

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) 476-9480

## 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

<sup>1</sup> Operator Name and Address Legend Natural Gas III, LP 15021 Katy Freeway, Ste. 200 Houston, TX 77094		<sup>2</sup> OGRID Number 258894
<sup>3</sup> API Number 30-015-42266		<sup>4</sup> Well No. 3H
<sup>5</sup> 39571	<sup>6</sup> Property Name HIGH BRASS	<sup>7</sup> Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
M	20	24S	28E		45	SOUTH	1290	WEST	Eddy

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
D	20	24S	28E		330	NORTH	750	WEST	Eddy

<sup>8</sup> Pool Information	<sup>9</sup> Pool Name Willow Lake; Bone Spring,	<sup>10</sup> Pool Code 64450
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<sup>11</sup> Work Type N	<sup>12</sup> Well Type O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type State	<sup>15</sup> Ground Level Elevation 3036'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 12700' MD; 7985' TVD	<sup>18</sup> Formation Bone Spring	<sup>19</sup> Contractor	<sup>20</sup> Spud Date Upon Arrival
Depth to Ground water <201'		Distance from nearest fresh water well 4778' SW		Distance to nearest surface water 240' NE

☒ We will be using a closed-loop system in lieu of lined pits

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf.	14.75	11.75	42	400	375	Surface
Inter.	10.625	8.625	32	2500	850	Surface
Prod.	73875	5.5	17	12700	2200	Surface

#### Casing/Cement Program: Additional Comments

Drill 14-3/4" hole to approx 400' with fresh water:spud mud system. Run 11-3/4" 42# H40 STC casing to TD and cement to surface in one stage. Will use 1" topout tubing and class "C" cement to cement to surface if necessary. Drill 10-5/8" hole to approx 2,500' with saturated brine water mud system. Run 8-5/8" 32# J55 LTC casing to TD and cement to surface in one stage. Drill 7-7/8" vertical production hole to approx. 7,500' with cut brine mud system. Drill 7-7/8" curve/lateral production hole to approx 12,700' with cut brine mud system. Run 5-1/2" 17# P110 BTC casing to TD and cement to surface in one stage.

Type	Working Pressure	Test Pressure	Manufacturer
ANNULAR	5000	3000	HYDRIL
BLIND RAM	5000	3000	CAMERON
PIPE RAM	5000	3000	CAMERON

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: *Jennifer Elrod*

Printed name: *Jennifer Elrod*

Title: *SR. Regulatory Analyst*

E-mail Address: *jelrod@ny2.com*

Date: *03/31/2014*

Phone:

OIL CONSERVATION DIVISION

Approved By:

*T. C. Shepard*  
**"Geologist"**

Title:

Approved Date: *4-1-2014* Expiration Date: *4-1-2016*

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, New Mexico 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate District Office

**RECEIVED**  
APR 01 2014  
AMENDED REPORT  
WCD ARTESIA

WELL LOCATION AND ACREAGE DEDICATION

API Number <b>30-015-42266</b>	Pool Code <b>W4450</b>	Pool Name <b>Willow Lake, Bone Spring</b>
Property Code <b>39571</b>	Property Name <b>HIGH BRASS</b>	Well Number <b>3H</b>
GRID No. <b>Q58894</b>	Operator Name <b>LEGEND NATURAL GAS III, LP</b>	Elevation <b>3048'</b>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	20	24-S	28-E		45	SOUTH	1290	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
D	20	24-S	28-E		330	NORTH	750	WEST	EDDY

Dedicated Acres <b>160</b>	Joint or Infill	Consolidation Code	Order No.
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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

<p>PROPOSED WELL PATH</p> <p>GRID AZ = 353°23'14"</p> <p>HORIZ DIST = 4961.7'</p> <p>DETAIL</p> <p>3053.9' 3046.4'</p> <p>690'</p> <p>3052.4' 3044.3'</p> <p>569'</p> <p>27.7'</p> <p>45° S.L. SEE DETAIL</p> <p>1290'</p>	<p>GEODETIC COORDINATES NAD 83 NME</p> <p>BOTTOM HOLE LOCATION Y=440065.3 N X=608598.9 E</p> <p>LAT = 32.209629° N LONG = 104.115857° W</p>	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>BOTTOM HOLE LOCATION Y=440006.9 N X=567415.6 E</p> <p>LAT = 32.209508° N LONG = 104.115363° W</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Jennifer Elrod</i> 3/21/14 Signature Date</p> <p>Jennifer Elrod Printed Name</p> <p>jelrod@ng2.com Email Address</p>
	<p>CORNER COORDINATES TABLE NAD 27</p> <p>A - Y=440333.5 N, X=566663.9 E</p> <p>B - Y=440339.3 N, X=567982.7 E</p> <p>C - Y=435034.3 N, X=568014.8 E</p> <p>D - Y=435040.9 N, X=566697.3 E</p>		
	<p>NAD 83</p> <p>A - Y=440391.8 N, X=607847.2 E</p> <p>B - Y=440397.7 N, X=609166.0 E</p> <p>C - Y=435092.6 N, X=609198.2 E</p> <p>D - Y=435099.2 N, X=607880.7 E</p>		
	<p>GEODETIC COORDINATES NAD 83 NME</p> <p>SURFACE LOCATION Y=435137.7 N X=609170.2 E</p> <p>LAT = 32.196081° N LONG = 104.114042° W</p>	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=435079.4 N X=567986.8 E</p> <p>LAT = 32.195959° N LONG = 104.113549° W</p>	
<p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>NOVEMBER 25, 2013</p> <p>Date of Survey</p> <p>Signature &amp; Seal of Professional Surveyor</p> <p><i>GARY G. EIDSON</i> GARY G. EIDSON 12641 2/28/14</p> <p>Certificate Number: Gary Eidson 12641 Ruth Eidson 3239</p> <p>ACK REL W/UNIT 326 JWSC W.O. 14/13/017</p>			