

OCD Artesia

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM110829
2. Name of Operator LEGEND NATURAL GAS III, LP		6. If Indian, Allottee or Tribe Name
3a. Address 15021 KATY FREEWAY SUITE 200 HOUSTON, TX 77094		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 817-872-7822		8. Well Name and No. BROWNING FEDERAL COM 5H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 20 T24S R28E 110FNL 1277FEL		9. API Well No. 30-015-42442
		10. Field and Pool, or Exploratory WILLOW LAKE; BONE SPRING
		11. County or Parish, and State EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original APD
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

NMB000525

AMENDING SURFACE LOCATION FROM 110FNL & 1290 FEL; SECT. 20, T24S, R28E TO 110FNL & 1277FEL; SECT. 20, T24S, R28E.

REVISED 3160-3, REVISED EXHIBITS AND SURFACE USE PLAN ATTACHED.

Surface: previously approved COAs applies. Indra Dahal 12/27/14

NM OIL CONSERVATION
ARTESTA DISTRICT

JAN 09 2015

Accepted for record
JED NMB000 1/14/2015

RECEIVED

14. I hereby certify that the foregoing is true and correct. Electronic Submission #255994 verified by the BLM Well Information System For LEGEND NATURAL GAS III, LP, sent to the Carlsbad Committed to AFMSS for processing by LINDA DENNISTON on 12/02/2014 ()	
Name (Printed/Typed) JENNIFER ELROD	Title SR: REGULATORY ANALYST
Signature (Electronic Submission)	Date 08/06/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>Stephen J. Coffey</u>	Title <u>FOR</u> FIELD MANAGER	Date <u>1/6/14</u>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office CARLSBAD FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****



15021 Katy Freeway
Suite 200
Houston, TX 77094
(281) 644-5900
Fax: (281) 644-5901

777 Main Street
Suite 900
Fort Worth, TX 76102
(817) 872-7800
Fax: (817) 872-7898

June 11, 2014
Bureau of Land Management
Carlsbad Field Office
620 E. Green St.
Carlsbad, NM 88220

Re: Legend Natural Gas III, LP
Fort Worth Office
777 Main St., Ste. 900
Fort Worth, TX 76102

Revisions to surface location for the Browning Federal Com 5H were made in order to comply with BLM and OCD rules. Attached are the revised documents to be added to the APD packet.

Contents in the packet include:

- Revised Form 3160-3
- Revised C-102
- Revised Exhibits #1, #2, & #5
- Multi-Point Surface Use plan

If you have any questions, or if you need any more information please contact me at 817-872-7822 or jelrod@lng2.com

Sincerely,

Jennifer Mosley Elrod
Sr. Regulatory Compliance Analyst
Legend Natural Gas
Office: (817)872-7822
Fax: (817)872-7898

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

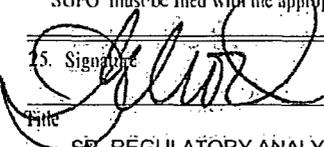
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-110829
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator LEGEND NATURAL GAS III, LP		7. If Unit or CA Agreement, Name and No.
3a. Address 777 MAIN ST., STE. 900 FORT WORTH, TX 76102		8. Lease Name and Well No. BROWNING FEDERAL COM 5H
3b. Phone No. (include area code) 817-872-7822		9. API Well No. 30-015-
4. Location of Well (Report location clearly and in accordance with any State requirements) At surface 110 FNL & 1277 FEL At proposed prod. zone BH-330 FNL & 360 FEL		10. Field and Pool, or Exploratory Willow Lake; Bone Spring (64450)
14. Distance in miles and direction from nearest town or post office* APPROX-2.8 MILES WEST/SOUTHWEST OF MALAGA, NM		11. Sec., T, R, M. or Blk. and Survey or Area SECTION 20, T-24S, R-28E - SHL SECTION 17, T-24S, R-28E - BHL
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 110 FNL	16. No. of acres in lease 560 acres Legend Operates 400 acres	17. Spacing Unit dedicated to this well 160
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. SURFACE-30' SUB-SURFACE 714'(VERT), 1130'(HORIZ)	19. Proposed Depth 12988'MD; 8018'TVD	20. BLM/BIA Bond No. on file NMB000525
21. Elevations (Show whether DF, KDB, RF, GL, etc.) 3052'GR	22. Approximate date work will start* 04/01/2014	23. Estimated duration 2 MONTHS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

