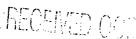
State of New Mexico Energy Minerals and Natural Resources Oil Conservation Division

1220 South St. Francis Dr. Santa Fe, NM 8705



District IV

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

						A ZONE					
Operator Name and Address Reliant Exploration & Production, LLC, 300 North Maylenfeld Suite 600						OGRID Number 251905					
			300 North Marienfeld Suite 600 Midland, Texas 79701						30 - D2	'API Number / - 205/	6
Property Code Property Na LIBBY MINERAL					roperty Name	C 1931			"Well No		
37025											
			Proposed Pool avo Dome 960						" Proposed	i Pool 2	
_ _			aro Dome 700		7 Surfa	ce Location	<u> </u>				· · · · · · · · · · · · · · · · · · ·
UL or lot no.	Section	Township	Range	1.ot	ot Idn Feet from the		North/South line		Feet from the	East/West line	County
L	7 .	19 North	· 1			1980'			660'		
			NMPM				Sou			West	Harding
⁸ Proposed Bottom Hole Location If Different From Surface								r			
UL or lot no.	Section	Township	Range	Lat	Idn Feet from the North/South		th line	Feet from the	East/West line	County	
·		·		Add	itional \	Well Infor	mation	1.			L
	Type Code		12 Well Type			13 Cable/Rotary		- 11	Lease Type Code		evel Elevation
	N		C 17 Proposed D	S. al.	<u> </u>	R Is Formation			P 4537.2'		
	ultiple 10	Į.	2600'	рејян		TUBB	1		10 Contractor 21 Spud Date Reliant E&P 4/1/2010		
Depth to Grou				Distanc		est fresh water					ater
	Synthetic	⊠ 20	mils thick Cl	lay Pit V	> 10 Volume: 8	300° 350 bbls		Drilling N		> 1000,	
	d-Loop Syst	em 🔲	•		_		Fresh V	Vater □	Brine Diese	I/Oil-based 🛛 Gas	/Air
			21	Propose	d Casin	g and Cen	ent Pro	gram			
Hole Siz	,,	Casing		Casing wei		Setting		1	cks of Cement	Estimated	TOC
12-1/4		8-5/		24		70		1	300SX	SURF	
7-7/8		5-1/		5.9#FG/		1	2600' 40			SURE	
				<u>.</u>					 -		·
2 5 4 4			<u> </u>	, DEED	C) 1 D) 11	C DACK =ive	the data a	11			<u></u>
						G BACK, give Is if necessary.	me ann or	i ine pres	ent productive zor	ne and proposed nev	v productive
				OIL CO	N'SERV	ATION C	CANADAIS	CLON	TO BE NO	OTICICO	
SEE ATTACI	IMENTS		•								
SEE ATTACHMENTS WITHIN 24 HOURS OF BEGINNING OPERATIONS											
23 I hereby certify that the information given above is true and complete to the best											
of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines [3], a general permit [1], or an					OIL CONSERVATION DIVISION						
(attached) alternative OCD-approved plan [].											
Signature: Approved by: Approved by:					MAIAMAI	The Indian	_				
Printe name: Scott S. Vanderburg					Titl	Title: DISTRICT SUPERVISOR					
Title: President						Арј	proval Date	12//	3/2010	Expiration Date://	1/13/20
E-mail Address: scottv@reliantholdingsltd.com											
9/2/17/10					Cor	rditions of	Approval	Attached 🗆			
Date: 9/8/210 Phone: 432-362-9206 Conditions of Approval Attached							Tantons (4)	17770101	,		

Before the Oil Conservation Division Case No. 14688 Hearing July 21, 2011 **Reliant Exploration & Production LLC**

EXHIBIT NO.

OIL CONSERVATION COMMISSION TO DE MOTIFIED WITHIN 24 HOURS OF BEGINNING OPERATIONS

ATTACHMENT C-101 RELIANT EXPLORATION & PRODUCTION WELL 7-1-L

PROPOSED TD: 2600'

BOP PROGRAM:

0-700' None

700 - 2600' 11" Double Ram 3000# Schaffer

Casing:

Surface:

8-5/8" OD 24# J55 8rd ST&C new casing set at

700' 12-1/4" hole Centralizers from TD – Surface, every fourth

joint

Production:

5 -1/2" OD new casing from 0-2600'

300' - 15.5# J55 8rd LTC 2300' - 5.9# 10rd FG

7 - 7/8" hole -5 centralizers

* This well will have fiberglass casing from the surface down to the productive interval (Tubb). Steel casing will be used across the Tubb. The fiberglass casing will at a minimum penetrate the Cimarron formation, with the optimum setting point being the midpoint of the Cimarron formation.

Cement:

Surface – Circulate cement with 300sx class C – additives 2# C45, weight of 12.4# per gallon. Yield 2.14 and 1/8# of Celaflake per sx. Tail Cement 100sx class C 2%CACl with 1/8# per sx Celaflake Yield of 1.32# with weight of 14.8# per gallon

Production- Circulate cement with 400sx class C – additives 2# C45, weight of 12.4# per gallon. Yield 2.14 and 1/8# of Celaflake per sx. Tail Cement 100sx class C 2%CACl with 1/8# per sx Celaflake Yield of 1.32# with weight of 14.8# per gallon

