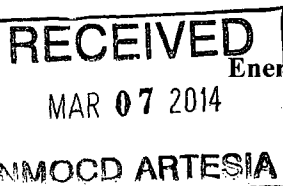


District I1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720**District II**811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720**District III**1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170**District IV**1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Form C-101
Revised July 18, 2013

Energy Minerals and Natural Resources

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

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

¹ Operator Name and Address TARCO ENERGY, L.C. 12403 CR 2300, Lubbock, TX 79456		² OGRID Number 279579
⁴ Property Code 39400		³ API Number 42121
³ Property Name BRADE STATE		⁶ Well No. 5

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
C	2	18S	27E	3	658	North	1984	West	Eddy

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
C	2	18S	27E	3	658	North	1984	West	Eddy

9. Pool Information

Pool Name	Pool Code
EMPIRE;YATES-SEVEN RIVERS	22230

Additional Well Information

¹¹ Work Type	¹² Well Type	¹³ Cable/Rotary	¹⁴ Lease Type	¹⁵ Ground Level Elevation
N	I	Air Rotary	S	3591.3
¹⁶ Multiple	¹⁷ Proposed Depth	¹⁸ Formation	¹⁹ Contractor	²⁰ Spud Date
No	530	Seven Rivers		
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	7.875	4.5	9.5 #	530	100 sxs	0

Casing/Cement Program: Additional Comments**The dilling Rig is truck mounted. Drill 7 7/8 hole to 530'. Set 4.5" casing, cement to surface. Perforate Seven Rivers formation.****22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
N/A			

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 ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.**

Signature:

Printed name: **Eddie Seay**Title: **Agent**E-mail Address: **seay04@leaco.net**Date: **03/04/2014**Phone: **575-390-2454****OIL CONSERVATION DIVISION**

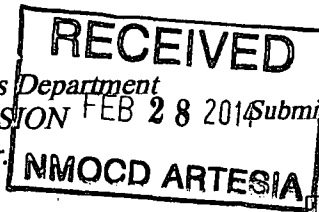
Approved By:

Title: **"Geologist"**Approved Date: **3-7-2014**Expiration Date: **3-7-2016**

Conditions of Approval Attached

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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

API Number 30-015-42121	Pool Code 22230	Pool Name Empire Yates - Seven Rivers
Property Code 39400	Property Name BRAD STATE	Well Number 5
OGRID No. 279579	Operator Name TARCO ENERGY, L.C.	Elevation 3591.3'

Surface Location

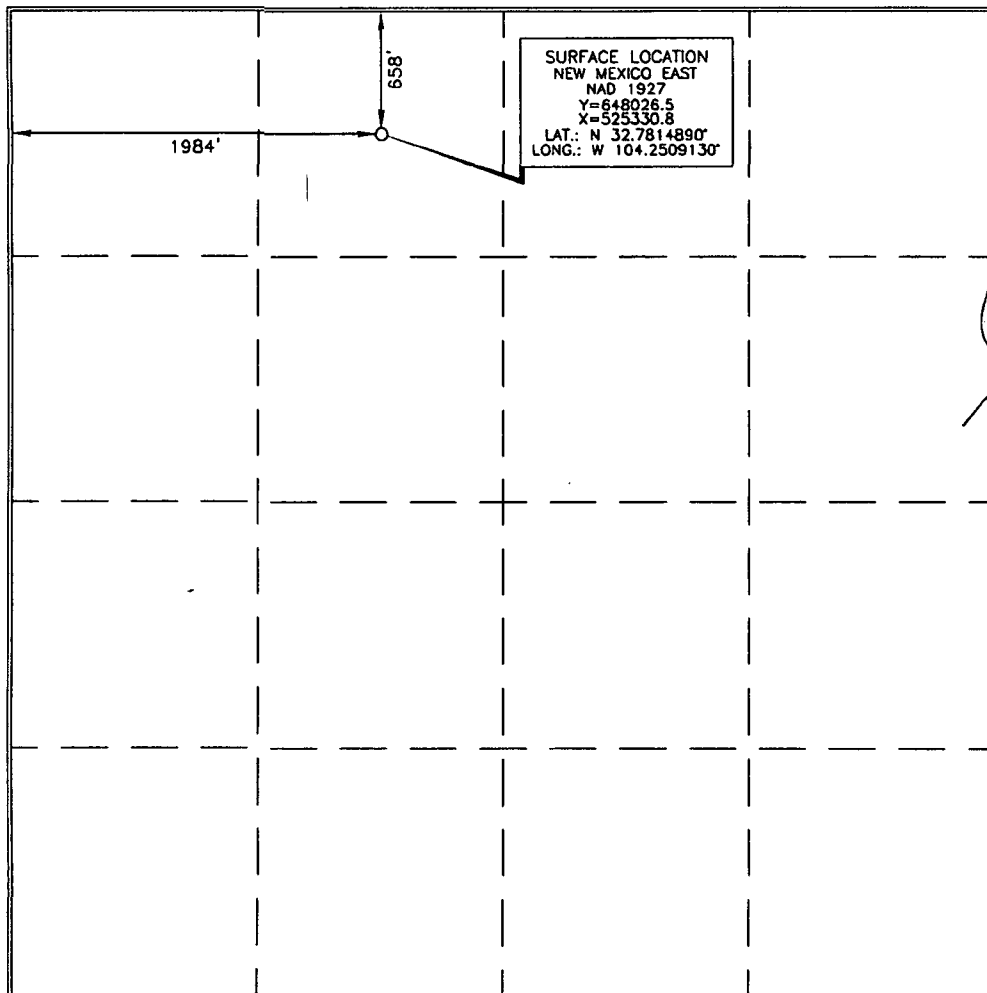
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	2	18 SOUTH	27 EAST, N.M.P.M.		658'	NORTH	1984'	WEST	EDDY

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

Dedicated Acres	Joint or Infill	Consolidation Code	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.



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.

Signature: **JOE L. TARVER** Date: **11/3/2012**
Printed Name: **JOE L. TARVER**
E-mail Address: **JOE@TARCOsupply.com**

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.

Date of Survey: **OCTOBER 29, 2013**
Signature and Seal of Professional Surveyor: **JERRY JAS**
Certificate Number: **15079**

Permit Conditions of Approval

API: 30-015-42121

Tarco Energy

OCD Reviewer	Condition
CSHAPARD	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string