15. Signature 	Name (Printed/Typed) JENNIFER MOSLEY ELROD	Date 01/20/2014
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Title
SR, REGULATORY ANALYST

Approved by (Signature)	Name (Printed/Typed)	Date
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Title	Office
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Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-6720

DISTRICT II
511 S. First St., Artesia, NM 88210
Phone: (575) 749-1283 Fax: (575) 749-9720

DISTRICT III
1000 Rio Hondo Road, Abee, 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) 476-3482

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015	Pool Code 104450	Pool Name Willow Lake; Bone Spring, North
Property Code	Property Name BROWNING FEDERAL COM	Well Number 5H
OGRID No. 258894	Operator Name LEGEND NATURAL GAS III, LP	Elevation 3052'

Surface Location

UL of lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	20	24-S	28-E		110	NORTH	1277	EAST	EDDY

Bottom Hole Location If Different From Surface

UL of lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	17	24-S	28-E		330	NORTH	360	EAST	EDDY

Dedicated Acres 160	Joint of 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

SCALE: 1" = 2000'

GEODETIC COORDINATES NAD 83 NNE
Y=445424.3 N
X=612761.1 E
LAT.=32.224337° N
LONG.=104.102362° W

GEODETIC COORDINATES NAD 27 NNE
Y=445365.8 N
X=571577.9 E
LAT.=32.224216° N
LONG.=104.101868° W

BOTTOM HOLE LOCATION

CORNER COORDINATES TABLE NAD 27

A - Y=445681.2 N, X=570616.8 E
B - Y=445701.2 N, X=571938.0 E
C - Y=444364.9 N, X=571937.1 E
D - Y=444348.3 N, X=570617.1 E
E - Y=440350.6 N, X=570617.9 E
F - Y=440356.0 N, X=571934.4 E
G - Y=439020.1 N, X=571943.2 E
H - Y=439017.7 N, X=570625.6 E

NAD 83

A - Y=445739.7 N, X=611800.0 E
B - Y=445759.7 N, X=613121.3 E
C - Y=444423.4 N, X=613120.4 E
D - Y=444406.8 N, X=611800.3 E
E - Y=440409.0 N, X=611801.3 E
F - Y=440414.4 N, X=613117.8 E
G - Y=439078.5 N, X=613126.6 E
H - Y=439076.1 N, X=611809.0 E

GEODETIC COORDINATES NAD 83 NNE
Y=440299.2 N
X=611841.8 E
LAT.=32.210254° N
LONG.=104.105370° W

GEODETIC COORDINATES NAD 27 NNE
Y=440240.8 N
X=570658.4 E
LAT.=32.210133° N
LONG.=104.104877° W

SURFACE LOCATION

DETAIL
3054.7' 3049.1'
3055.8' 3049.0'

OPERATOR CERTIFICATION

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.

Jennifer Elrod 6/9/14
Signature Date
Jennifer Elrod
Printed Name
jelrod@lng2.com
E-mail Address