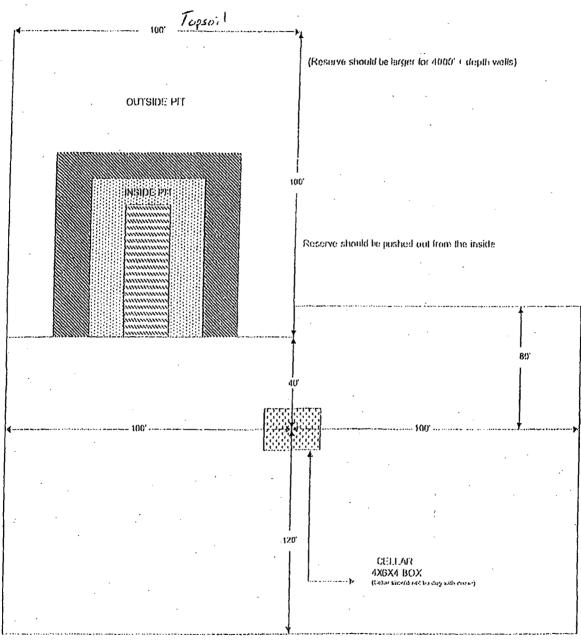
Mud

0-700' Air as Allowable

700-2600' Air as Allowable

Utilizing Metal Pits with an 80' by 80' by 6' deep reserve lined pit with 12 ply liner.

LOCATION SPECIFICATION FOR STEEL PITS (PICTURE NOT TO SCALE)



Cellar can be 4X4X4 if using a screw-on wellhead

District 1 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grond Avenue, Artesia, NM 88210

1000 Rio Brazos Rd., Azlec, NM 87410

District III

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 October 12, 2005 Submit to Appropriate District Office State Lease- 4 Copies Fee Lease-3 Copies

☐ AMENDED REPORT

WO# 090825WL (KA)

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

		WELL LOCA	TION AND	ACRE	AGE DEDI	CATION PLA	<u>T</u>		·
API Numb		Pool	Code			_	Pool Name		
30-021-2 Property Code	0516	960	10		·	Bruno	Done		
	l			roperty					Yell Number
37025 OGRID No.		LIE	BBY MIN	ERAI	LS LLC	1931		7	7-1-L
OGRID No.				perator)				ſ	Elevation
251905		RELIANT EX	PLORATI	ION .	& PROD	UCTION, I	LC.	4	537.2'
		•	Sur	face	Location				
UL or lot no. Section T	ownship /	Range		Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L 7 19	NORTH	31 EAST, N.	М.Р.М.	Į į	1980'	SOUTH	660'	WEST	HARDING
						<u> </u>	Ll		
			Hole Loca	ition	lf Differen	t From Sur	face	-	
UL or lot no. Section T	ownship	Range		Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
						1			
Dedicated Acres Joint	or Infill	Consolidation Code	Order No.		•		<u></u>		d
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No allowable will be a division.	ssigned to	uns completion u	ntii dii inter	ests n	ove been co	nisolidated of	a uon-stànat	ard unit nos been	approved by the
CIVISION.									
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	ı				ı		4	OPERATOR CERTIF	FICATION
							/ here	eby certify that th	e information
		ı	•		ŀ		conto	ined herein is true	e and complete
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					- 1		either	owns a working	interest or
	1 .	1			ı		includ	ling the proposed on or has a right	bottom hole
	i						locati	on or has a right at this location pu	to drill this
<u> </u>	- '				:		contr	act with an owner	of such a
					ĺ		miner	al or working inte tary pooling agreei	rest, or to a
		05 1001701			ı		comp	ulsory pooling orde	er herølofore
	NEW N	CE LOCATION MEXICO EAST			ł	•	enter	ed by the division.	√ ,
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	1	-			[Profe	ssions Surveyor	
	•	•			•			~ ~ <i>T</i>	I

District J 1625 N. French Dr., Hobbs, NM 88240 District II 301 W. Grand Avenue, Artesia, NM 88210 instrict 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 Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

For temporary pits, closed-loop systems, and below-grade tanks. submit to the appropriate NMOCD District Office.

For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Proposed Alternative Method Permit or Closure Plan Application						
Proposed Alternative Method Permit or Closure Plan Application Type of action: Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method Modification to an existing permit Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method						
Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request						
Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.						
Operator: Reliant Exploration & Production, LLC OGRID #: 251905						
Address: 300 North Marienfeld Suite 600 Midland, TX. 19701						
Facility or well name: Libby Minerals LLC 1931 No. 7-1-L						
API Number: 30 - 021 - 20516 OCD Permit Number:						
U/L or Qtr/Qtr 1 Section 7 Township 19N Range 31E County: Harding						
Center of Proposed Design: Latitude 35.8898597 N Longitude 103.6932685 W NAD: № 1927 □ 1983						
Surface Owner: ☐ Federal ☐ State ☑ Private ☐ Tribal Trust or Indian Allotment						
☑ Pit: Subsection F or G of 19.15.17.11 NMAC						
Temporary: ☑ Drilling ☐ Workover						
Permanent Emergency Cavitation P&A						
☐ Unlined Liner type: Thickness 20 mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other						
String-Reinforced						
Liner Seams: Welded Factory Other Volume: 850 bbl Dimensions: L 80" x W 80" x D 6"						
3. Closed-loop System: Subsection H of 19.15.17.11 NMAC						
Type of Operation: P&A Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of						
intent)						
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other						
Lined Unlined Liner type: Thicknessmil LLDPE HDPE PVC Other						
Liner Seams: Welded Factory Other						
4.						
Below-grade tank: Subsection I of 19.15.17.11 NMAC Volume:						
Tank Construction material:						
Secondary containment with leak detection Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off						
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☐ Other						
Liner type: Thickness mil						

Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

Alternative Method:

