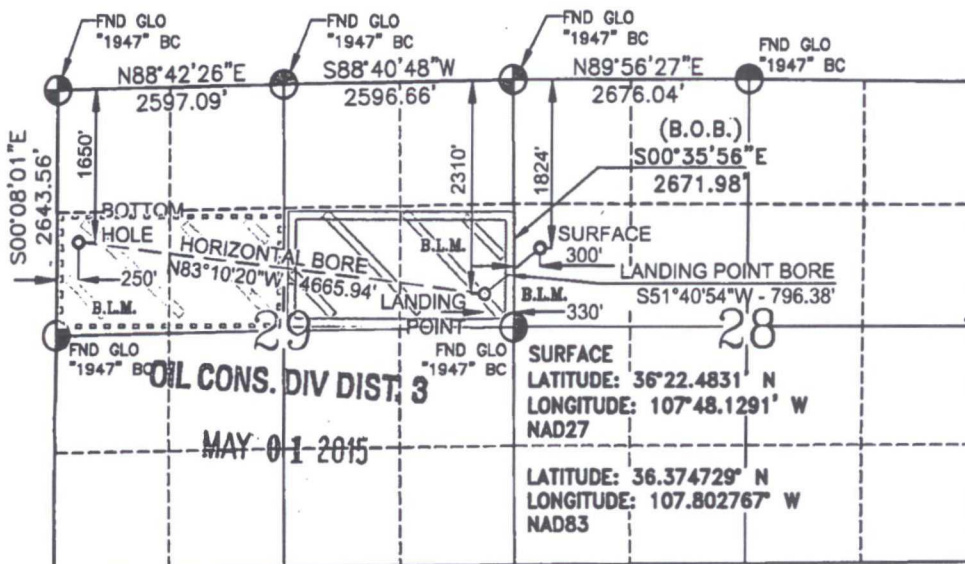
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	29	25-N	9-W		1650	NORTH	250	WEST	SAN JUAN

¹² Dedicated Acres WW MN S/2NE/4 80 acres Basin MN S/2NW/4 80 acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. NSL-7286 NSP-2031 DHC-47167
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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 a working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Tamra Sessions 4-30-15
Signature Date

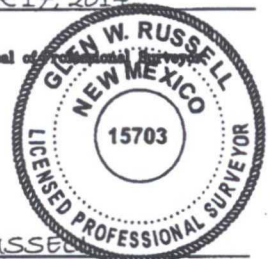
Tamra Sessions
Printed Name
tsessions@logosresourcesllc.com
E-mail Address

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.

SEPTEMBER 17, 2014
Date of Survey

Signature and Seal of Professional Surveyor



GLEN W. RUSSELL
Certificate Number 15703

BOTTOM HOLE
LATITUDE: 36°22.4932' N
LONGITUDE: 107°49.2002' W
NAD27

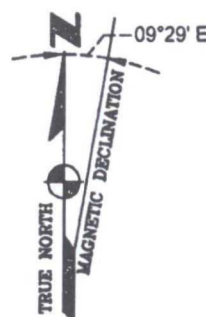
LATITUDE: 36.374897° N
LONGITUDE: 107.820620° W
NAD83

LANDING POINT
LATITUDE: 36°22.4018' N
LONGITUDE: 107°48.2564' W
NAD27

LATITUDE: 36.373374° N
LONGITUDE: 107.804889° W
NAD83

BASIS OF BEARING:
BETWEEN FOUND MONUMENTS AT THE NORTHEAST CORNER AND THE EAST QUARTER CORNER OF SECTION 29, TOWNSHIP 25 NORTH, RANGE 9 WEST, N.M.P.M. SAN JUAN COUNTY, NEW MEXICO.

