

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 _____

[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.

DAVID GONZALES
 Print or Type Name

Signature

Title

Date

VP OPERATIONS 10/23/12

KGRAMM@LOSRESOURCESLLC.COM
 e-mail Address

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised August 1, 2011

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

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

District III
1000 Rio Brazos Road, Aztec, NM 87410

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

APPLICATION FOR DOWNHOLE COMMINGLING

Logos Capital Management, LLC

4001 North Butler, Building 7101 Farmington, NM 87401

Operator
Logos

#2

Address
Sec. 6, T22N, R5W

DHC-4590

Sandoval

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

OGRID No. 287123 Property Code 39236 API No. 30-043-21120 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Venado Mesa Verde	Wildcat Gallup	Wildcat Dakota
Pool Code	62490		
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	Est. 4062'-4340'	Est. 4621'-6134'	Est. 6149'-6583'
Method of Production (Flowing or 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)	1885 psi	2100 psi	2750 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	Est. Oil Gravity 48.9	Est. Oil Gravity 42	Est. Oil Gravity 45
Producing, Shut-In or New Zone	New Zone	New Zone	New 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: Rates: Offset production history attached.	Date: Rates: Offset production history attached.
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 Gas % % Each interval will be swab tested independently and used for allocation.	Oil Gas % % Each interval will be swab tested independently and used for allocation.

FOR OK FOR ADJUST
FRAGMENT

ADDITIONAL DATA

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

Will commingling decrease the value of production? Yes No

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 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.

~~CONFIDENTIAL~~ 11/25/14
Espined [Signature]

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 [Signature] TITLE Director of Admin and Eng. Support DATE 10/22/2012

TYPE OR PRINT NAME Kristy Graham TELEPHONE NO. (505) 436-2627

E-MAIL ADDRESS kgraham@logosresourcesllc.com



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

RECEIVED OCD

2012 OCT 23 P 12: 39

Date: October 19, 2012

To: NMOCD and BLM

Re: Request for Confidential Status on Logos #2 (API 30-043-21120)

Dear NMOCD and BLM,

Logos Capital Management, LLC (287123) is requesting "Tight Hole/Confidential" status for the Logos #2 (API 30-043-21120).

The Logos #2 is a wildcat Dakota, wildcat Gallup, and Venado MesaVerde oil well with a spud date of 9/28/2012. Logos requests confidential status for the maximum allowable time frame.

Regards,

A handwritten signature in black ink, appearing to read "David Gonzales", with a stylized flourish at the end.

David Gonzales
Vice President of Operations

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 Tribal #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 Capital Management, 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

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>Trimmingle wellbore.</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 Capital Management, LLC proposes to trimmingle the referenced well upon completion of the Venado MesaVerde, Wildcat Gallup and Wildcat Dakota intervals. Please refer to the attached documents.

The allocations per zone will be established by using the stabilized flowback rates of each zone which will be isolated during flowback. The stabilized flowback rates will be compared against the swab test data for each isolated zone. After the completion, Logos will isolate each zone and swab test the zones to ensure that the flowback data is accurate.

The pressures per zone are calculated based on data gathered during drilling and also data gathered during flowback. The Dakota and Mesaverde pressure are at or above the water gradient. The Gallup pressure is below water gradient and is calculated at 0.4 PSI/ft.

Pool Information:

Wildcat Dakota, Wildcat Gallup, Venado MesaVerde OK

~~**CONFIDENTIAL**~~ expired *[Signature]* 11/25/14

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Kristy Graham Title Director of Administration and Engineering Support

Signature *Kristy Graham* Date 10/19/2012

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.

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-043-21120		² Pool Code 62490		³ Pool Name VENADO MESA VERDE	
⁴ Property Code 39236		⁵ Property Name Logos			⁶ Well Number 2
⁷ OGRID No. 287123		⁸ Operator Name Logos Capital Management, LLC			⁹ Elevation 6,901'

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
1	6	22N	5W	NESE	1,930	South	730	East	Sandoval

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
¹² Dedicated Acres 40									
¹³ Joint or Infill		¹⁴ Consolidation Code			¹⁵ Order No.				