Fencing: Subsection D of 19.15.17.11 NMAC (Applies to permanent pits, temporary pits, and below-grade tanks)	
Chain link, six feet in height, two strands of barbed wire at top (Required if located within 1000 feet of a permanent residence, school, stitution or church)	hospital,
Four foot height, four strands of barbed wire evenly spaced between one and four feet	
Alternate. Please specify	
7.	
Netting: Subsection E of 19.15.17.11 NMAC (Applies to permanent pits and permanent open top tanks) ☐ Screen ☐ Netting ☐ Other	
☐ Screen ☐ Netting ☐ Other ☐ Monthly inspections (If netting or screening is not physically feasible)	• • •
— Withinky hispections (1) nothing of selecting is not physically reasone)	
Signs: Subsection C of 19.15.17.11 NMAC	
12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers	
☐ Signed in compliance with 19.15.3.103 NMAC	
9.	
Administrative Approvals and Exceptions: Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.	
Please check a box if one or more of the following is requested, if not leave blank:	ore p
Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau consideration of approval.	office for
Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.	
Siting Criteria (regarding permitting): 19.15.17.10 NMAC Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of accept material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying ove-grade tanks associated with a closed-loop system.	priate district pproval.
Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank. NM Office of the State Engineer - iWATERS database search: USGS; Data obtained from nearby wells	Yes No No UNKNOWN
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ⊠ No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to temporary, emergency, or cavitation pits and below-grade tanks) Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ⊠ No ☐ NA
Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (Applies to permanent pits) Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No 図 NA
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site	☐ Yes ☑ No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ⊠ No
Within 500 feet of a wetland. US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	☐ Yes ☑ No
Within the area overlying a subsurface mine. Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes 🖾 No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	☐ Yes ⊠ No
ithin a 100-year floodplain FEMA map	☐ Yes 🛛 No

Lorent Calif Conservation Division

Page 2 of 21

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are ached. Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC Siting Criteria Comptiance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC Previously Approved Design (attach copy of design) API Number: or Permit Number:
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9 Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
Previously Approved Design (attach copy of design) API Number:
Previously Approved Operating and Maintenance Plan API Number: (Applies only to closed-loop system that use
above ground steel tanks or haul-off bins and propose to implement waste removal for closure)
Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Climatological Factors Assessment Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC Quality Control/Quality Assurance Construction and Installation Plan Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC Nuisance or Hazardous Odors, including H ₂ S, Prevention Plan Emergency Response Plan Oil Field Waste Stream Characterization Monitoring and Inspection Plan Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
<u>Proposed Closure</u> : 19.15.17.13 NMAC Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.
Type: Drilling Workover Emergency Cavitation P&A Permanent Pit Below-grade Tank Closed-loop System Alternative Proposed Closure Method: Waste Excavation and Removal Waste Removal (Closed-loop systems only) On-site Closure Method (Only for temporary pits and closed-loop systems) In-place Burial On-site Trench Burial Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)
15. Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. □ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC □ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC □ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings) □ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC □ Re-vegetation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC) Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two cilities are required.					
Disposal Facility Name: Disposal Facility Permit Number: Disposal Facility Permit Number:					
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations? Yes (If yes, please provide the information below) No					
Required for impacted areas which will not be used for future service and operations: Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC					
Siting Criteria (regarding on-site closure methods only): 19.15.17.10 NMAC Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable s provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Judemonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.	listrict office or may be				
Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	Yes No				
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA				
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	☐ Yes ☐ No ☐ NA				
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or play-lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	Yes No				
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	☐ Yes ☐ No				
thin 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	ı. Yes 🗌 No				
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	☐ Yes ☐ No				
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	Yes No				
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	☐ Yes ☐ No				
 Within an unstable area. Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map 	☐ Yes ☐ No				
Within a 100-year floodplain FEMA map	☐ Yes ☐ No				
On-Site Closure Plan Checklist: (19.15.17.13 NMAC) Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached. Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.13 NMAC Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved) Soil Cover Design - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC					
Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC					

Operator Application Continues					
Operator Application Certification: I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.					
ime (Print): Scott Vanderburg / Title: President					
Signature:					
e-mail address: Scottv@floco2.com Telephone: 432-638-6455					
20.					
OCD Approval: Permit Application (including closure plan) Closure Plan (only) OCD Conditions (see attachment)					
OCD Representative Signature: Approval Date: 12/13/2010					
Title:DISTRICT SUPERVISOR OCD Permit Number:					
21. Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.					
Closure Completion Date:					
Closure Method: Waste Excavation and Removal On-Site Closure Method Alternative Closure Method Waste Removal (Closed-loop systems only) If different from approved plan, please explain.					
23. Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: Instructions: Please indentify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.					
Disposal Facility Name: Disposal Facility Permit Number:					
isposal Facility Name: Disposal Facility Permit Number:					
Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations? Yes (If yes, please demonstrate compliance to the items below) No					
Required for impacted areas which will not be used for future service and operations:					
☐ Site Reclamation (Photo Documentation) ☐ Soil Backfilling and Cover Installation					
Re-vegetation Application Rates and Seeding Technique					
24. Closure Report Attachment Checklist: Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check					
mark in the box, that the documents are attached. Proof of Closure Notice (surface owner and division)					
Proof of Deed Notice (required for on-site closure)					
☐ Plot Plan (for on-site closures and temporary pits) ☐ Confirmation Sampling Analytical Results (if applicable)					
Waste Material Sampling Analytical Results (required for on-site closure)					
☐ Disposal Facility Name and Permit Number ☐ Soil Backfilling and Cover Installation					
☐ Re-vegetation Application Rates and Seeding Technique					
Site Reclamation (Photo Documentation) On-site Closure Location: Latitude Longitude NAD: 1927 1983					
25.					
Operator Closure Certification: Thereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.					
Name (Print): Title:					
Signature: Date:					
hail address:Telephone:					

Hydrogeological Data (Based on Appropriate Requirements of 19.15.17.11 NMAC)

Well Name:

Libby Minerals, LLC 1931 No. 7-1-L

Topography:

This location is within the Great Plains Physiographic Province, with flat to rolling prairie and scattered hills and bluffs. The land gradually rises westward, giving way to the frontal ranges of the Rocky Mountains. Elevation of the referenced well is approximately 4537 feet MSL. The location is on a very gentle, south-southeastern slope, approximately one mile northwest of the Black Hills (see Siting Criteria Map II, attached).