LINE BEARS: S 00°35'56\"/>



State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



May 20, 2015

Logos Operating, LLC
Attn: Mr. Austin Akers

**ADMINISTRATIVE NON-STANDARD LOCATION, NON-STANDARD PRORATION
UNIT, AND DOWN-HOLE COMMINGLING ORDER**

Administrative Order NSL-7286
Administrative Application Reference No. pMAM1512048186

Administrative Order NSP-2031
Administrative Application Reference No. pMAM1512048540

Administrative Order DHC-4767
Administrative Application Reference No. pMAM1512048680

Logos Operating, LLC
OGRID 289408
Brannon Federal Well No. 292H
API No. 30-045-35645

Non-Standard Location

Proposed Location:

	Footages	Unit	Sec.	Twsp	Range	County
Surface	1824' FNL & 300' FWL	E	28	25N	9W	San Juan
Penetration Point	2310' FNL & 330' FEL	H	29	25N	9W	San Juan
Final perforation	1650' FNL & 330' FWL	H	29	25N	9W	San Juan
Terminus	1650' FNL & 250' FWL	E	29	25N	9W	San Juan

Proposed Project Area:

Description	Acres	Pool	Pool Code
S/2 NE/4 of Section 29	80	White Wash Mancos Dakota	64290
S/2 NW/4 of Section 29	80	Basin Mancos	97232

Reference is made to your application received on April 30, 2015.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by the Special Rules for the Basin Mancos Gas Pool, which provides for 320-acre units with wells to be located at least 660 feet from outer unit boundaries, and Rule 19.15.16.14.B (2) NMAC concerning directional wells in designated project areas. This surface location is outside the project area, and is permitted by Rule 19.15.16.15.B (4) NMAC which allows for surface locations outside project area. This location is unorthodox because portions of the proposed completed interval located in the Basin Mancos Gas Pool are less than 660 feet from an outer boundary of the project area.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A(2) NMAC.

It is our understanding that you are seeking this location in order for efficient well spacing and to prevent waste of a productive reservoir.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Division Rule 19.15.4.12.A(2) NMAC in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

Non-Standard Proration Unit

You have also requested approval of one or more non-standard proration units to be included in your proposed project area, as follows:

Units Comprising this Project Area

Unit	Acres	Pool	Code
S/2 NE/4 of Section 29	80	White Wash Mancos Dakota	64290
S/2 NW/4 of Section 29	80	Basin Mancos	97232

A standard proration unit in the Basin Mancos Gas pool consists of 320-acres comprising a half-section. Your proposed non-standard proration unit consists of one or more contiguous quarter-quarter sections located entirely within the same half section.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A(3) NMAC.

The applicant is seeking this non-standard proration unit in the Basin Mancos, because the project area consists of two pools with different spacing units, as described above. Next, according to Division Order R-12984 issued on September 3, 2008, the White Wash Mancos Dakota Pool is not listed and frozen; therefore acreage outside of this pool in the project area is dedicated to the Basin Mancos. Lastly, the non-standard proration unit in the Basin Mancos provides for a fair and equitable method to allocate production between the two pools.

It is understood that you have given due notice of this application to all operators or owners to whom notice is required by Division Rule 19.15.4.12.A(3) NMAC.

Pursuant to the authority conferred by Division Rule 19.15.15.11(B), the above-described non-standard proration unit is hereby approved.

Down-Hole Commingling

You have also requested permission to down-hole commingle production from the above-referenced pools within this wellbore.

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of Division Rule 19.15.12.11(A) NMAC, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described.

Assignment of allowable and allocation of production from the well shall be as follows:

Basin Mancos Pool	Pct Oil: 50%	Pct Gas: 50%
White Wash Mancos Dakota Pool	Pct Oil: 50%	Pct Gas: 50%

It is our understanding that the above allocation percentages are based on the acreage dedicated to the different pools in the project area.

It is also understood that you have given due notice of this application as defined in Division Rule 19.15.4.12A.(6) NMAC, to all owners of interest in the Basin-Mancos and White Wash Mancos Dakota Pools.

The operator shall notify the Division's Aztec district office upon implementation of commingling operations.

Pursuant to Division Rule 19.15.12.11 (B) NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

General provisions

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on May 20, 2015.


DAVID R. CATANACH
Director

DRC/mam

cc: New Mexico Oil Conservation Division – Aztec
Bureau of Land Management – Farmington

4/30/2015	SURGE	MAM	4/30/2015	NSL	PMAM 1512048540
DATE IN		ENGINEER	LOGGED IN	TYPE	APP NO.
				DHC	PMAM 1512048540

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, DAKOT

[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.