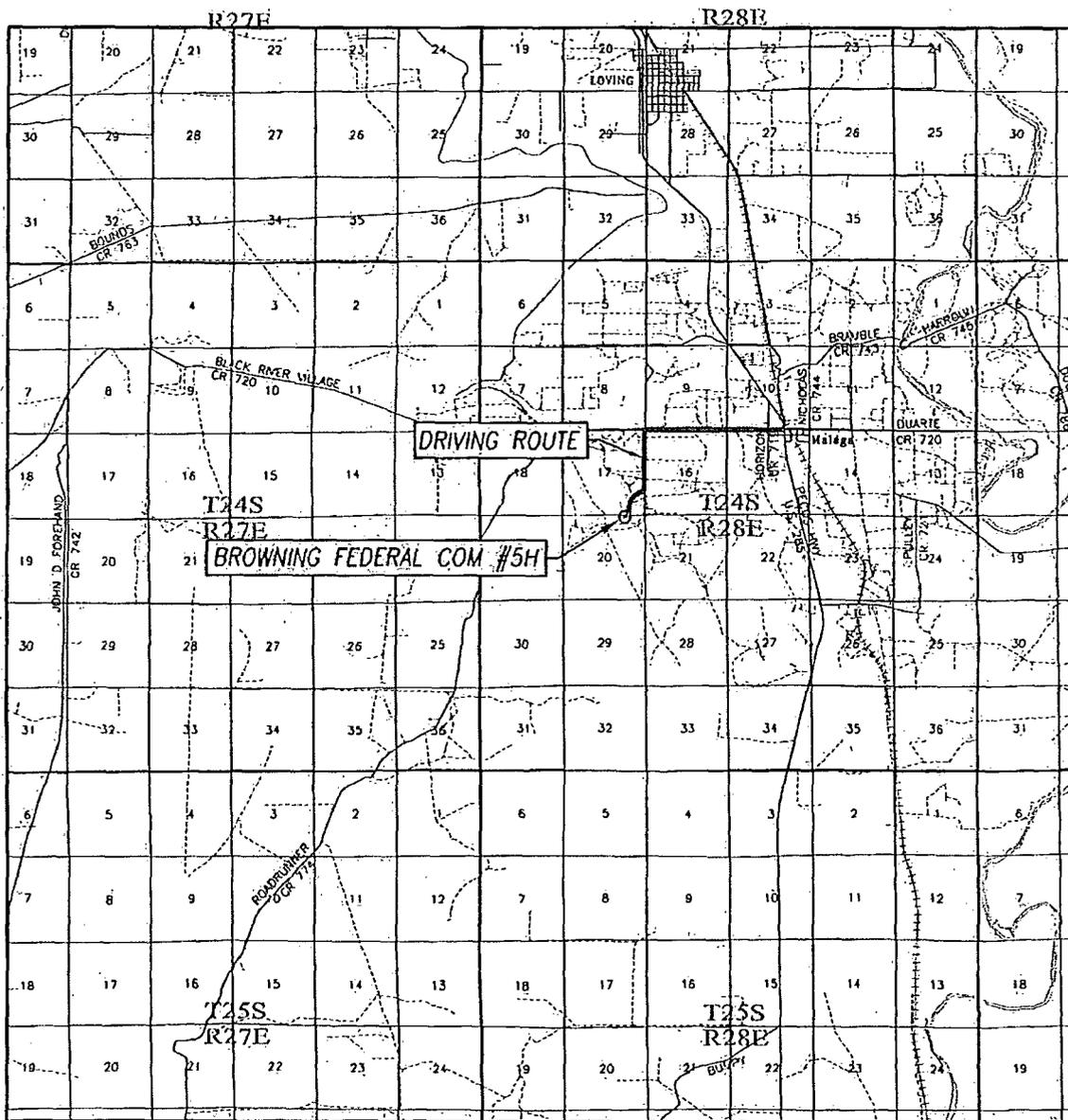
SURVEYOR CERTIFICATION

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.