Soils:

Soils within this region have been mapped by the Natural Resources Conservation Service. The following soil unit occurs within the proposed project area:

Amarillo fine sandy loam:

This soil type is generally found on plains at an elevation of 3800 to 5000 feet. It is made up of 85% Amarillo and similar soils. Amarillo soils, generally found on 1- to 3-percent slopes, are well drained with no frequency of flooding or ponding. The available water capacity is high and the depth to the water table is more than 80 inches. A typical profile is fine sandy loam from 0 to 5 inches and sandy clay loam from 5 to 65 inches.

Source: United States Department of Agriculture, Natural Resources Conservation Service. 2008. Soil Survey Geographic (SSURGO) Database for Harding County, New Mexico. Accessed September 2010.

Geology:

The geology of this region has been mapped by the United States Geological Survey. Geology within the project area is undefined, but is of Triassic age and is formed of medium- and fine-grained mixed clastic materials. Adjacent areas, 300 feet to the south, are mapped as Quaternary alluvium.

Source: United States Geological Survey. Updated December 2007. Preliminary Integrated Geologic Map Databases for the United States: Central States: Montana, Wyoming, Colorado, New Mexico, North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Texas, Iowa, Missouri, Arkansas, and Louisiana. http://tin.er.usgs.gov/geology/state/state.php?state=NM. Accessed September 2010.

Surface Hydrology:

Northeastern New Mexico is drained by the Arkansas River and its tributary, the Canadian River. The location would drain to the southeast for approximately 0.60 mile to an unnamed drainage. This drainage would subsequently flow approximately 1.5 miles northeast into Ute Creek, a continuously flowing tributary of the Canadian River. Topographic maps indicate that the pit would be greater than 300 feet from any significant waterways or surface water (see Siting Criteria Map II, attached).

Ground Water Hydrology:

This location is within central Harding County, New Mexico, within the Great Plains Physiographic Province. The High Plains aquifer extends westward into eastern Harding County, but in the proposed project region there is no principal aquifer. Aquifers do not exist here, yield too little water to wells to be significant, or yield sufficient water to supply local requirements but are not extensive enough to be classified as a major aquifer.

Depth to groundwater is unknown at this location, because the nearest recorded wells with available water depth information are at least 3.0 miles from the location (see Siting Criteria Map I and Office of the State Engineer (OSE) Water reports, attached). The nearest water wells identified on OSE shapefiles are listed below:

Well	Distance from Proposed Project	Depth to Water
TU 1363	approximately 3.0 miles north-northeast	24 ft
TU 503	approximately 3.2 miles west-northwest	80 ft

Source: United States Geological Survey. 2001. Groundwater Atlas of the United States: Arizona, Colorado, New Mexico and Utah. USGS Publication HA 730-C; http://capp.water.usgs.gov.

New Mexico Office of the State Engineer. 2008. GIS Shapefile: Wells and Surface Diversions in New Mexico (PODS_may08.shp).

New Mexico Office of the State Engineer. 2010. New Mexico Water Rights Reporting System. http://nmwrrs.ose.state.nm.us/nmwrrs/waterColumn.html. Internet accessed September 2010.

Siting Criteria Compliance Demonstrations (Based on Appropriate Requirements of 19.15.17.10 NMAC)

Depth to groundwater (should not be less than 50 feet):

Depth to groundwater is unknown at this location, because the nearest recorded wells with available water depth information are at least 3.0 miles from the location (see Siting Criteria Map I and iWaters reports, attached). The nearest water wells identified on the OSE shapefiles are listed below:

Well	Distance from Proposed Project	Depth to Water
TU 1363	approximately 3.0 miles north-northeast	24 ft
TU 503	approximately 3.2 miles west-northwest	80 ft

<u>Distance to watercourse (should not be within 300 feet of a continuously flowing watercourse or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake):</u>

Topographic maps indicate that the pit would be greater than 300 feet from any significant waterways, surface waters, etc (see Siting Criteria Map II, attached).

<u>Distance to buildings (should not be within 300 feet of a permanent residence, school, hospital, institution, or church):</u>

The pit would not be within 300 feet of any of these locations (see Siting Criteria Map I).

<u>Distance to springs or wells (should not be within 500 feet of a private, domestic fresh water well or spring used by less than five (5) households or within 1000 feet of any other fresh water well or spring):</u>

The pit would not be within 500 feet of any well or spring (see Siting Criteria Map I).

<u>Presence within incorporated area (should not be within incorporated municipal boundaries or within defined municipal fresh water well field covered under municipal ordinance):</u>

The pit would not be within an incorporated area or municipal fresh water well field (see Siting Criteria Map I).

Distance to wetlands (should not be within 500 feet):

The USFWS has not mapped this location for wetlands (see Wetlands map, attached). However, soils data, topographic maps, and ortho data indicate that the location is not near a wetland.

Location above subsurface mine (should not overlie a subsurface mine):

The pit would not overlie a mine (see Mines, Mills, and Quarries map, attached).

