

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 267441

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

1. Operator Name and Address Catena Resources Operating, LLC 18402 US Hwy 281 N San Antonio, TX 78259		2. OGRID Number 328449
4. Property Code 325669		3. API Number 30-025-45966
5. Property Name MARGARITA 19 35 11 STATE		6. Well No. 001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	11	19S	35E	E	1980	N	660	W	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	11	19S	35E	E	1980	N	660	W	Lea

9. Pool Information

SCHARB;WOLFCAMP, SOUTHEAST	55650
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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 3814
16. Multiple N	17. Proposed Depth 11000	18. Formation Wolfcamp	19. Contractor	20. Spud Date 5/31/2019
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	54.5	1900	1430	0
Int1	12.25	9.625	40	4100	880	0
Prod	8.75	5.5	20	11000	1430	3600

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	Shaffer
Double Ram	5000	5000	Shaffer

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 Robert Swann Title: Email Address: rswann@catenares.com Date: 5/15/2019	<div style="text-align: center;">OIL CONSERVATION DIVISION</div> Approved By: Paul F Kautz Title: Geologist Approved Date: 5/17/2019 Expiration Date: 5/17/2021 Conditions of Approval Attached
Phone: 210-775-6993	

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State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, N.M. 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 55640	*Pool Name SCHARB; WOLFCAMP
*Property Code	*Property Name Margarita 19 35 11		*Well Number 1
*OGRID No. 328449	*Operator Name Catena Resources Operating, LLC		*Elevation 3814

¹⁰ Surface Location

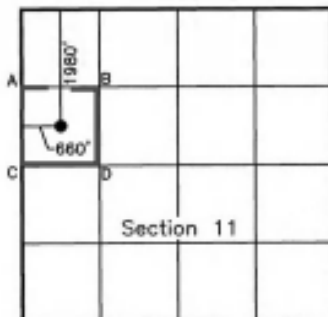

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	11	19 S	35 E		1980	North	660	West	Lea

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

*Dedicated Acres 40	*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

<p>18</p> <p>Legend: ● = Surface Location</p> 	<p>SCALE: 1"=3000'</p> <table><tr><td>SURFACE LOCATION NAD 83 NME Y=611180.2 N X=817934.2 E LAT.=32.6769585° N LONG.=103.4343997° W</td><td>SURFACE LOCATION NAD 27 NME Y=611116.7 N X=776753.8 E LAT.=32.6768356° N LONG.=103.4339098° W</td></tr></table> <p>CORNER COORDINATES TABLE NAD 27 NME</p> <table><tr><td>A - Y= 611767.4 N, X= 776087.7 E</td></tr><tr><td>B - Y= 611775.1 N, X= 777416.1 E</td></tr><tr><td>C - Y= 610443.2 N, X= 776100.3 E</td></tr><tr><td>D - Y= 610448.3 N, X= 777427.2 E</td></tr></table> <p>CORNER COORDINATES TABLE NAD 83 NME</p> <table><tr><td>A - Y= 611830.8 N, X= 817268.0 E</td></tr><tr><td>B - Y= 611838.5 N, X= 818596.4 E</td></tr><tr><td>C - Y= 610506.6 N, X= 817280.7 E</td></tr><tr><td>D - Y= 610511.7 N, X= 818607.6 E</td></tr></table>	SURFACE LOCATION NAD 83 NME Y=611180.2 N X=817934.2 E LAT.=32.6769585° N LONG.=103.4343997° W	SURFACE LOCATION NAD 27 NME Y=611116.7 N X=776753.8 E LAT.=32.6768356° N LONG.=103.4339098° W	A - Y= 611767.4 N, X= 776087.7 E	B - Y= 611775.1 N, X= 777416.1 E	C - Y= 610443.2 N, X= 776100.3 E	D - Y= 610448.3 N, X= 777427.2 E	A - Y= 611830.8 N, X= 817268.0 E	B - Y= 611838.5 N, X= 818596.4 E	C - Y= 610506.6 N, X= 817280.7 E	D - Y= 610511.7 N, X= 818607.6 E	<p>17 OPERATOR CERTIFICATION</p> <p>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 undivided 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.</p> <p>5-15-19</p> <p>Signature _____ Date _____</p> <p>Printed Name BRIAN WOOD brian@permitswest.com</p> <p>E-mail Address 505 466-8120</p> <p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>05/13/19</p> <p>Date of Survey _____</p> <p>Signature and Seal of _____</p>  <p>17078 Certificate Number</p>
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Form APD Comments

Permit 267441

PERMIT COMMENTS

Operator Name and Address: Catena Resources Operating, LLC [328449] 18402 US Hwy 281 N San Antonio, TX 78259		API Number: 30-025-45966
		Well: MARGARITA 19 35 11 STATE #001

Created By	Comment	Comment Date
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Form APD Conditions

Permit 267441

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: Catena Resources Operating, LLC [328449] 18402 US Hwy 281 N San Antonio, TX 78259	API Number: 30-025-45966
	Well: MARGARITA 19 35 11 STATE #001

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
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	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 5753703186 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.