

| <b>District I</b><br>1625 N. French Dr., Hobbs, NM 88240<br>Phone:(575) 393-6161 Fax:(575) 393-0720<br><b>District II</b><br>811 S. First St., Artesia, NM 88210<br>Phone:(575) 748-1283 Fax:(575) 748-9720<br><b>District III</b><br>1000 Rio Brazos Rd., Aztec, NM 87410<br>Phone:(505) 334-6178 Fax:(505) 334-6170<br><b>District IV</b><br>1220 S. St Francis Dr., Santa Fe, NM 87505<br>Phone:(505) 476-3470 Fax:(505) 476-3462                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>State of New Mexico</b><br><b>Energy, Minerals and Natural Resources</b><br><b>Oil Conservation Division</b><br><b>1220 S. St Francis Dr.</b><br><b>Santa Fe, NM 87505</b> | Form C-103<br>August 1, 2011<br>Permit 290275<br>WELL API NUMBER<br>30-015-47702<br>5. Indicate Type of Lease<br>P<br>6. State Oil & Gas Lease No.<br><br>7. Lease Name or Unit Agreement Name<br>MCCRAE SWD |                                            |                              |                              |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|------------------------------|------------------------------|---------------------------------|------------------------------------------------|-------------------------------------------|----------------------------------------|---------------------------------------|----------------------------------------------|--------------------------------------------|--------------------------------------------------|-------------------------------------------|-----------------------------------------------|-----------------------------------------|--------------------------------------------|-----------|--------------|------|-------------------------------------------------------------------|----|----|----|-----|-----|-----|-----|------|---|--|-----|---|---|----------|------|------------|----|----|----|-----|---|-----|------|-------|---|--|-----|---|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                               |                                                                                                                                                                                                              |                                            |                              |                              |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| 1. Type of Well:<br>S                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                               | 8. Well Number<br>001                                                                                                                                                                                        |                                            |                              |                              |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| 2. Name of Operator<br>Permian Oilfield Partners, LLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                               | 9. OGRID Number<br>328259                                                                                                                                                                                    |                                            |                              |                              |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| 3. Address of Operator<br>PO Box 3329, Hobbs, NM 88241                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                               | 10. Pool name or Wildcat                                                                                                                                                                                     |                                            |                              |                              |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| 4. Well Location<br>Unit Letter <u>A</u> : <u>275</u> feet from the <u>N</u> line and feet <u>1000</u> from the <u>E</u> line<br>Section <u>33</u> Township <u>19S</u> Range <u>28E</u> NMPM _____ County <u>Eddy</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                               |                                                                                                                                                                                                              |                                            |                              |                              |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>3359 GR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                               |                                                                                                                                                                                                              |                                            |                              |                              |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                               |                                                                                                                                                                                                              |                                            |                              |                              |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data<br><table style="width:100%;"> <tr> <td colspan="2" style="text-align: center;">NOTICE OF INTENTION TO:</td> <td colspan="2" style="text-align: center;">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE OF PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/></td> </tr> </table> |                                                                                                                                                                               |                                                                                                                                                                                                              | NOTICE OF INTENTION TO:                    |                              | SUBSEQUENT REPORT OF:        |                                 | PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTER CASING <input type="checkbox"/> | TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE OF PLANS <input type="checkbox"/>   | COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> |           | Other: _____ |      | Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/> |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| NOTICE OF INTENTION TO:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                               | SUBSEQUENT REPORT OF:                                                                                                                                                                                        |                                            |                              |                              |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| PERFORM REMEDIAL WORK <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | PLUG AND ABANDON <input type="checkbox"/>                                                                                                                                     | REMEDIAL WORK <input type="checkbox"/>                                                                                                                                                                       | ALTER CASING <input type="checkbox"/>      |                              |                              |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| TEMPORARILY ABANDON <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | CHANGE OF PLANS <input type="checkbox"/>                                                                                                                                      | COMMENCE DRILLING OPNS. <input type="checkbox"/>                                                                                                                                                             | PLUG AND ABANDON <input type="checkbox"/>  |                              |                              |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| PULL OR ALTER CASING <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | MULTIPLE COMPL <input type="checkbox"/>                                                                                                                                       | CASING/CEMENT JOB <input type="checkbox"/>                                                                                                                                                                   |                                            |                              |                              |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| Other: _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                               | Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/>                                                                                                                                            |                                            |                              |                              |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| 13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.<br>12/14/20 Encountered salt stringer, TD surface hole early, @ 577 ft. Ran 563 ft. 20" 94# J-55 BTC casing w/open shoe. Cmt Lead w/ 1015 sks Class C w/ 4% Gel, 3 lb/sk Kol-Seal, & 0.125 lb/sk Pol-E-Flake, mixed at 13.5 ppg, 1.75 cuft/sk. Tail w/ 515 sks Class C Neat, mixed at 14.8 ppg, 1.33 cuft/sk. Displaced w/ 190 bbl brine water, stopped 10 bbl short of full displacement. Plug down @ 11:00 pm. Circulate 6 bbls (9 sks) to pit. WOC 9 hrs, NU 20" conductor & rotating head, drill out with 17.5" bit. <b>12/11/2020</b> Spudded well.                                                                                                                                                                                                                 |                                                                                                                                                                               |                                                                                                                                                                                                              |                                            |                              |                              |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| <b>Casing and Cement Program</b><br><table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>String</th> <th>Fluid Type</th> <th>Hole Size</th> <th>Csg Size</th> <th>Weight lb/ft</th> <th>Grade</th> <th>Est TOC</th> <th>Dpth Set</th> <th>Sacks</th> <th>Yield</th> <th>Class</th> <th>1" Dpth</th> <th>Pres Held</th> <th>Pres Drop</th> <th>Open Hole</th> </tr> </thead> <tbody> <tr> <td>12/14/20</td> <td>Surf</td> <td>FreshWater</td> <td>26</td> <td>20</td> <td>94</td> <td>J55</td> <td>377</td> <td>563</td> <td>515</td> <td>1.33</td> <td>C</td> <td></td> <td>130</td> <td>0</td> <td>N</td> </tr> <tr> <td>12/14/20</td> <td>Surf</td> <td>FreshWater</td> <td>26</td> <td>20</td> <td>94</td> <td>J55</td> <td>0</td> <td>377</td> <td>1015</td> <td>1.746</td> <td>C</td> <td></td> <td>130</td> <td>0</td> <td>N</td> </tr> </tbody> </table>                                                                                                                                                          |                                                                                                                                                                               |                                                                                                                                                                                                              | Date                                       | String                       | Fluid Type                   | Hole Size                       | Csg Size                                       | Weight lb/ft                              | Grade                                  | Est TOC                               | Dpth Set                                     | Sacks                                      | Yield                                            | Class                                     | 1" Dpth                                       | Pres Held                               | Pres Drop                                  | Open Hole | 12/14/20     | Surf | FreshWater                                                        | 26 | 20 | 94 | J55 | 377 | 563 | 515 | 1.33 | C |  | 130 | 0 | N | 12/14/20 | Surf | FreshWater | 26 | 20 | 94 | J55 | 0 | 377 | 1015 | 1.746 | C |  | 130 | 0 | N |
| Date                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | String                                                                                                                                                                        | Fluid Type                                                                                                                                                                                                   | Hole Size                                  | Csg Size                     | Weight lb/ft                 | Grade                           | Est TOC                                        | Dpth Set                                  | Sacks                                  | Yield                                 | Class                                        | 1" Dpth                                    | Pres Held                                        | Pres Drop                                 | Open Hole                                     |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| 12/14/20                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Surf                                                                                                                                                                          | FreshWater                                                                                                                                                                                                   | 26                                         | 20                           | 94                           | J55                             | 377                                            | 563                                       | 515                                    | 1.33                                  | C                                            |                                            | 130                                              | 0                                         | N                                             |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| 12/14/20                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Surf                                                                                                                                                                          | FreshWater                                                                                                                                                                                                   | 26                                         | 20                           | 94                           | J55                             | 0                                              | 377                                       | 1015                                   | 1.746                                 | C                                            |                                            | 130                                              | 0                                         | N                                             |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                               |                                                                                                                                                                                                              |                                            |                              |                              |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| <table style="width:100%;"> <tr> <td>SIGNATURE</td> <td><u>Electronically Signed</u></td> <td>TITLE</td> <td><u>President</u></td> <td>DATE</td> <td><u>12/15/2020</u></td> </tr> <tr> <td>Type or print name</td> <td><u>Gary E Fisher</u></td> <td>E-mail address</td> <td><u>gfisher@permianoilfieldpartners.com</u></td> <td>Telephone No.</td> <td><u>817-606-7630</u></td> </tr> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                               |                                                                                                                                                                                                              | SIGNATURE                                  | <u>Electronically Signed</u> | TITLE                        | <u>President</u>                | DATE                                           | <u>12/15/2020</u>                         | Type or print name                     | <u>Gary E Fisher</u>                  | E-mail address                               | <u>gfisher@permianoilfieldpartners.com</u> | Telephone No.                                    | <u>817-606-7630</u>                       |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| SIGNATURE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <u>Electronically Signed</u>                                                                                                                                                  | TITLE                                                                                                                                                                                                        | <u>President</u>                           | DATE                         | <u>12/15/2020</u>            |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| Type or print name                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <u>Gary E Fisher</u>                                                                                                                                                          | E-mail address                                                                                                                                                                                               | <u>gfisher@permianoilfieldpartners.com</u> | Telephone No.                | <u>817-606-7630</u>          |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| <b>For State Use Only:</b><br><table style="width:100%;"> <tr> <td>APPROVED BY:</td> <td><u>Kurt Simmons</u></td> <td>TITLE</td> <td><u>Petroleum Specialist - A</u></td> <td>DATE</td> <td><u>12/21/2020 9:20:09 AM</u></td> </tr> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                               |                                                                                                                                                                                                              | APPROVED BY:                               | <u>Kurt Simmons</u>          | TITLE                        | <u>Petroleum Specialist - A</u> | DATE                                           | <u>12/21/2020 9:20:09 AM</u>              |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |
| APPROVED BY:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <u>Kurt Simmons</u>                                                                                                                                                           | TITLE                                                                                                                                                                                                        | <u>Petroleum Specialist - A</u>            | DATE                         | <u>12/21/2020 9:20:09 AM</u> |                                 |                                                |                                           |                                        |                                       |                                              |                                            |                                                  |                                           |                                               |                                         |                                            |           |              |      |                                                                   |    |    |    |     |     |     |     |      |   |  |     |   |   |          |      |            |    |    |    |     |   |     |      |       |   |  |     |   |   |

**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

Comments  
  
Permit 290275

DRILLING COMMENTS

|                                                                               |                          |
|-------------------------------------------------------------------------------|--------------------------|
| Operator:<br>Permian Oilfield Partners, LLC<br>PO Box 3329<br>Hobbs, NM 88241 | OGRID:<br>328259         |
|                                                                               | Permit Number:<br>290275 |
|                                                                               | Permit Type:<br>Drilling |

Comments

| Created By | Comment | Comment Date |
|------------|---------|--------------|
|------------|---------|--------------|

There are no Comments for this Permit