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>¹⁶</p>	<p>¹⁷ OPERATOR CERTIFICATION 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: <i>[Signature]</i> Date: 10/22/12</p> <p>John Austin Akers Printed Name</p> <p>aaakers@logosresourcesllc.com E-mail Address</p>
	<p>¹⁸ SURVEYOR CERTIFICATION 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 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 NMOCDD - said survey was completed by Jason C. Edwards- Certificate 15269</p> <p>Certificate Number</p>
	<p>1,930'</p>

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-043-21120		² Pool Code 97968		³ Pool Name Wildcat GALLUP (O)	
⁴ Property Code 39236		⁵ Property Name Logos			⁶ Well Number 2
⁷ OGRID No. 287123		⁸ Operator Name Logos Capital Management, LLC			⁹ Elevation 6,901'

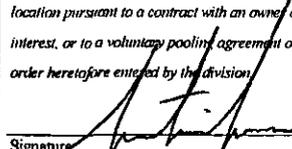
¹⁰ Surface Location

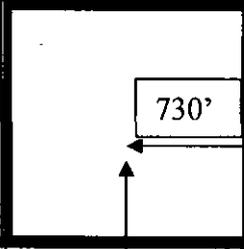
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	6	22N	5W	NESE	1,930	South	730	East	Sandoval

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
¹² Dedicated Acres 40									
¹³ Joint or Infill		¹⁴ Consolidation Code			¹⁵ Order No.				

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>¹⁶</p>	¹⁷ OPERATOR CERTIFICATION				
	<p><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></p> <p style="text-align: right;">  10/22/12 Signature Date </p> <p>John Austin Akers Printed Name</p> <p>ajakers@logosresourcesllc.com E-mail Address</p>				
	¹⁸ SURVEYOR CERTIFICATION				
<p><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></p> <p style="text-align: right;">10/22/12 Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p><i>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</i></p> <p>Certificate Number</p>					



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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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-043-21120		² Pool Code 97977		³ Pool Name Wildcat, DAKOTA (O)	
⁴ Property Code 39236		⁵ Property Name Logos			⁶ Well Number 2
⁷ GRID No. 287123		⁸ Operator Name Logos Capital Management, LLC			⁹ Elevation 6,901'

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
1	6	22N	5W	NESE	1,930	South	730	East	Sandoval