Presence within unstable area (should not be within an unstable area):

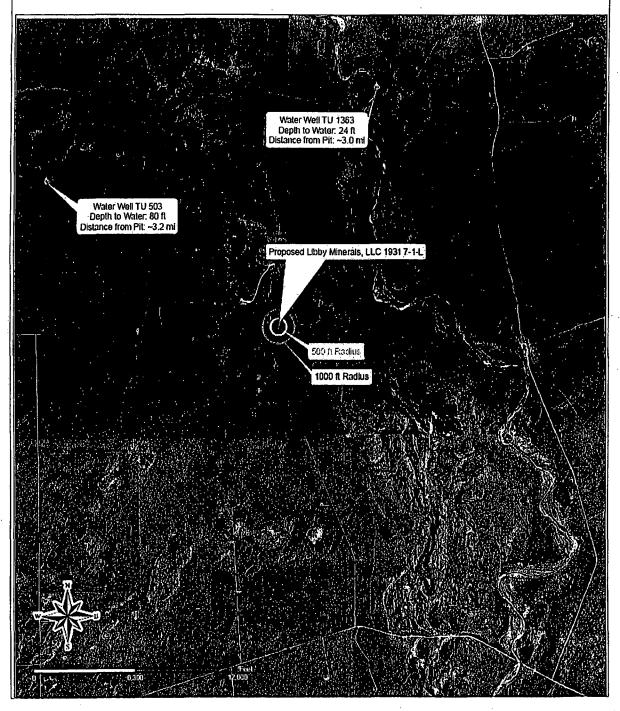
The location would not be within an unstable area (See Siting Criteria Map II).

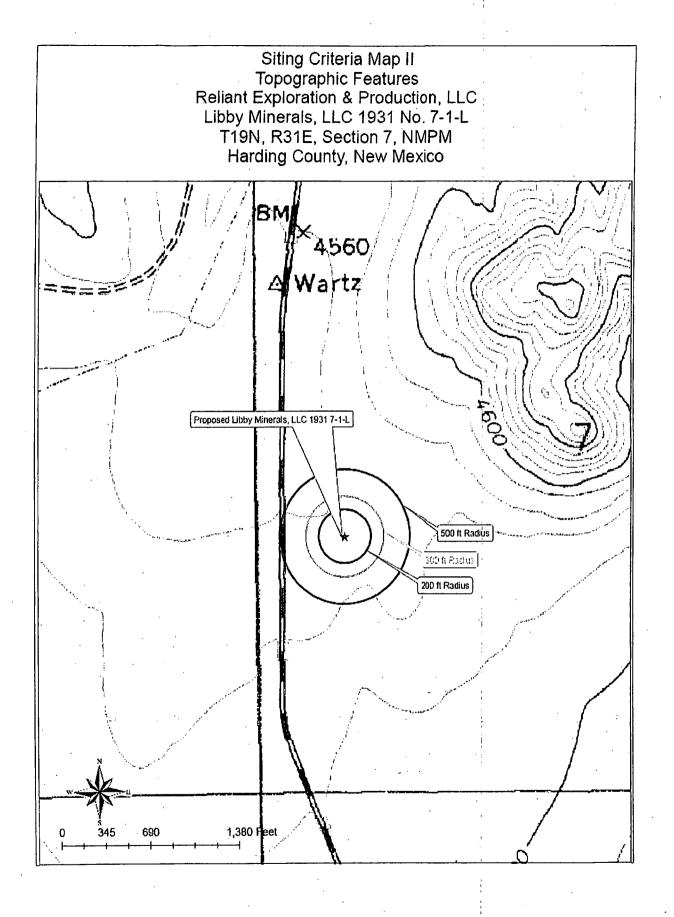
Presence within floodplain (should not be within a 100-year floodplain):

The location has not been mapped by FEMA (see FEMA printout, attached). However, soils data, topographic maps, and ortho data indicate that the location is not within a floodplain.

Form C-141 Oil Conservation Division Page 10 of 24

Siting Criteria Map I Water Wells Reliant Exploration & Production, LLC Libby Minerals, LLC 1931 No. 7-1-L T19N, R31E, Section 7, NMPM Harding County, New Mexico







No records found.

Basin/County Search:

County: Harding

PLSS Search:

Section(s): 7

Township: 19N

Range: 31E



New Mexico Office of the State Engineer Water Column/Average Depth to Water

No records found.

Basin/County Search:

County: Harding

PLSS Search:

Section(s): 6

Township: 19N

Range: 31E



No records found.

Basin/County Search:

County: Harding

PLSS Search:

Section(s): 5

Township: 19N

Range: 31E



New Mexico Office of the State Engineer Water Column/Average Depth to Water

No records found.

Basin/County Search:

County: Harding

PLSS Search:

Section(s): 8

Township: 19N

Range: 31E



No records found.

Basin/County Search:

County: Harding

PLSS Search:

Section(s): 17

Township: 19N

Range: 31E



New Mexico Office of the State Engineer Water Column/Average Depth to Water

No records found.

Basin/County Search:

County: Harding

PLSS Search:

Section(s): 18

Township: 19N

Range: 31E



(quarters are 1=NW 2=NE 3=SW 4=SE)

1 1 2 01 19N 32E

(quarters are smallest to largest) (NAD83 UTM in meters)

(in feet)

Sub Q Q Q

Depth Depth Water Y Well WaterColumn

POD Number

TU 00568

basin Use County 64 16 4 Sec Tws Rng

636239 3975340* Average Depth to Water:

Minimum Depth:

Maximum Depth:

Record Count: 1

Basin/County Search:

County: Harding

PLSS Search:

Section(s): 1

Township: 19N

Range: 32E



New Mexico Office of the State Engineer Water Column/Average Depth to Water

No records found.

Basin/County Search:

County: Harding

PLSS Search:

Section(s): 12

Township: 19N

Range: 32E



No records found.