MAY 20, 2014

Date of Survey
Signature & Seal of Professional Surveyor
Ronald J. Eidson
3239
3239
Certificate Number
Ronald J. Eidson 12641
Ronald J. Eidson 3239
ACK REL. W.O. 14110233 JWSC.W.O. 14110547

VICINITY MAP



SCALE: 1" = 2 MILES

DRIVING ROUTE: SEE LOCATION VERIFICATION MAP

SEC. 20 TWP. 24-S RGE. 28-E

SURVEY N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

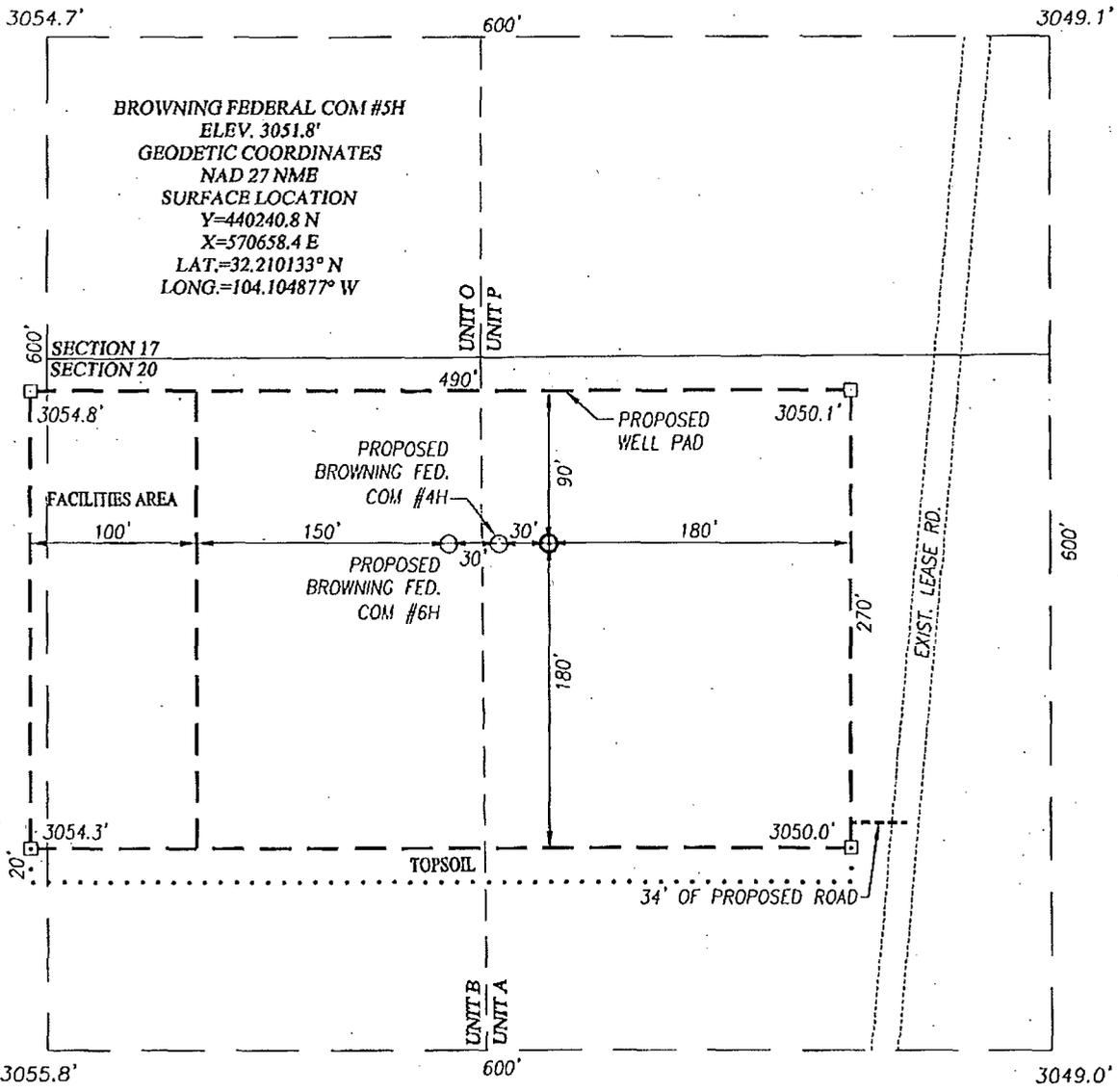
DESCRIPTION 110' FNL & 1277' FEL

ELEVATION 3052'

