

DATE IN 07/05/2013	SUSPENSE	ENGINEER PG	LOGGED IN 07/08/2013	TYPE DHC	APP NO. PAXK B1893699
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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 Pre-existing DHC - 4590

30-043-21120  
 Logos Operating  
 Logos #2

#### [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,  
 [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.

Tamra Sessions  
 Print or Type Name

Tamra Sessions  
 Signature

Operations Tech  
 Title

7/3/13  
 Date

+sessions@logosresourcesllc.com  
 e-mail Address

RECEIVED OCD  
 2013 JUL - 5 P 2:36

District I  
1625 N. French Drive, Hobbs, NM 88240

District II  
811 S. First St., Artesia, NM 88210

District III  
1000 Rio Brazos Road, Aztec, NM 87410

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised August 1, 2011

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

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 Address  
Logos #2 UL I, Sec. 6, T22N, R5W Sandoval

Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 289408 Property Code 311963 API No. 30-043-21120 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Wildcat Chacra <i>WC D3 Chacra</i>	Venado Mesa Verde	WC 22N5W6; Gallup	WC 22N5W6; Dakota
Pool Code	<i>96905</i>	62490	97989	97990
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Est. 2304' - 2368'	4061' - 4071'	4932' - 6134'	6149' - 6263'
Method of Production (Flowing or Artificial Lift)	Artificial Lift	Artificial Lift	Artificial Lift	Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	1025 psi	1885 psi	2100 psi	2750 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	Est. Gas BTU 1350	Est. Oil Gravity 42	Est. Oil Gravity 40	Est. Oil Gravity 42
Producing, Shut-In or New Zone	New Zone <i>/</i>	Producing Zone	Producing Zone	Producing 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: Rates: Offset production history attached.	Date: Active Rates: per month 590/62g/96w	Date: Active Rates: per month 880o/801g/1280w	Date: Active Rates: per month 411o/370g/1100w <i>previous</i>
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas % % Each interval will be swab tested independently and used for allocation.	Oil <i>previous</i> Gas 5% 5% Each interval will be swab tested independently and used for allocation.	Oil <i>previous</i> Gas 65% 65% Each interval will be swab tested independently and used for allocation.	Oil <i>previous</i> Gas 30% 30% Each interval will be swab tested independently and used for allocation.

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ X 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 ☒ X No ☐

Will commingling decrease the value of production? Yes ☐ No ☒ X

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 ☒ X 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 Director of Admin and Eng. Support DATE 07/03/2013

TYPE OR PRINT NAME Tamra Sessions

TELEPHONE NO. (505) 330-9333

E-MAIL ADDRESS tsessions@logosresourcesllc.com



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 Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-043-21120</b>	<sup>2</sup> Pool Code <b>96905</b>	<sup>3</sup> Pool Name <b>Wildcat Chacra (G)</b>
<sup>4</sup> Property Code <b>311963</b>	<sup>5</sup> Property Name <b>Logos</b>	<sup>6</sup> Well Number <b>2</b>
<sup>7</sup> OGRID No. <b>289408</b>	<sup>8</sup> Operator Name <b>Logos Operating, LLC</b>	<sup>9</sup> Elevation <b>6,901' GL</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>I</b>	<b>6</b>	<b>22N</b>	<b>5W</b>	<b>NESE</b>	<b>1,930</b>	<b>South</b>	<b>730</b>	<b>East</b>	<b>Sandoval</b>

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres <b>160</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

<sup>16</sup> 	<sup>17</sup> OPERATOR CERTIFICATION <i>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 working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>  Signature Date 7/03/2013  <b>Tamra Sessions</b> Printed Name  <b>tsessions@logosresoucesllc.com</b> E-mail Address	
	<sup>18</sup> SURVEYOR CERTIFICATION <i>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.</i> 10/22/12 Date of Survey Signature and Seal of Professional Surveyor:  This survey uses the exact footages on the original survey filed for the Logos No. 2 with the NMOCD - said survey was completed by Jason C. Edwards - Certificate 15269 Certificate Number	

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District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 426-1460 Fax: (505) 426-1462

State of New Mexico  
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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

<sup>1</sup> API Number 30-043-21120	<sup>2</sup> Pool Code 62490	<sup>3</sup> Pool Name VENADO MESA VERDE
<sup>4</sup> Property Code 39236	<sup>5</sup> Property Name Logos	<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 287123	<sup>8</sup> Operator Name Logos Capital Management, LLC	<sup>9</sup> Elevation 6,981'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	6	22N	SW	NESE	1,930	South	730	East	Sandoval

