

Submit 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 July 18, 2013

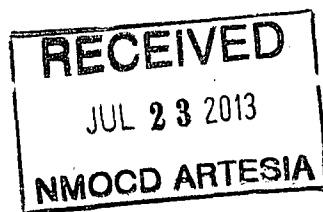
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-015-22894
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other SWD		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator LEGEND NATURAL GAS III, LP		6. State Oil & Gas Lease No.
3. Address of Operator 15021 KATY FREEWAY, SUITE 200, HOUSTON, TX 77094		7. Lease Name or Unit Agreement Name STATE GQ COM
4. Well Location Unit Letter <u>J</u> : 1980 <u> </u> feet from the <u> </u> S <u> </u> line and <u> </u> 1980 <u> </u> feet from the <u> </u> E <u> </u> line Section <u> 7 </u> Township <u> 25S </u> Range <u> 28E </u> NMPM <u> EDDY </u> County		8. Well Number 01
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3052'		9. OGRID Number 258894
		10. Pool name or Wildcat SWD-1401, DELAWARE (96100)

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 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"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <u>STEP RATE TEST</u>	<u>X</u>	OTHER: <u> </u>	<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.

WILL PERFORM A STEP RATE TEST ON FRIDAY, JULY 26, 2013



Spud Date:

04/01/1979

Rig Release Date:

06/14/1979

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

SIGNATURE Jennifer Mosley TITLE SR. REGULATORY ANALYST DATE 07/23/2013

Type or print name JENNIFER MOSLEY E-mail address: jmosley@lng2.com PHONE: 817-872-7822

For State Use Only

APPROVED BY: Richard / NCS TITLE COMPLIANCE OFFICER DATE 7/23/13

Conditions of Approval (if any):

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 November 14, 2012

☐ AMENDED REPORT

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

¹ Operator Name and Address LEGEND NATURAL GAS III, LP 15021 KATY FREEWAY, SUITE 200 HOUSTON, TX 77094		² OGRID Number 258894 ³ API Number 30-015-
⁴ Property Code	⁵ Property Name STATE GO	⁶ Well No. 511

⁷ Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
B	7	25S	28E		200	NORTH	1775	EAST	EDDY

⁸ Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
P	7	25S	28E		330	SOUTH	1320	EAST	EDDY

⁹ Pool Information

Pool Name HAY HOLLOW; BONE SPRING, NORTH	Pool Code 30216
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Additional Well Information

¹¹ Work Type N	¹² Well Type O	¹³ Cable/Rotary R	¹⁴ Lease Type S	¹⁵ Ground Level Elevation 3054'GR
¹⁶ Multiple N	¹⁷ Proposed Depth 7900'TVD, 12700'MD	¹⁸ Formation BONE SPRING	¹⁹ Contractor	²⁰ Spud Date UPON ARRIVAL
Depth to Ground water <133'		Distance from nearest fresh water well 3196' E OF WINDMILL		Distance to nearest surface water 1180'S OF NAMELESS DRAW

²¹ Proposed Casing and Cement Program

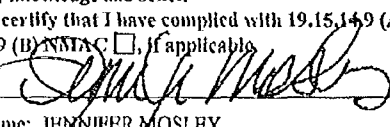
Type	Hole Size	Casing Size	Casing Weight/LF	Setting Depth	Sacks of Cement	Estimated TOC
SURFACE	17.5	13.375	48	400'TVD	445	SURFACE
INTERMED.	12.25	9.625	36	2500'TVD	655	SURFACE
PROD.	8 3/4	5.5	17	7900'TVD&12700MD	2380	SURFACE

Casing/Cement Program: Additional Comments

LEAD 740 SXS; TAIL 1640 SXS

²² Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer

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 I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/> if applicable. Signature:  Printed name: JENNIFER MOSLEY Title: SR. REGULATORY ANALYST E-mail Address: jmosley@lag2.com Date:	OIL CONSERVATION DIVISION Approved By: Title: Approved Date: Expiration Date: Conditions of Approval Attached
Phone: 817-872-7822	