John Austin Akers
 Print or Type Name

Signature

VP of Land
 Title

4/30/2015
 Date

akers@logosresourcesllc.com
 e-mail Address

- NSL 7286
 - NSP 2031
 - DHC 4767
 - LOGOS OPERATING, LLC
 285408
 - WCH
 - BLM/NOVA Federal #254
 30-045-35645
 2015 APR 30 P 1:21
 RECEIVED OGD
 POOL
 - BASIN MANECS
 97232
 - WHITEWATER MANECS
 64290

Need C-101A
 - notification of
 section 30

DISTRICT I
1200 N. French Dr., Suite 200, Santa Fe, NM 87505
Phone (505) 825-4141 Fax (505) 825-4142

DISTRICT II
611 E. First St., Santa Fe, NM 87501
Phone (505) 740-4100 Fax (505) 740-4101

DISTRICT III
1200 N. French Dr., Suite 200, Santa Fe, NM 87505
Phone (505) 825-4141 Fax (505) 825-4142

DISTRICT IV
1200 N. French Dr., Suite 200, Santa Fe, NM 87505
Phone (505) 825-4141 Fax (505) 825-4142

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

*API Number 30-045-35845		*Pool Code 84290 / 97232		*Pool Name WHITE WASH MANCOS DAKOTA / BASIN MANCOS	
*Property Code 314773		*Property Name BRANNON FEDERAL			*Well Number 292H
*OCD No. 289408		*Operator Name LOGOS OPERATING, LLC			*Elevation 6680'

10 Surface Location

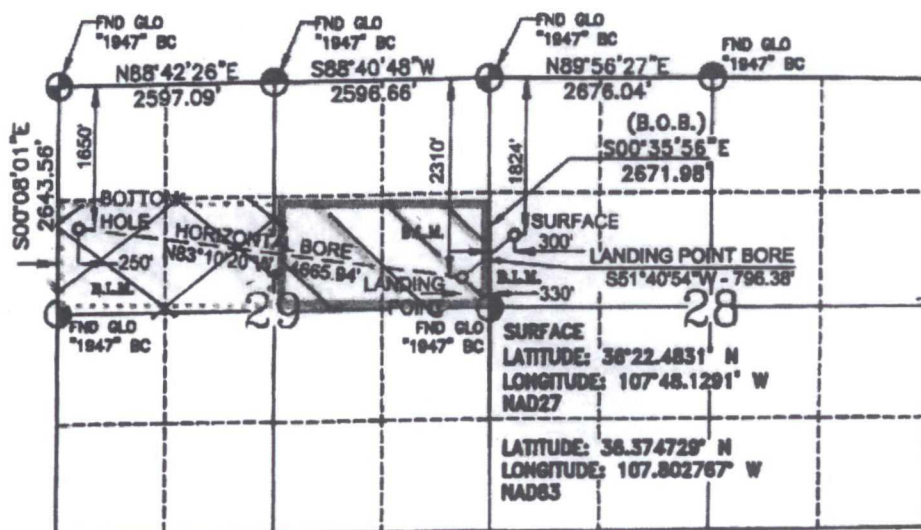
UL or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
E	28	25-N	9-W		1824	NORTH	300	WEST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
E	29	25-N	9-W		1650	NORTH	250	WEST	SAN JUAN

*Dedicated Acres WW MN S/2NE/4 80 acres Basin MN S/2NW/4 80 acres		*Joint or Infill	*Consolidation Code	*Order No.
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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



Basin Mancos

White Wash Mancos Dakotas

BOTTOM HOLE
LATITUDE: 36°22.4832' N
LONGITUDE: 107°48.2002' W
NAD27

LANDING POINT
LATITUDE: 36°22.4018' N
LONGITUDE: 107°48.2584' W
NAD27

LATITUDE: 36.374897° N
LONGITUDE: 107.820620° W
NAD83

LATITUDE: 36.373374° N
LONGITUDE: 107.804889° W
NAD83

BASIS OF BEARING:
BETWEEN POUND MONUMENTS AT THE NORTHEAST CORNER AND THE EAST
QUARTER CORNER OF SECTION 28, TOWNSHIP 25 NORTH, RANGE 9 WEST,
N.M.P.M. SAN JUAN COUNTY, NEW MEXICO.

LINE BEARS: S 00°35'56\"/>

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 a 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
a working interest, or to a voluntary pooling agreement
or a compulsory pooling order heretofore entered by the
division.

Signature _____ Date _____
Tamra Sessions
Printed Name
tsessions@logosresourcesllc.com
E-mail Address

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 to true
and correct to the best of my belief.