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

	<p><b><sup>17</sup> OPERATOR CERTIFICATION</b></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 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 working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature:  Date: 10/22/12</p> <p>John Austin Akers Printed Name</p> <p>ajakers@logosresourcesllc.com E-mail Address</p>
	<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></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>Date of Survey: 10/22/12</p> <p>Signature and Seal of Professional Surveyor:</p> <p>This survey uses the exact footages as the original survey filed for the Logos No. 2 with the NMCCD - said survey was completed by Jason C. Edwards- Certificate 15269</p> <p>Certificate Number</p>

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-043-21120		<sup>2</sup> Pool Code 97989	<sup>3</sup> Pool Name WC 22N5W6; GALLUP (O)
<sup>4</sup> Property Code 39236	<sup>5</sup> Property Name Logos		<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 287123	<sup>8</sup> Operator Name Logos Capital Management, LLC		<sup>9</sup> Elevation 6,901'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	6	22N	5W	NESE	1,930	South	730	East	Sandoval

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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 style="border: 1px solid black; width: 100px; height: 100px; position: relative; margin: 0 auto;"> <div style="position: absolute; top: 0; right: 0; width: 50px; height: 50px; border: 1px solid black; transform: rotate(90deg); transform-origin: right top;">730'</div> <div style="position: absolute; bottom: 0; left: 0; width: 50px; height: 50px; border: 1px solid black; transform: rotate(-90deg); transform-origin: left bottom;">1,930'</div> </div>	<p><b><sup>17</sup> OPERATOR CERTIFICATION</b></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 that 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>Signature: <u>John Austin Akers</u> Date: <u>10/22/12</u></p> <p>Printed Name: <u>John Austin Akers</u></p> <p>E-mail Address: <u>akers@logosresourcesllc.com</u></p>
	<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></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>Date of Survey: <u>10/22/12</u></p> <p>Signature and Seal of Professional Surveyor: _____</p> <p>This survey uses the exact footages as the original survey filed for the Logos No. 2 with the NMOCJD said survey was completed by Jason C. Edwards- Certificate 15269</p> <p>Certificate Number: _____</p>



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State of New Mexico  
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OIL CONSERVATION DIVISION  
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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

<sup>1</sup> API Number 30-043-21120		<sup>2</sup> Pool Code 97990	<sup>3</sup> Pool Name WC 22N5W6; DAKOTA (O)
<sup>4</sup> Property Code 19236	<sup>5</sup> Property Name Logos		<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 287123	<sup>8</sup> Operator Name Logos Capital Management, LLC		<sup>9</sup> Elevation 6,901'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	6	22N	5W	NESE	1,930	South	730	East	Sandoval

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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><sup>16</sup></p>	<p><b><sup>17</sup> OPERATOR CERTIFICATION</b> 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>Signature: <i>John Austin Akers</i> Date: 10/22/12</p> <p>John Austin Akers Printed Name</p> <p>ankers@logosresourcesllc.com E-mail Address</p>		
	<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b> 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>10/22/12</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>This survey uses the exact footages as the original survey filed for the Logos No. 2 with the NMOC'D said survey was completed by Jason C. Edwards- Certificate 15269</p> <p>Certificate Number</p>		

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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.  
Jicarilla Apache Nation #424

6. If Indian, Allottee or Tribe Name  
Jicarilla Apache

**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, Building 7101  
Farmington, New Mexico 87401

3b. Phone No. (include area code)  
505-436-2627

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1930' FSL & 730' FEL  
Section 6, Township 22N, Range 5W, UL I

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

8. Well Name and No.  
Logos #2

9. API Well No.  
30-043-21120

10. Field and Pool or Exploratory Area  
\*Please see sundry summary for Pool information

11. County or Parish, State  
Sandoval, New Mexico

**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>Recomplete</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 recomplete 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 recompletion 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 Operating, LLC proposes to recomplete into the Chacra interval at 2304' - 2368' and down hole commingle with the existing Mesaverde/Gallup/Dakota under DHC-4590. Please find attached the C-102 plat for the Chacra. The lower producing zones will be isolated prior to perf'ing and frac'ing the Chacra. A subsequent production allocation sundry will follow after completion of the new zone.

