

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 and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-101  
Revised December 16, 2011

Permit

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

<sup>1</sup> Operator Name and Address THREE RIVERS OPERATING CO., LLC 1122 S. CAPITAL OF TX HWY., #325 AUSTIN, TX 78746		<sup>2</sup> OGRID Number 272295
		<sup>3</sup> API Number 30-025-40397
<sup>4</sup> Property Code 309209	<sup>5</sup> Property Name AIRSTRIP 6 STATE	<sup>6</sup> Well No. 002H

**7 Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
L	6	19S	35E	6	1830	S	660	W	LEA

**8 Pool Information**

SCHARB; BONE SPRING	55610
---------------------	-------

**Additional Well Information**

<sup>9</sup> Work Type NEW WELL	<sup>10</sup> Well Type OIL	<sup>11</sup> Cable/Rotary	<sup>12</sup> Lease Type STATE	<sup>13</sup> Ground Level Elevation 3903'
<sup>14</sup> Multiple N	<sup>15</sup> Proposed Depth 14,498'	<sup>16</sup> Formation 3RD BONE SPRING SAND	<sup>17</sup> Contractor	<sup>18</sup> Spud Date 7/7/12
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

**19 Proposed Casing and Cement Program**


Type	Hole Size	Casing Size	Casing Weight/lb	Setting Depth	Sacks of Cement	Estimated TOC
SURF	17.5	13.375	54.5	1940	1750	0
INT1	12.25	9.625	40	3950	1500	0
PROD	8.75	5.5	20	14498	1600	3450

**Casing/Cement Program: Additional Comments**

Plan to drill a 17.5" hole to 1940' with FW. Run 13.375" 54.5# K55 STC casing & cement to surface. Drill a 12.25" hole to 3950' with BW. Run 9.625" 40# N80 LTC casing and cement to surface. Drill an 8.75" hole with cut brine to 10070'. Kick-off and drill a lateral to 10670' TVD/14498' MD. Run 5.5" 20# LTC casing and cement in 2 stages with DV tool @ 9500'.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	5000	Cameron

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 <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		<b>OIL CONSERVATION DIVISION</b>  Approved By:			
Signature:  Printed name: MIKE DANIEL				Title:	
Title: DRILLING MANAGER		Approved Date:		Expiration Date:	
E-mail Address: mdaniel@3mr.com					
Date: 04/24/2012		Phone: 512-706-9850		Conditions of Approval Attached	

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. 3  
Submitted by:  
THREE RIVERS OPERATING COMPANY LLC  
Hearing Date: April 26, 2012

Submit 1 Copy To Appropriate District  
Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-103  
Revised August 1, 2011

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-40397
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator THREE RIVERS OPERATING CO., LLC		6. State Oil & Gas Lease No.
3. Address of Operator 1122 S. CAPITAL OF TX HWY, #325 AUSTIN, TX 78746		7. Lease Name or Unit Agreement Name AIRSTRIIP 6 STATE
4. Well Location Unit Letter L : 1830 feet from the SOUTH line and 660 feet from the WEST line Section 6 Township 19S Range 35E NMPM County LEA		8. Well Number 002H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3903' GL		9. OGRID Number 272295
		10. Pool name or Wildcat SCHARB; BONE SPRING (55610)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	COMMENCE DRILLING OPNS <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Three Rivers Operating Co., LLC respectfully requests to amend the TD on the Application for Permit to Drill #141112 from 15,500' to 14,500'.

Spud Date: planned 7/7/2012

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE DRILLING MANAGER DATE 04/23/2012

Type or print name MIKE DANIEL E-mail address: mdaniel@3rnr.com PHONE: 512-706-9850  
**For State Use Only**

APPROVED BY: TITLE DATE  
Conditions of Approval (if any):