¹¹ Bottom Hole Location If Different From Surface

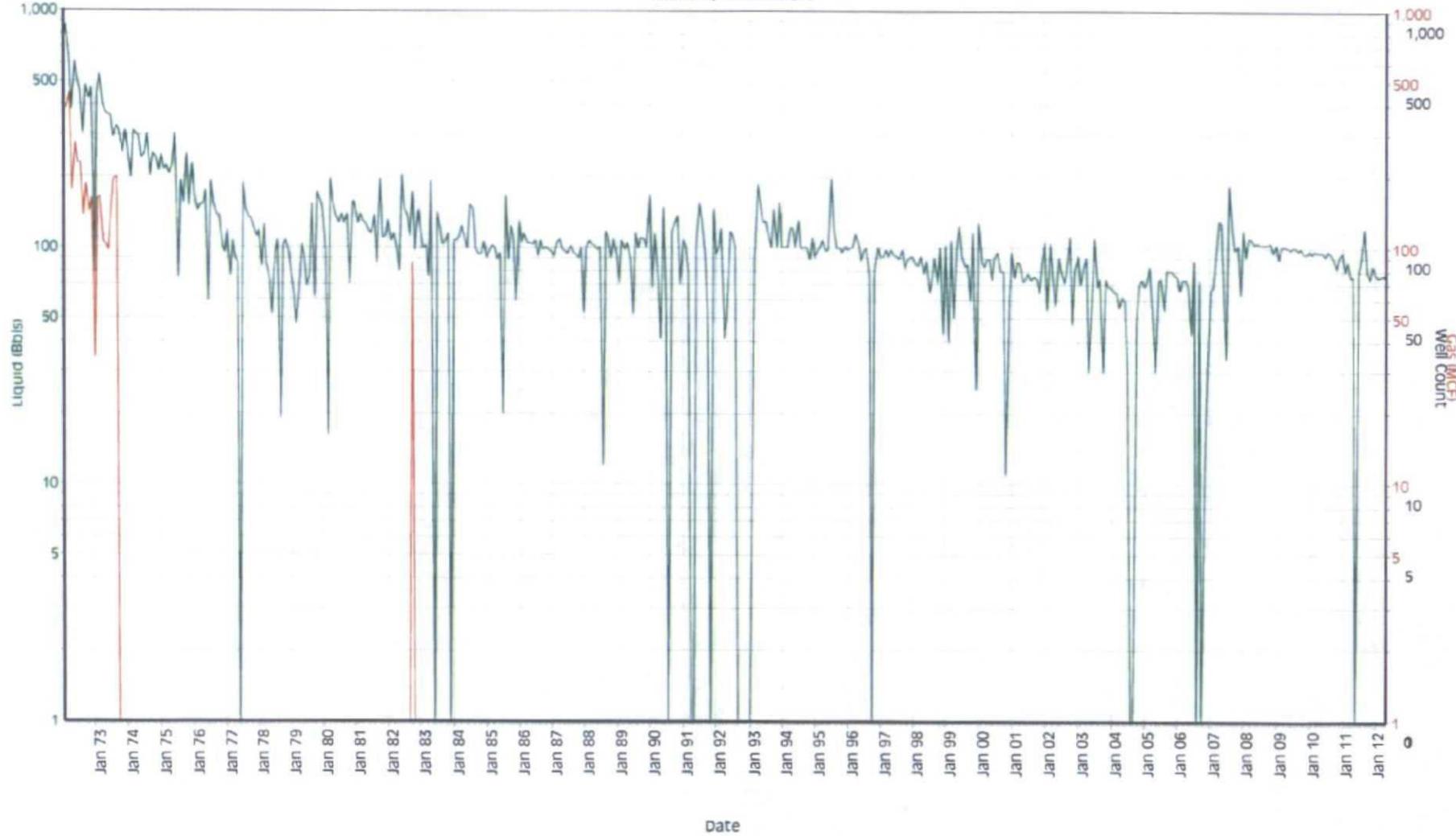
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order No.					

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	<p>¹⁷ OPERATOR CERTIFICATION 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 released 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>[Signature]</i> Date: 10/22/12</p> <p>John Austin Akers Printed Name</p> <p>aaakers@logosresourcesllc.com E-mail Address</p>
	<p>¹⁸ SURVEYOR CERTIFICATION 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 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 NMOCID - said survey was completed by Jason C. Edwards- Certificate 15269</p> <p>Certificate Number</p>
	<p>1,930'</p>

MesaVerde Offset

JAIR 002
SANDOVAL (NM)
22N 05W 08 L
Operator: LOGOS CAPITAL MANAGEMENT, LLC
Field: VENADO (MESAVERDE)
(Monthly Production)