SEPTEMBER 17, 2014

Date of Survey

Signature and Seal of



GLEN W. RUSSELL
Certificate Number 15703



Main office: 4001 N. Butler Ave. Bldg 7101
Farmington, NM 87401
Phone: (505) 436-2626

Nashville office: 110 30th Ave. North, Suite 4
Nashville TN, 37203
Phone: (615) 823-2661

April 30, 2015

David Catanach
New Mexico Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Sent Via Priority Mail

Re: Logos Operating, LLC
Request for Administrative Approval
Unorthodox Well Location & Unorthodox Spacing Unit
Brannon Federal 292H
API No. - 3004535645
Surface Location-1824' FNL, 300' FWL
SW/4NW/4 Section 28, T25N, R9W

Dear Mr. Catanach,

On behalf of Logos Operating, LLC ("Logos") and pursuant to Division Rules governing the spacing for wells drilled in the Basin Mancos Pool and the White Wash Mancos Pool, we request administrative approval an unorthodox well location and spacing unit for the Brannon Federal 292H to be located at an unorthodox location as follows:

Surface location:	1824' FNL, 300' FWL	(SWNW Section 28)
Initial Casing Point:	2310' FNL, 330' FEL	(SENE Section 29)
End Casing Point ¹ :	1650' FNL, 250' FWL	(SWNW Section 29)

The pool rules for the Basin Mancos Gas Pool provide that wells shall be drilled in a 320 acre spacing unit (stand up of lay down) and not closer than 660' to any exterior boundary of the 320 acre stand up or lay down spacing unit. Pool rules for the White Wash Mancos Pool provide that wells shall be drilled in a 40 acre spacing unit and not closer than 330' to any exterior boundary of the 40 acre spacing unit.

The spacing unit for this well is rendered unorthodox by the fact that the frozen White Wash Mancos pool covers the S/2NE/4 of Section 29. Therefore, we are unable to form a full 320 acre laydown unit for the well. Furthermore, because the White Wash Mancos pool is frozen, we cannot form a spacing unit with 40 acre laterally penetrated units. As such we propose that a 160 acre non-standard laydown spacing unit be established covering the S/2N/2 of Section 29, T25N, R9W, NMPM, that will include both pools as they are currently established (Basin Mancos (S2NW, White Wash Mancos

¹ Note that the last perforation in the well will be at least 330' from the west line despite the end casing point being 250' from the west line.

S2NE). LOGOS will submit a downhole commingle application to allocate production by pool acreage within the spacing unit.

Furthermore, The location proposed for this well is unorthodox by approximately 330' to the west and north where Basin Mancos pool rules require 660' setbacks (LOGOS proposes a 330' setback from the last perforation in the cemented lateral portion of the Brannon Federal 292H well).

Logos seeks an exception from the applicable well location rules for the following reasons: Per current industry best practices and understanding of reservoir drainage of the Gallup sandstone in this area, the efficient development of the resources in the Gallup/Mancos formation underlying LOGOS BLM Lease SF 078309 requires the development of the Mancos interval with 330' setbacks from spacing unit boundaries in order to avoid waste and inefficient development. Furthermore, the NSP is requested at the direction of the commission in order to accurately allocate production between the two pools.

LOGOS has provided notice of this unorthodox location to all affected parties as well as to the Farmington BLM office as of April 30, 2015.

Thank you for your consideration of this request. Should more information be required, please do not hesitate to contact me at 615-523-2663.

Very truly yours,


John Austin Akers
Vice President of Land

Enclosures:

Lease Map
Exhibit A - Affected parties
Exhibit B - APD
Exhibit C - C-102
Administrative Application Checklist

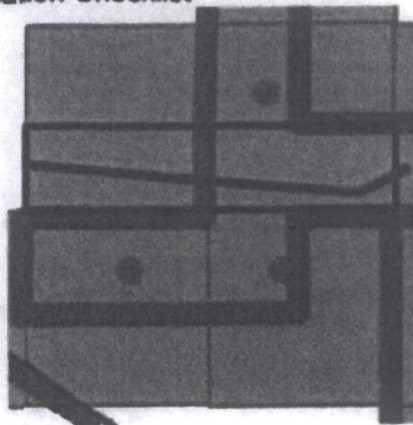


EXHIBIT "A"