OPERATOR LEGEND NATURAL GAS III, LP

LEASE BROWNING FEDERAL COM

PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(575) 393-3117 www.jwsc.biz



BROWNING FEDERAL COM #5H
 ELEV. 3051.8'
 GEODETIC COORDINATES
 NAD 27 NMB
 SURFACE LOCATION
 Y=440240.8 N
 X=570658.4 E
 LAT.=32.210133° N
 LONG.=104.104877° W

SECTION 17
 SECTION 20

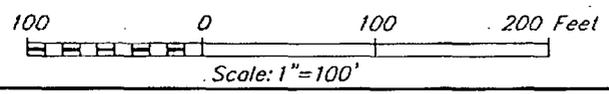
UNIT O
 UNIT P

UNIT B
 UNIT A



DIRECTIONS TO BROWNING FEDERAL COM #4H:
 FROM THE INTERSECTION OF US. HIGHWAY 285 & CO. RD.
 720 (BLACK RIVER RD.) GO WEST ON BLACK RIVER RD.
 APPROX. 1.7 MILES TO CO. RD. 716 (HIGBY HOLE RD.); TURN
 LEFT AND GO SOUTH ON HIGBY HOLE APPROX. 0.75 MILES TO
 END OF PAVEMENT. TURN RIGHT AND GO SOUTHWEST APPROX.
 0.15 MILES. VEER LEFT AND CONTINUE SOUTH APPROX. 0.2
 MILES TO PROPOSED ROAD SURVEY. FOLLOW ROAD SURVEY 34
 FEET TO THE LOCATION.

NOTE:
 SEE "LOCATION VERIFICATION MAP"
 FOR PROPOSED ROAD LOCATION.