Basin/County Search:

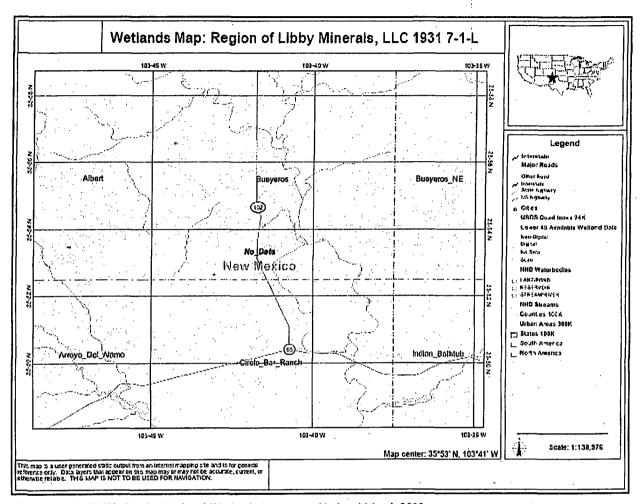
County: Harding

PLSS Search:

Section(s): 13

Township: 19N

Range: 32F



U.S. Fish and Wildlife Service National Wetlands Inventory. Updated March 2008. http://www.fws.gov/wetlands/Data/mapper.html. Accessed September 2010.

100-year Floodplain Data

FEMA Map Service Center - FEMA Issued Flood Maps

http://msc.fema.gov/webapp/wcs/stores/servlet/CategoryDisplay/store...



Product Catalog | Map Search | Quick Order | Digital Post Office | Help Home > Product Catalog > FEMA Issued Flood Maps

Leg on

FEMA Issued Flood Maps

State: NEW MEXICO

County: HARDING COUNTY

Community: HARDING CO *

Sorry there are no Items to display for this State, County and Community.

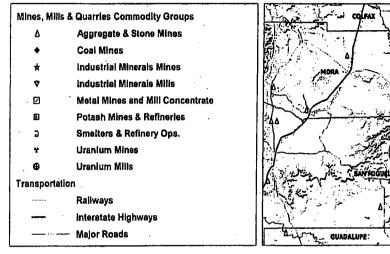
* dosignates unincorporated areas

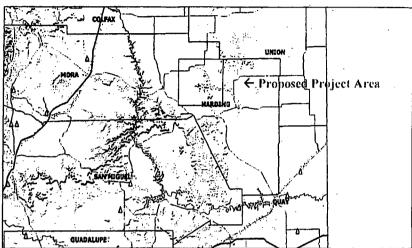
FEMA.gov | Accessibility | Privacy Policy | FAQ | Site Help | Site Index | Contact Us FEMA Map Service Conter, P.O. Dox 1038 Jessup, Maryland 20704-1038 Phone: (800) 358-9010 Adobe Acrobal Reader required to view certain documents. Click here to download.

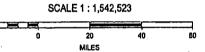
FEMA Map Service Center.

http://www.msc.fema.gov/webapp/wcs/stores/servlet/FemaWelcomeView?storeId=10001&catalogId=100 01&langId=-1. Accessed September 2010.

MMQonline Public Version







http://www.emnrd.state.nm.us/MMD/MMQonline/MMQonline-PUBLIC-PROD.mwf

Tuesday, March 31, 2009 11:13 AM

Source: New Mexico Energy, Minerals and Natural Resources Department, Division of Mining and Minerals. Database. 2008.

http://www.emnrd.state.nm.us/MMD/MRRS/MinesMillsQuarriesWebMap.htm. Internet accessed March 2009.

Design Plan (Based on Appropriate Requirements of 19.15.17.11 NMAC)

Design and construction specifications for this temporary pit are as follows:

- Prior to constructing the pit, topsoil would be stripped and stockpiled for use as final cover or fill at the time of closure.
- An upright sign (at least 12" x 24" with lettering at least 2" in height) would be placed conspicuously on the fence surrounding the pit, unless the site has an existing well sign (complying with 19.15.3.103 NMAC). The sign would be posted in a manner and location such that the legend can be easily read, and would contain the following information: operator's name, legal location (quarter-quarter or unit letter, section, township, and range), and emergency telephone number(s).
- If an adequate surrounding perimeter fence does not already prevent unauthorized access to the well site or facility, the pit would be fenced or enclosed in a manner that prevents unauthorized access. The fence would be at least four (4) foot in height with at least four (4) strands of barbed wire evenly spaced between the top and bottom. Fences would be maintained in good repair. During drilling or workover operations, three (3) sides of the pit would be fenced; the side adjacent to the drilling or workover rig would remain open only during such operations.
- The pit would be designed and constructed to ensure the confinement of liquids.
- The pit would be constructed with a properly constructed foundation and interior slopes consisting of a firm, unyielding base. The pit would be smooth and free of rocks, debris, sharp edges, or irregularities to prevent the liner's rupture or tearing. Slopes would be no steeper than two (2) horizontal feet to one (1) vertical foot (2H:1V).
- The pit would have a geomembrane liner with 20-mil string-reinforced LLDPE or its equivalent (approved by the division district office). This liner would be composed of an impervious, synthetic material resistant to petroleum hydrocarbons, salts, and acidic and alkaline solutions. The liner would be resistant to ultraviolet light. The liner would comply with EPA SW-846 method 9090A.
- Qualified personnel would perform field seaming. Liner seams would be minimized, particularly in
 corners and irregularly shaped areas. Field liner seams would be welded. Factory-welded seams would
 be used where possible. Prior to field seaming, liners would be overlapped four (4) to six (6) inches
 and would be oriented parallel to the line of maximum slope (along, not across, the slope).
- Construction would avoid excessive stress-strain on the liner.
- Geotextile would be used under the liner where needed to reduce localized stress-strain or protuberances that may compromise the liner's integrity.
- The edges of all liners would be anchored in the bottom of a compacted, earth-filled trench that is at least 18" deep.
- The liner would be protected from any fluid force or mechanical damage at any point of discharge into or suction from the pit.
- A berm, ditch, proper sloping, or other diversion would be constructed around the pit to prevent run-on
 of surface water. During drilled operations, the edge of the pit adjacent to the drilling or workover rig
 may not have protection if the pit is being used to collect liquids escaping from the rig and run-on will
 not result in a breach of the pit.
- The volume of the pit would not exceed 10 acre-feet, including freeboard.

