

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 August 1 2011



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

Operator Name and Address THREE RIVERS OPERATING COMPANY, LLC 1122 S. CAPITAL OF TX HWY., SUITE 325 AUSTIN, TX 78746		OGRID Number 272295
Property Code 300638 309242		API Number 30-015-33562
Property Name PINE SPRINGS 2 STATE		Well No 1

Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
E	2	26S	25E		1980	N	810	W	EDDY

Pool Information

Wildcat BONE SPRINGS (96403)

Additional Well Information

Work Type PB - RC	Well Type O/G	Cable/Rotary ROTARY	Lease Type S	Ground Level Elevation 3584'
Multiple N	Proposed Depth 9755' PBTB	Formation BONE SPRINGS	Contractor N/A	Spud Date 10/01/11
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
H40	17 1/2"	13 3/8"	48	403'	450	SURFACE
N80	12 1/4"	9 5/8"	40	5227'	3635	SURFACE
P110	8-7/8"	5 1/2"	20	11900'	1455	SURFACE

Casing/Cement Program: Additional Comments

see C-103 & Attachments

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
HYDRAULIC	5000#	5000#	N/A

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 NMOC D guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . x [Signature]		OIL CONSERVATION DIVISION	
Printed name TOM STRATTON		Approved By [Signature]	
Title OPERATIONS ENGINEER		Title Field Supervisor	
E-mail Address tstratton@3nr.com		Approved Date 9/9/11	Expiration Date 9/9/12
Date 08/26/11	Phone 512-706-9849	Conditions of Approval Attached	

DISTRICT I --- CHECKLIST FOR INTENTS TO DRILL

APD is for N ___ P ☒ E ___ A ___ D ___WELL TYPE: O ☒ G ___ I ___ S ___ OTHER ___Operator Three Rivers Oper Co LLC OGRID # _____Well Name & # Pine Spring 2 St SE 1 Surface Type (F) (S) (P) _____Location: UL E, Sect 2, Township 26s, RNG 25e, Sub-surface Type (F) (S) (P) _____

1: BHL @: UL ___, Sect ___, Township ___ s, RNG ___ e, H ___ DD ___

2: BHL@: UL ___, Sect ___, Township ___ s, RNG ___ e, H ___ DD ___

A. Date C101 rec'd 8/29/11 C101 reviewed ___/___/___

B. 1. Check mark, Information is OK on Forms:

OGRID ☒ BONDING ☒ PROP CODE ☒ WELL # 9 SIGNATURE ☒2. Inactive Well list as of: 9/8/11 # wells 291, # Inactive wells 2

a. District Grant APD but see number of inactive wells:

No letter required ☒; Sent Letter to Operator ___, to Santa Fe ___3. Additional Bonding as of: 9/8/11

a. District Denial because operator needs addition bonding:

No Letter required ☒; Sent Letter to Operator ___, To Santa Fe ___

b. District Denial because of Inactive well list and Financial Assurance:

No Letter required ☒; Sent Letter to Operator ___, To Santa Fe ___C102 YES ☒ NO ___ Signature ☒1. Pool Wildcat Bone Spring, Code 96403a. Dedicated acreage 320, What Units NAb. SUR. Location Standard ☒: Non-Standard Location _____c. Well shares acres: Yes ___, No ☒ # of wells ___ plus this well # _____2. 2nd. Operator in same acreage, Yes ___, No ☒ WELL(S) SHARING:WELL(S) BY 2nd OPER: Agreement Letter ___, Disagreement letter _____3. Intent to Directional Drill Yes ___, No ☒

Dedicated acreage _____, What Units _____

Bottomhole Location Standard _____, Non-Standard Bottomhole _____

4. Downhole Commingle: Yes ___, No ☒

a. Pool #2 _____, Code _____, Acres _____

Pool #3 _____, Code _____, Acres _____

Pool #4 _____, Code _____, Acres _____

5. POTASH Area Yes ___, No ☒C. Blowout Preventer Yes ☒ No ☒D. H2S Yes ___, No ☒E. C144 Pit Registration Yes ☒ No _____

F. Does APD require Santa Fe Approval:

1. Non-Standard Location: Yes ___, No ☒ NSL # _____2. Non-Standard Proration: Yes ___, No ☒ NSP # _____3. Simultaneous Dedication: Yes ___, No ☒ SD # _____

Number of wells _____ Plus # _____

4. Injection order Yes ___, No ☒ PMX # _____ or WFX # _____5. SWD order Yes ___, NO ☒; SWD # _____

6. DHC from SF _____; DHC-HOB _____; Holding _____

7. OCD Approval Date 9/8/11API #30-0 15-335628. Reviewers DM