Pool Information:

WC 22N5W6; Dakota,  
WC 22N5W6; Gallup,  
Venado MesaVerde,  
Wildcat Chacra

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

Tamra Sessions

*Tamra Sessions*

Title Operations Technician

Signature

Date 07/03/2013

**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)



4001 N. Butler Ave  
Farmington, NM 87401  
Phone: (505) 215-8215  
Fax: (303) 974-1767

July 3, 2013

By Email ([isaacjulian@yahoo.com](mailto:isaacjulian@yahoo.com), [shannonlargo@jicarillaoga.com](mailto:shannonlargo@jicarillaoga.com), [kurt.sandoval@bia.gov](mailto:kurt.sandoval@bia.gov))

**Jicarilla Oil & Gas Administration**

**Attn: Isaac Julian, Shannon Largo & Kurt Sandoval**

#6 Dulce Rock Road

Dulce, NM 87528

(575) 759-3485

Re: Logos # 2 – Recomplete

Gentleman,

Logos Operating, LLC plans to recomplete into the Chacra interval of the Logos #2 (API 30-043-21120) and down hole commingle the production with the existing producing zones Mesaverde, Gallup, and Dakota. Work will not proceed until we receive down hole commingle approval for the new zone from the State of New Mexico. The recompletion will add production and revenue for this location.

Please let us know if you have any questions or concerns in relation to the construction of the location.

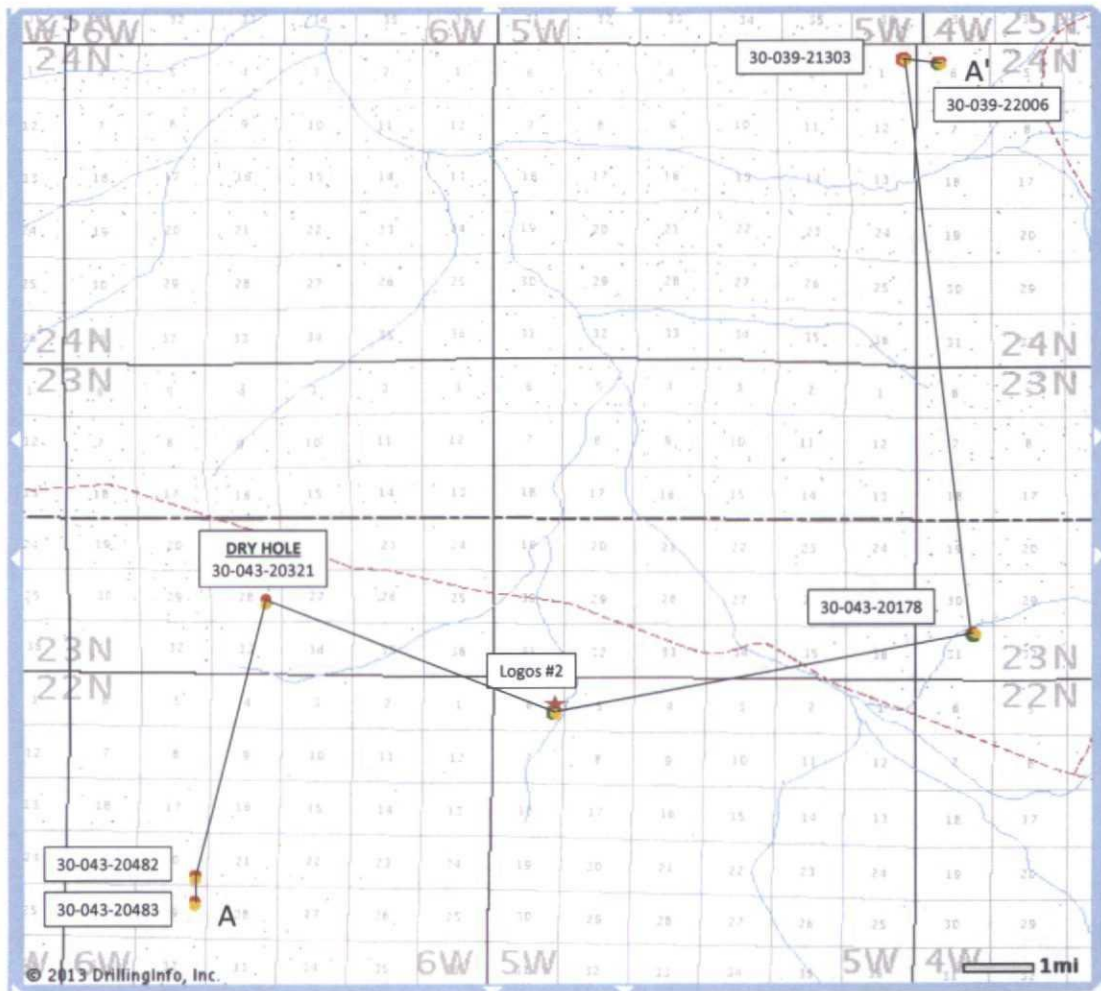
Best Regards,

Logos Operating, LLC

A handwritten signature in blue ink that reads "Tamra Sessions".