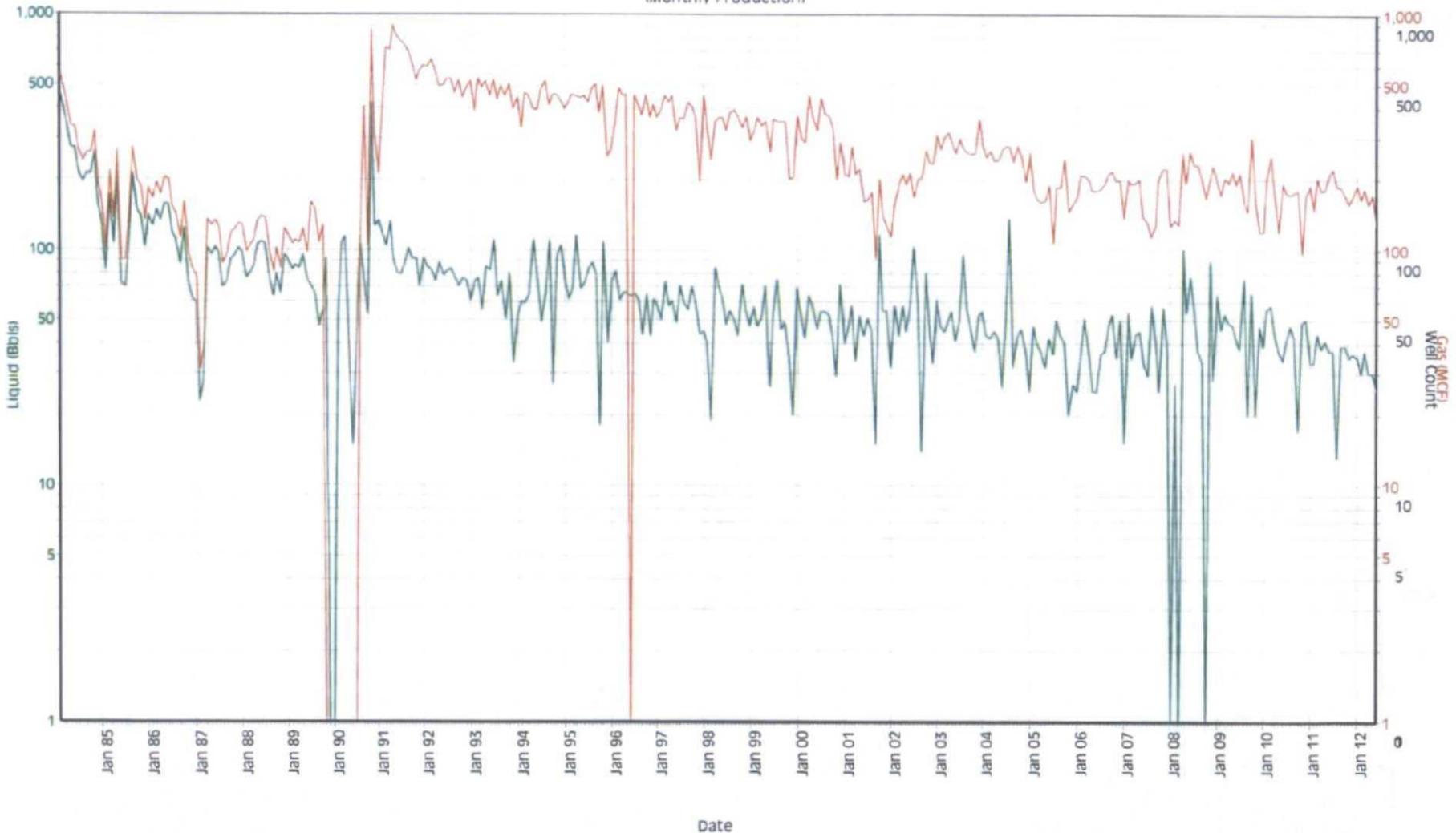


— Liquid (bbbls) — Gas (MCF) — Wells

Liquid (bbbls): Current Cum: 55,695 Total: 55,695
Gas (MCF): Current Cum: 4,029 Total: 4,029

Gallup offset

LULU 005
SANDOVAL (NM)
23N 06W 29 J
Operator: PARKO OIL
Field: LYBROOK (GALLUP)
(Monthly Production)