Operating & Maintenance Plan (Based on Appropriate Requirements of 19.15.17.12 NMAC)

Operating and maintenance specifications for this temporary pit are as follows:

- The pit would be maintained to contain liquids and solids, prevent contamination of fresh water, and protect public health of the environment.
- All drilling fluids would be recycled, reused, reclaimed, or disposed of in a manner approved by division rules and that prevents contamination of fresh water and protects public health and the environment.
- Hazardous waste would not be discharged into or stored in the pit.
- If the pit liner's integrity is compromised or if penetration of the liner occurs above the liquid's surface, the appropriate division district office would be notified within 48 hours of the discovery, and the liner would be repaired or replaced.
- If the pit develops a leak or if any penetration of the liner occurs below the liquid's surface, all liquid above the damake or leak line would be removed within 48 hours, the appropriate division district office would be notified within 48 hours, and the liner would be repaired or replaced.
- The injection or withdrawal of liquids from the pit would be accomplished via a header, diverter, or other hardware that prevents damage to the liner by erosion, fluid jets, or impact from installation and removal of hoses or pipes.
- Pit operation would prevent the collection of surface water run-on.
- An oil-absorbent boom or other device would be installed and maintained onsite to contain and remove oil from the pit's surface.
- Only fluids used or generated during drilling or workover processes would be discharged into the
 pit. The pit would remain free of miscellaneous solid waste or debris. A tank made of steel or
 other division district office-approved material would be used to contain hydrocarbon-based
 drilling fluids. Immediately after cessation of a drilling or workover operation, any visibly or
 measurable layer of oil would be removed from the surface of the pit.
- At least two (2) feet of freeboard would be maintained.
- The pit would be inspected at least once daily while the drilling or workover rig is onsite. Thereafter, the pit would be inspected weekly as long as liquids remain within it. An inspection log would be maintained and made available to the division district office upon request. A copy of the log would be filed with the division district office at the time of pit closure.
- All free liquids would be removed from the pit within 30 days from release of the drilling or workover rig. On form C-105 or C-103, the date of the drilling or workover rig's release would be noted. If necessary, an extension of up to three (3) months may be requested from the division district office; this extension may or may not be granted.
- Any liquids used for cavitation would be removed from the pit within 48 hours after completing cavitation. If it is not feasible to access the location within 48 hours, this would be demonstrated to the district office's satisfaction and additional time would be requested.

Closure Plan (Based on Appropriate Requirements of Subsection C, 19.15.17.9 NMAC & 19.15.17.13 NMAC)

Closure specifications for this temporary pit are as follows:

0

- The pit would be closed within six (6) months from the date that the drilling or workover rig is released. If necessary, the division district office may grant an extension not to exceed three (3) months.
- All liquids from the pit would be removed prior to closure. Liquids would be disposed of at the Sundance Services, Inc. Parabo Disposal Facility (Permit No. 010003), unless they are recycled, reused, or reclaimed in a division district office-approved manner.
- All contents, including synthetic pit liners, would be excavated from the pit and transported to Sundance Services, Inc. Parabo Disposal Facility (Permit No. 010003).
- The soils beneath the pit would be tested to determine whether a release occurred. A five-point composite sample would be collected. In addition, grab samples would be gathered from any area that is wet, discolored, or showing evidence of a release. The samples would be sent to an approved laboratory and analyzed for benzene, total BTEX, TPH, the GRO and DRO combined fraction, and chlorides. The following should not be exceeded:
 - Benzene (as determined by EPA SW-846 method 8021B or 8260B or other divisionapproved EPA method): 0.2 mg/kg
 - BTEX (as determined by EPA SW-846 method 8021B or 8260B or other divisionapproved EPA method): 50 mg/kg
 - TPH (as determined by EPA SW-846 method 418.a or other division-approved EPA method): 2500 mg/kg
 - GRO and DRO combined fraction (as determined by EPA SW-846 method 8015M):
 500 mg/kg
 - o Chlorides (ads determined by EPA method 300.1): 500 mg/kg or background concentration, whichever is greater

The division would be notified of the results on form C-141, at which point the division may require additional delineation.

