

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 Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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 257590

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

1. Operator Name and Address RILEY PERMIAN OPERATING COMPANY, LLC 29 E Reno Avenue, Suite 500 Oklahoma City, OK 73104		2. OGRID Number 372290
4. Property Code 322465		3. API Number 30-041-20982
5. Property Name J TREEHORN 21 16 STATE COM		6. Well No. 003H

7. Surface Location

UL - Lot K	Section 21	Township 08S	Range 34E	Lot Idn K	Feet From 1940	N/S Line S	Feet From 1620	E/W Line W	County Roosevelt
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8. Proposed Bottom Hole Location

UL - Lot C	Section 16	Township 08S	Range 34E	Lot Idn C	Feet From 20	N/S Line N	Feet From 1620	E/W Line W	County Roosevelt
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9. Pool Information

MILNESAND;SAN ANDRES, WEST	46950
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 4287
16. Multiple N	17. Proposed Depth 12900	18. Formation San Andres	19. Contractor	20. Spud Date 10/17/2018
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	12.25	9.625	36	2250	975	0
Prod	8.75	7	32	4400	530	0
Prod	8.75	5.5	20	12900	1720	0

Casing/Cement Program: Additional Comments

The 7" x 5 1/2" production casing is a combination string. An 8.75" pilot hole will be drilled to 5000' and electric logs run. The pilot hole will be plugged back from 4900'-3600' with 595 sx cmt. The plug will be dressed off and the KOP will be 3700'. An approximate 10°/100' curve will be built and landed at 4500' TVD, and drilled to TD at approximately 90.5° of inclination. First and last take point will be no closer than 100' from end boundaries.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	Shaffer or Equivalent

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 Maggie Crook Title: Sr. Land Analyst Email Address: maggiecrook@rileypermian.com Date: 9/21/2018	<div style="text-align: center;">OIL CONSERVATION DIVISION</div> Approved By: Paul F Kautz Title: Geologist Approved Date: 9/21/2018 Expiration Date: 9/21/2020 Conditions of Approval Attached
Phone: 405-415-8668	

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State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

Form C-102

August 1, 2011

Permit 257590

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-041-20982	2. Pool Code 46950	3. Pool Name MILNESAND;SAN ANDRES, WEST
4. Property Code 322465	5. Property Name J TREEHORN 21 16 STATE COM	6. Well No. 003H
7. OGRID No. 372290	8. Operator Name RILEY PERMIAN OPERATING COMPANY, LLC	9. Elevation 4287

10. Surface Location									
UL - Lot K	Section 21	Township 08S	Range 34E	Lot Idn K	Feet From 1940	N/S Line S	Feet From 1620	E/W Line W	County Roosevelt

11. Bottom Hole Location If Different From Surface									
UL - Lot C	Section 16	Township 08S	Range 34E	Lot Idn C	Feet From 20	N/S Line S	Feet From 1620	E/W Line W	County Roosevelt
12. Dedicated Acres 480.00			13. Joint or Infill		14. Consolidation Code Communitization			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></div> <div></div> <div></div> <div></div>	<div>OPERATOR CERTIFICATION</div> <div> 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(s) 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. </div> <div> E-Signed By: Maggie Crook Title: Sr. Land Analyst Date: 9/21/2018 </div>	
	<div>SURVEYOR CERTIFICATION</div> <div> 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. </div> <div> Surveyed By: Stan Lloyd Date of Survey: 9/17/2018 Certificate Number: 19642 </div>	

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Form APD Comments

 Permit 257590

PERMIT COMMENTS

Operator Name and Address: RILEY PERMIAN OPERATING COMPANY, LLC [372290] 29 E Reno Avenue, Suite 500 Oklahoma City, OK 73104		API Number: 30-041-20982
		Well: J TREEHORN 21 16 STATE COM #003H

Created By	Comment	Comment Date
maxeng	Surface casing cement will circulate to surface.	9/20/2018
maxeng	Production casing cement will be circulated to surface.	9/20/2018
maxeng	A closed loop system will be used for drilling.	9/20/2018
maxeng	This well is the defining well in a 480 acre hz spacing unit.	9/20/2018
maxeng	Surface location is off lease and a surface agreement with the fee land owner has been obtained.	9/20/2018

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Form APD Conditions

Permit 257590

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Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: RILEY PERMIAN OPERATING COMPANY, LLC [372290] 29 E Reno Avenue, Suite 500 Oklahoma City, OK 73104	API Number: 30-041-20982
	Well: J TREEHORN 21 16 STATE COM #003H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	SURFACE & PRODUCTION CASING - Cement must circulate to surface
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	1)- The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 45 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104
pkautz	It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD.
pkautz	Stage Tool - 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.