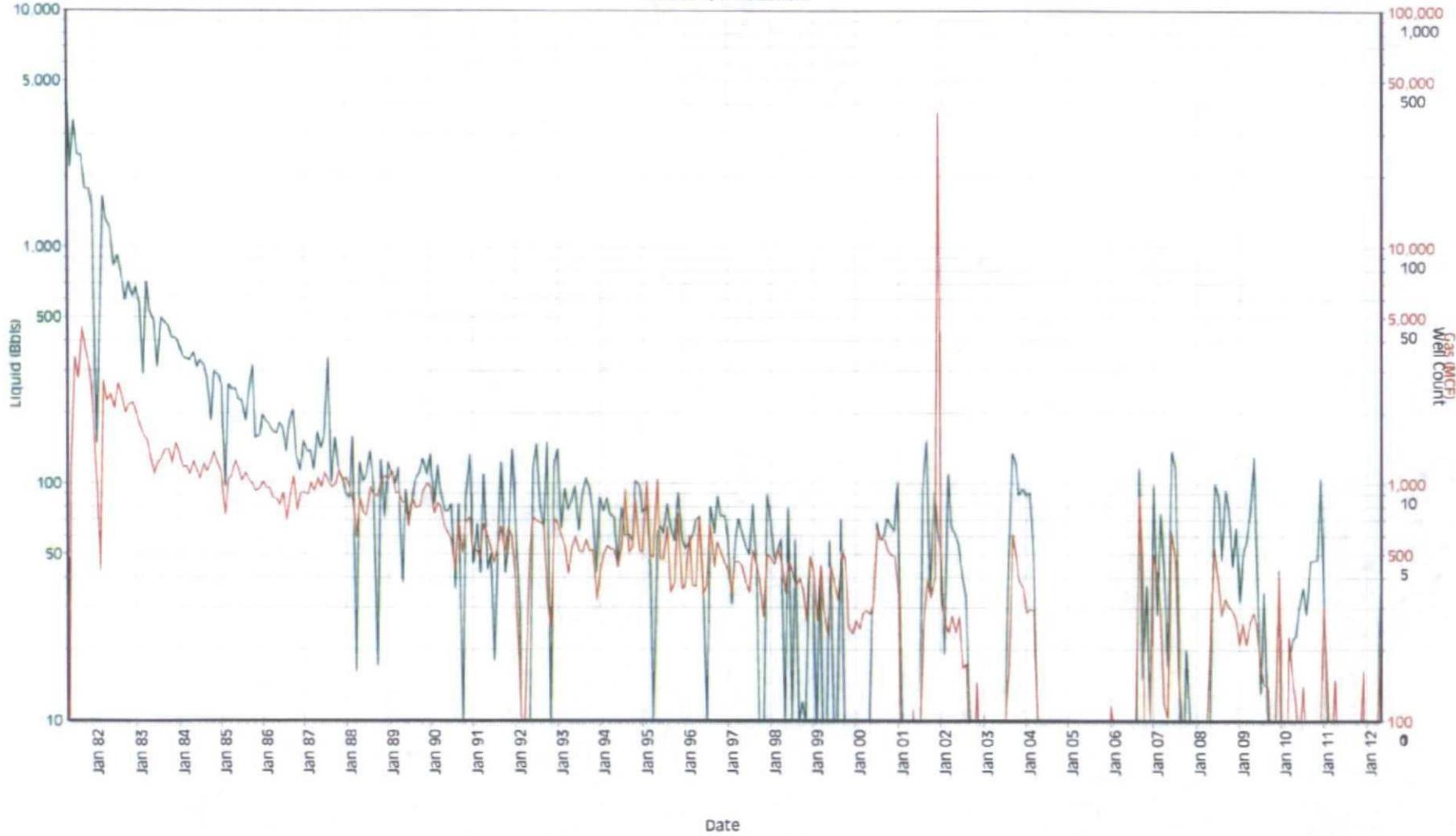


— Liquid (bbls) — Gas (MCF) — Wells

Liquid (bbls): Current Cum: 23,941 Total: 23,941
Gas (MCF): Current Cum: 91,157 Total: 91,157

Dakota Offset

BONANZA 005
SANDOVAL (NM)
22N 03W 12 G
Operator: ELM RIDGE EXPLORATION COMPANY LLC
Field: LINDRITH (GALLUP/DAKOTA, WEST)
(Monthly Production)



— Liquid (bbls) — Gas (MCF) — Wells

Liquid (bbls): Current Cum: 59,464 Total: 59,464
Gas (MCF): Current Cum: 252,308 Total: 252,308



4001 N. Butler Blvd. Bldg 7101
Farmington, NM 87401
Phone: (832) 794-1355
Fax: (303) 974-1767

October 22, 2012

To whom it may concern,

Be it known that as of October 15, 2012, based on the title research of licensed New Mexico attorneys as well as the title work of Logos Resources, LLC and its consultants, Jicarilla Lease 424 covering sections 5-8 in Township 22 North, Range 5 West, NMPM has identical ownership throughout the lease (all depths and all acreage) being Logos Resources, LLC- 100% WI and Jicarilla Apache Nation- 16.666666% RI. **As such, the ownership of all formations in the Logos No. 2 well is identical.**

Should you have any questions or concerns regarding this letter, please feel free to contact me at 303-550-1877.

Very truly yours,

A handwritten signature in black ink, appearing to read "John Akers", written over a horizontal line.

John Austin Akers
Vice President of Land
Logos Resources, LLC