- If it is determined that a release has occurred, Reliant would comply with 19.15.3.116 NMAC and 19.15.1.19 NMAC, as appropriate.
- If it is determined that a release has not occurred, or that any release doesn't exceed the above-specified concentrations, the pit excavation would be backfilled with compacted, non-waste-containing, earthen material. A division-prescribed soil cover would be constructed and the site would be recontoured and revegetated, per Subsections G, H, and I of 19.15.17.13 NMAC:
 - All areas associated with the pit that are no longer being used would be substantially restored to the condition that existed prior to oil and gas operations by placement of the soil cover (detailed below), recontouring to match original contours and surrounding topography, and revegetating (detailed below).
 - o If an alternative to the revegetation requirements is required to prevent erosion, protect fresh water, or protect human health and the environment, this alternative would be proposed to the surface owner. The proposed alternative, with written documentation

- demonstrating that the surface owner approves the alternative, would be submitted to the division for approval.
- O Soil cover would consist of the background thickness of topsoil or one (1) foot of material suitable for establishing vegetation at the site, whichever is greater.
- o Soil cover would be constructed to the site's existing grade and would prevent ponding of water and erosion of the cover material.
- o The first growing season following pit closure, all disturbed areas associated with the pit and no longer being used would be seeded or planted.
- o Seeding would be accomplished by drilling on the contour whenever practical, or by other division-approved methods. Vegetative cover equaling 70% of the native perennial vegetative cover (unimpacted by overgrazing, fire, or other damaging intrusion) would be obtained. This cover would consist of at least three (3) native plant species, including one (1) grass species but not including noxious weeds. That cover would be maintained through two (2) successive growing seasons, during which time no artificial irrigation would occur.
- Seeding or planting would be repeated until the required vegetative cover is successfully achieved.
- O When conditions aren't favorable for the establishment of vegetation (such as during periods of drought), the division would be contacted for approval to delay seeding or planting, or for approval to use additional cultural techniques such as mulching, fertilizing, irrigating, fencing, etc.
- The division would be notified when seeding or planting is completed, and when successful revegetation has been achieved.
- Within 60 days of closure, completion, a closure report would be submitted on form C-144, with necessary attachments, to document closure activities, including sampling results, a plot plan, and backfilling details. In this closure report, Reliant would certify that all information in the report and attachments is correct and that Reliant has complied with all applicable closure requirements and conditions specified in the approved Closure Plan. A plat of the temporary pit location would be provided on form C-105.

Reliant Exploration and Production LLC 300 N. Marienfeld, Suite 600 Midland, Texas 79701

September 20, 2010



VIA UPS NEXT DAY AIR

Mr. Ed Martin
District IV Supervisor
New Mexico Oil Conservation Division
1220 S. St. Francis
Santa Fe, New Mexico 87505

Re: Reliant Exploration & Production LLC OGRID Number: 251905 Forms C-101, C-102, C-144

Dear Mr. Martin:

Reliant Exploration and Production LLC hereby submits for filing with the State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division ("OCD"), the following:

- (i) C-101, Application for Permit to Drill, Well No. 7-1-L, Section 7, Township 19 North, Range 31 East, NMPM, Harding County, NM;
- (ii) C-102, Well Location and Acreage Dedication Plat, Well No. 7-1-L, Section 7, Township 19 North, Range 31 East, NMPM, Harding County, NM;
- (iii) C-144, Pit or Below-Grade Tank Registration, Well No. 7-1-L, Section 7, Township 19 North, Range 31 East, NMPM, Harding County, NM.

Please let me know if you have any questions or need additional information. Thank you.

Kindest Regards,

Reliant Exploration and Production LLC

Frank A. Hunold, Jr.

General Counsel Tel. (432) 617-4211

Email: fhunold@reliantholdingsltd.com

Martin, Ed, EMNRD

From:

Frank A. Hunold Jr. [fhunold@reliantholdingsltd.com]

Sent:

Tuesday, September 28, 2010 9:53 AM

To:

Martin, Ed, EMNRD

Cc:

Vance Vanderburg: Scott Vanderburg: Freddie Vanderburg

Subject:

FW: C-101, C-102, C-144 for the Libby Minerals 7-1-L

Ed,

See Reliant's answers to your questions below. In looking at Reliant's previous C-101s. It appears from reviewing previous C-101s that we have been using well numbers with an alphabetical suffix.

Let me know if you need anything else. Thanks for your help.

Frank

Frank A. Hunold, Jr. General Counsel Reliant Exploration and Production LLC 300 N. Marienfeld, Suite 600 Midland, Texas 79701 thunold@floco2.com

Tel.: 432-617-4211 Fax: 432-617-4399

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From: Vance Vanderburg

Sent: Tuesday, September 28, 2010 10:27 AM

To: Frank A. Hunold Jr.

Cc: Scott Vanderburg; Freddie Vanderburg

Subject: RE: C-101, C-102, C-144 for the Libby Minerals 7-1-L

Frank.

- 1. Spud date should be 4/1/2011.
- 2. C-101 needs to be changed to 20-mil to match C-144.
- 3. The correct well name includes the alphabetic suffix (Libby Minerals LLC 1931 No. 7-1-L).

Thanks.

Vance Vanderburg Reliant Holdings LTD. Director of Sales Direct 432-617-4213 Cell 432-559-7085

Martin, Ed, EMNRD

To: Subject: Frank Hunold (fhunold@floco2.com)

C-101, C-102, C-144 for the Libby Minerals 7-1-L

Contacts:

Frank Hunold

Questions:

1. C-101 shows proposed spud date of 4/1/2010. What is the correct proposed date?

2. Attachment to C-101 shows 12-ply liner for reserve pit. Should this be 20-mil so that it agrees with the C-144?

3. None of Reliant's other wells have well numbers with an alphabetic suffix. Do you want this one to be 071-L or just 071?

I can make changes to the forms rather than have you re-submit. I will be out of the office today and tomorrow. If you need to reach me, try my cell phone. I'll be back in the office on Thursday.

Ed Martin

District IV Supervisor New Mexico Oil Conservation Division 1220 S. St. Francis Santa Fe, NM 87505 505-476-3470 phone 505-476-3462 fax 505-690-2365 cell ed.martin@state.nm.us Martin New Mexico OCD September 20, 2010 Page 2

cc: Tom Kellahin Earl DeBrine Scott Vanderburg Vance Vanderburg