Tamra Sessions  
Operations Technician





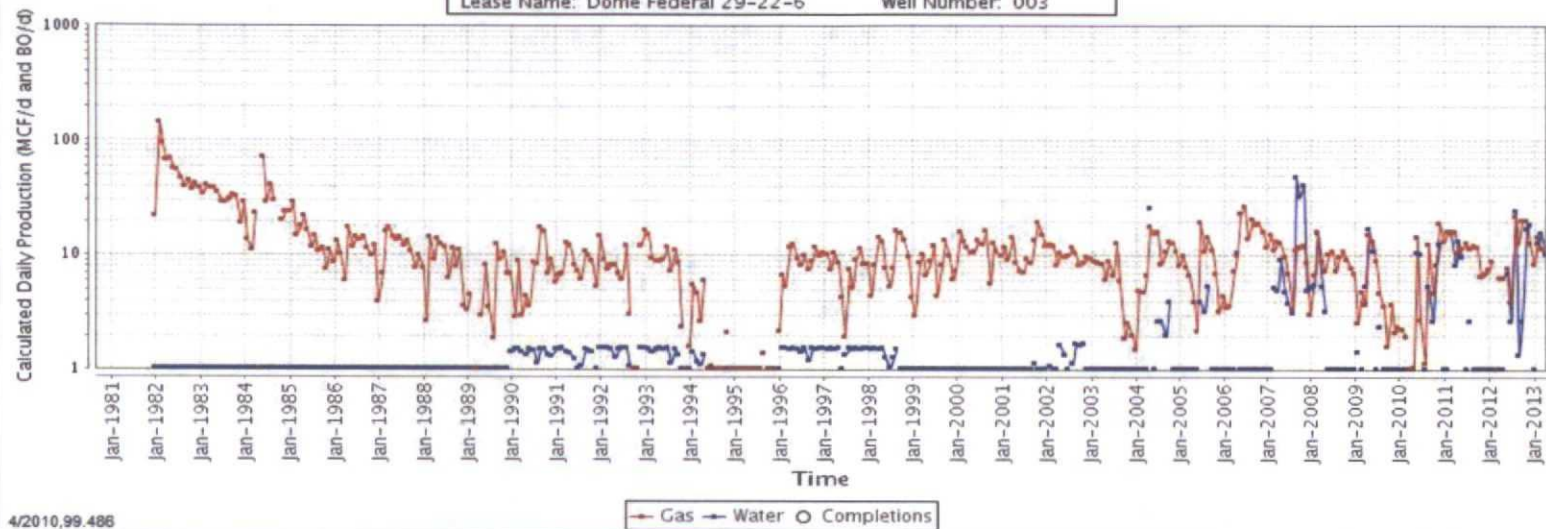
Initial 24 Hour Rate:		
Oil (bbls)	Gas (mcf)	Water (bbls)
0	1265	0

# Daily Production (Log) vs Time for: 30-043-20483(003)

Legacy Chart

County Name: SANDOVAL  
 Operator Name: Dugan Production Corp  
 Field Name: Rusty Chacra (gas)  
 Lease Name: Dome Federal 29-22-6