Affected Parties

- **Merrion Oil & Gas (100% interest in Mancos- Section 28 All and Section 29 All S/2)- Mail Sent 4/30/2015**
- **EnerVest Operating, LLC (Operator of the Mancos Formation in the NW/4 of Section 30)- Mail Sent 4/30/2015**
- **BLM (Courtesy notice)- Mail Sent 4/30/2015**



4001 N. Butler Blvd. Bldg 7101
Farmington, NM 87401
Phone: (505) 436-2626
Fax: (303) 974-1767

April 30, 2015

NMOCD- Santa Fe Office
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Sent Via US Priority Mail

**Re: Logos Operating, LLC
Downhole Comingling Application Notice
Brannon Federal 292H well
API No. – 30-045-35645
1824' FNL and 300' FWL (Surface)
SW/4NW/4 Section 28, T25N, R9W
1650' FNL and 250' FWL (Bottom)
SW/4NW/4 Section 29, T25N, R9W
San Juan County, New Mexico**

To whom it may concern:

Enclosed please find a C-107A application and associated documents for the Brannon Federal 292H well. This application requests comingling of the following two pools:

- White Wash Mancos-Dakota (Pool Code 64290)- Oil
- Basin Mancos (Pool Code 97232)- Oil

This downhole comingling application is for one horizontal well to be drilled through one formation that is administratively divided between two pools covering the same Mancos formation (the White Wash Mancos and the Basin Mancos). Pending approval of a non-standard spacing unit application, the spacing unit for the well will be the S/2N/2 of Section 29 of T25N, R9W. Both pools are estimated to have the exact same oil gravity, gas btu, water rates, and bottomhole pressures which will be determined upon the drilling of the well. The S/2NW/4 of Section 29 is considered Basin Mancos by the OCD, and the S/2NE/4 is considered White Wash by the OCD. As such, LOGOS proposes that there be a fixed allocation between the two pools based on the % of the spacing unit they cover. Based on this methodology, the White Wash Mancos is proposed to have 50% allocated to it with the Basin Mancos having 50% of production allocated to it.

The Federal government owns 100% minerals in all depths in this well and has been notified of this application. All ownership is uniform across all depths. Please refer to the NSL/NSP application for Unorthodox Well Location and Unorthodox Spacing Unit.

Should you have any concerns regarding this application please contact me at 505-436-2606 or tsessions@logosresourcesllc.com

Very truly yours,

A handwritten signature in black ink, appearing to read "Tamra Sessions". The signature is fluid and cursive, with a long horizontal stroke extending to the left.

Tamra Sessions
Operations Technician
Enclosures: C107A application

District I
1425 N. Penish Drive, Hobbs, NM 88240

District II
911 E. First St., Artesia, NM 88210

District III
1000 Rio Grande Road, Artesia, NM 88410

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-107A
Revised August 1, 2011

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

APPLICATION FOR DOWNHOLE COMMINGLING

Logos Operating, LLC

4001 North Butler, Building 7101, Farmington, NM 87401

Operator
Brannon Federal

292H

Address
Sec 28, T25N, R09W

San Juan

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 289408 Property Code 314773 API No. 30-045-35645 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	Units E,F	Units G,H	
Pool Name	Basin Mancos	White Wash Mancos Dakota	
Pool Code	97232	64290	
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Top of Mancos formation -5493' TVD to Base -5597'	Top of Mancos formation -5493' TVD to Base -5597'	Note: This Commingling Application is to commingle two pools in the same formation. This will be a horizontal well bore and the entire producing lateral will be +/-5570' TVD and +/- 4664' Lateral Horizontal Length.
Method of Production (Flowing or Artificial Lift)			
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation is in the lower zone within 150% of the depth of the top perforation in the upper zone)	+/- 2609 psi	+/- 2609 psi	
Oil Gravity or Gas BTU (Degree API or Gas BTU)	Limited test data available at this time. See attached letter.		
Producing, Shut-In or New Zone	New Zone	New Zone	
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.)	Date: Limited test data available at this time. See attached letter. Rates:		
Fixed Allocation Percentage (Note: If allocations are based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 50 % 50 %	Oil Gas 50 % 50 %	Oil Gas % %

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 Tamra Sessions TITLE Operations Technician DATE 4-30-15

TYPE OR PRINT NAME Tamra Sessions TELEPHONE NO. (505) 436-2606

E-MAIL ADDRESS tsessions@logosresourcesllc.com