

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 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) 334-8178 Fax:(505) 334-8170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

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 221769

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

1. Operator Name and Address ATOKA OPERATING, INC. 16200 Addison Road, Suite 155 Addison, TX 75001		2. OGRID Number 371356
4. Property Code 316281		3. API Number 30-025-43295
5. Property Name KINSOLVING 2		6. Well No. 001

7. Surface Location

UL - Lot	H	Section	2	Township	13S	Range	37E	Lot Idn	Feet From	1750	N/S Line	N	Feet From	180	E/W Line	E	County	Lea
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8. Proposed Bottom Hole Location

UL - Lot	H	Section	2	Township	13S	Range	37E	Lot Idn	H	Feet From	1750	N/S Line	N	Feet From	180	E/W Line	E	County	Lea
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9. Pool Information

KING;DEVONIAN, NORTH	35920
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3872
16. Multiple N	17. Proposed Depth 12500	18. Formation Devonian	19. Contractor	20. Spud Date 6/30/2016
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

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	400	450	0
Int1	11	8.625	32	4500	1200	0
Prod	7.875	5.5	20	12500	1200	4000

Casing/Cement Program: Additional Comments

Circulate cement on surface and intermediate and cement to tie back plus 500' on production casing.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	10000	Unknown
Double Ram	5000	10000	Unknown

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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable. Signature: _____ Printed Name: Electronically filed by Ella Kidd Title: _____ Email Address: ekidd@hspi.net Date: 5/31/2016	OIL CONSERVATION DIVISION Approved By: Paul Kautz Title: Geologist Approved Date: 6/22/2016 Expiration Date: 6/22/2018 Conditions of Approval Attached
Phone: 972-407-0058	

DISTRICT I
1625 N. Texas Dr., Hobbs, NM 88240
Phone: (505) 325-6100 Fax: (505) 393-6720
DISTRICT II
111 S. First St., Lordsburg, NM 88305
Phone: (505) 746-1283 Fax: (505) 744-9730
DISTRICT III
2000 Highway Road, Alamogordo, NM 88401
Phone: (505) 765-4118 Fax: (505) 734-6170
DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 439-3400 Fax: (505) 439-3400

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office.

AMENDED REPORT

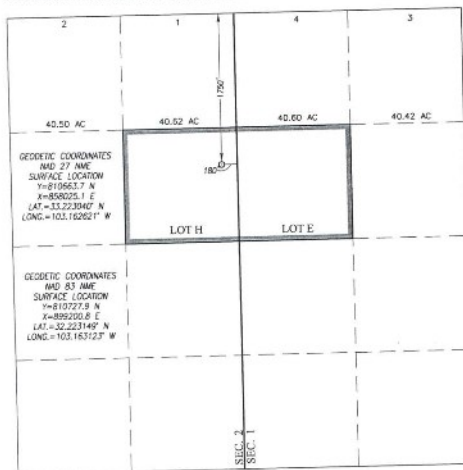
WELL LOCATION AND ACREAGE DEDICATION PLAT


API Number 30-025	Pool Code 27760	Pool Name SOUTHWEST GLADIOLA-DEVONIAN
Property Code	Property Name KINSOLVING 2	Well Number 1
OGRID No.	Operator Name ATOKA OPERATING, INC.	Elevation 3872

Surface Location								
TL or Lot No.	Section	Township	Range	Lot Id#	Feet from the	North/South line	Feet from the	East/West line
H	2	13-S	37-E		1750	NORTH	180	EAST
								County LEA

Bottom Hole Location If Different From Surface								
TL or Lot No.	Section	Township	Range	Lot Id#	Feet from the	North/South line	Feet from the	East/West line
								County
Dedicated Acres 80	Joint or Infill	Consolidation Code	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



OPERATOR CERTIFICATION I hereby certify that the information herein is true and correct to the best of my knowledge and belief, and that this operation is being carried out in accordance with the proposed bottom hole location or line of rights shall this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.	
Signature	Date
Printed Name	
E-mail Address	
SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was placed 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.	
MARCH 10, 2015	
Date of Survey	Signature & Seal of Professional Surveyor
	
Certificate Number	Carl G. Eason 12641 Richard J. Eason 3239
ACK	JWSG W.G. 16.11.0940

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Energy, Minerals and Natural Resources
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Santa Fe, NM 87505

Form APD Comments

Permit 221769

PERMIT COMMENTS

Operator Name and Address: ATOKA OPERATING, INC. [371356] 16200 Addison Road, Suite 155 Addison, TX 75001	API Number: 30-025-43295
	Well: KINSOLVING 2 #001

Created By	Comment	Comment Date
JMAXEY	This is a nonstandard proration unit and location approved via R-13939 and extended per OCD letter dated 12/29/2015.	5/31/2016
JMAXEY	The Gas Capture Form will be submitted via email to Paul Kautz at the Hobbs OCD district office.	5/31/2016
JMAXEY	The Gas Capture Form will be submitted via email to Paul Kautz at the Hobbs OCD district office.	5/31/2016
JMAXEY	The nonstandard location under the original order was 30' from the east line but per this APD has been moved to 180' from the east line. This change is being filed with the Santa Fe office by the operators attorney.	5/31/2016
JMAXEY	The operator will utilize a closed loop mud system.	5/31/2016
JMAXEY	Operator working with Santa Fe office for one well bond and was told by Santa Fe OCD to file APD for assignment of API number to well, then bond could be finalized by Santa Fe OCD.	5/31/2016

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Form APD Conditions

Permit 221769

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: ATOKA OPERATING, INC. [371356] 16200 Addison Road, Suite 155 Addison, TX 75001		API Number: 30-025-43295
		Well: KINSOLVING 2 #001
OCD Reviewer	Condition	
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string	
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.	
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	Cement is required to circulate on both surface and intermediate1 strings of casing	
pkautz	Surface casing minimum setting depth is 350' and at least 50' into the red beds whichever is greater.	
pkautz	Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186	
pkautz	1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 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.	
pkautz	The New! Gas Capture Plan (GCP) notice is posted on the NMOCD website under Announcements. The Plan became effective May 1, 2016. A copy of the GCP form is included with the NOTICE and is also in our FORMS section under Unnumbered Forms. Please review filing dates for all applicable activities currently approved or pending and submit accordingly. Failure to file a GCP may jeopardize the operator's ability to obtain C-129 approval to flare gas after the initial 60-day completion period.	