Cum Gas Prod: 133721  
 Cum Oil Prod: 0  
 Total Depth: 2240  
 Well Number: 003



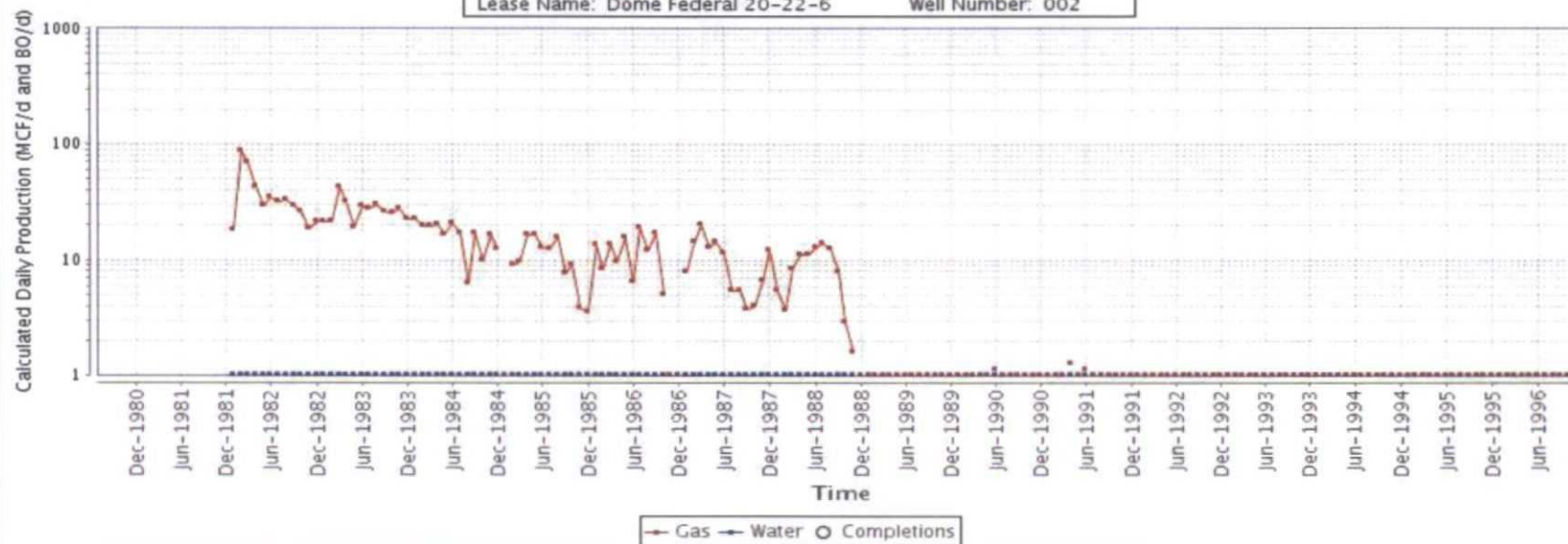
4/2010,99.486

Initial 24 Hour Rate:		
Oil (bbls)	Gas (mcf)	Water (bbls)
0	1050	0

Daily Production (Log) vs Time for: 30-043-20482(002)

Legacy Chart

County Name: SANDOVAL	Cum Gas Prod: 43203
Operator Name: Dugan Production Corp	Cum Oil Prod: 0
Field Name: Rusty Chacra (gas)	Total Depth: 2350
Lease Name: Dome Federal 20-22-6	Well Number: 002





30-043-20321

Initial 24 Hour Rate:		
Oil (bbls)	Gas (mcf)	Water (bbls)
Not reported	Not reported	Not reported

30-043-20178

Initial 24 Hour Rate:		
Oil (bbls)	Gas (mcf)	Water (bbls)
Not reported	15	Heavy Spray

EXHIBIT NO.  
Merrion & Bayless  
Case 5675  
Jicarilla 428-2

Facts pertaining to co-mingling of production of ~~Chacon~~ <sup>Chacra</sup> gas with Pictured Cliffs gas inside 2-7/8" casing:

1. The ~~Chacon~~ <sup>Chacra</sup> Zone is extremely marginal and will not flow steady, making an estimated 15 MCF/da plus some water (less than 5 B/D).
2. It is estimated that after repair of a cement channel the Pictured Cliffs will I.P. for 1500 MCF/da with very little water.
3. Neither water exhibits scaling tendencies.
4. Shut in pressure for the Chacon Zone is 835 psig and for the Pictured Cliffs is 667 psig (based upon an adjacent well).
5. The ~~Chacon~~ <sup>Chacra</sup> Zone will not produce into the line but may contribute a little production if the co-mingled Pictured Cliffs gas is allowed to keep it unloaded.
6. Ownership of both zones is common except for a 3-1/3% ORR owned by Elliott A. Riggs to the base of the Pictured Cliffs. As per attached letter, Merrion & Bayless have agreed to pay Riggs the same ORR on the Chacon gas from this well. The result will be that all interests are common.

Note: This production allocation was completed shortly after the Chacra was completed.

30-043-20597

Initial 24 Hour Rate:		
Oil (bbls)	Gas (mcf)	Water (bbls)
Not reported	102	Not reported

Table No. 1			
<u>Production History</u>			
Ballymaloe #1 and Ballymaloe #2			
<u>Ballymaloe #1</u>			
<u>Month</u>	<u>Days On</u>	<u>Gas Produced</u>	<u>Average MCFD</u>
9/83	20	191 Mcf	9.6
10/83	0	0	
11/83	0	0	
12/83	21	243	11.6
1/84	0	0	
2/84	0	0	
3/84	0	0	
4/84	7	3	0.4
5/84	9	196	21.8
6/84	30	623	20.8
7/84	31	634	20.5
8/84	31	525	16.9
9/84	30	556	18.5
10/84	31	644	20.8
Total	210	3,613	

Note: This well was completed 12/5/81