LEGEND NATURAL GAS III, LP

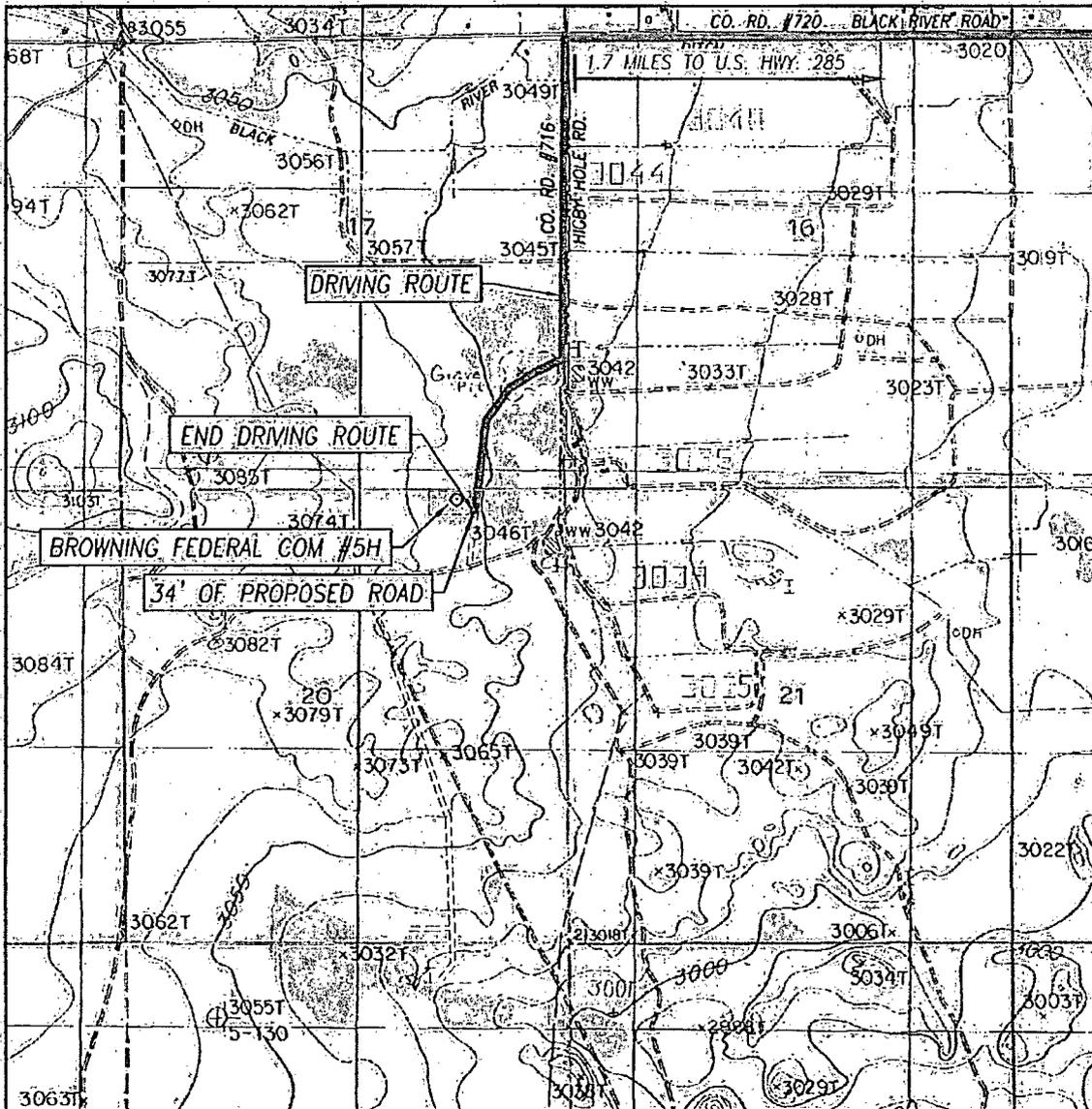
BROWNING FEDERAL COM #5H WELL
 LOCATED 110 FEET FROM THE NORTH LINE
 AND 1277 FEET FROM THE EAST LINE OF SECTION 20,
 TOWNSHIP 24 SOUTH, RANGE 28 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO

PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (575) 393-3117 www.jwsc.biz

Survey Date: 5/20/14	CAD Date: 6/2/14	Drawn By: ACK
W.O. No.: 14110547	Rev: .	Rel. W.O.: 14130322
		Sheet 1 of 1

EXHIBIT #1

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
MALAGA, N.M. - 10'

SEC. 20 TWP. 24-S RGE. 28-E

DIRECTIONS TO BROWNING FEDERAL COM #5H:

SURVEY N.M.P.M.

FROM THE INTERSECTION OF U.S. HIGHWAY 285 & CO. RD. 720 (BLACK RIVER RD.) GO WEST ON BLACK RIVER RD. APPROX. 1.7 MILES TO CO. RD. 716 (HIGBY HOLE RD.); TURN LEFT AND GO SOUTH ON HIGBY HOLE APPROX. 0.75 MILES TO END OF PAVEMENT. TURN RIGHT AND GO SOUTHWEST APPROX. 0.15 MILES. VEER LEFT AND CONTINUE SOUTH APPROX. 0.2 MILES TO PROPOSED ROAD SURVEY. FOLLOW ROAD SURVEY 34 FEET TO THE LOCATION.

COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 110' FNL & 127' FEL

ELEVATION 3052'

OPERATOR LEGEND NATURAL GAS III, LP

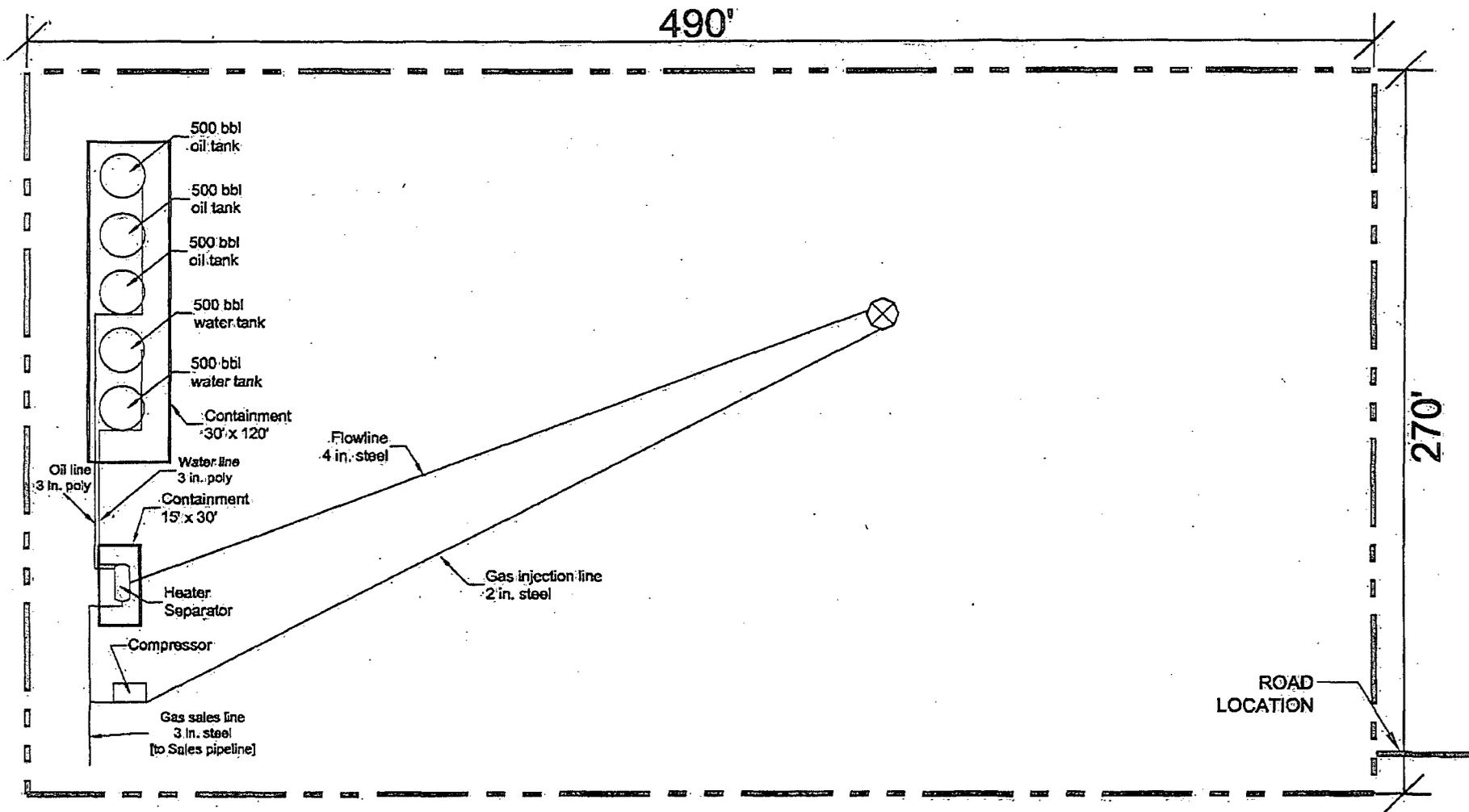
LEASE BROWNING FEDERAL COM

U.S.G.S. TOPOGRAPHIC MAP
MALAGA, N.M.



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(575) 393-3117 www.jwsc.biz

EXHIBIT #2



BROWNING FEDERAL COM #5H
ELEV. 3,052'
NAD 27 NME
SURFACE LOCATION
Y = 440240.8 N
X = 570658.4 E
LAT. = 32.210133 DEG. N
LONG. = 104.104877 DEG. W

Final Pad = 270' x 490'

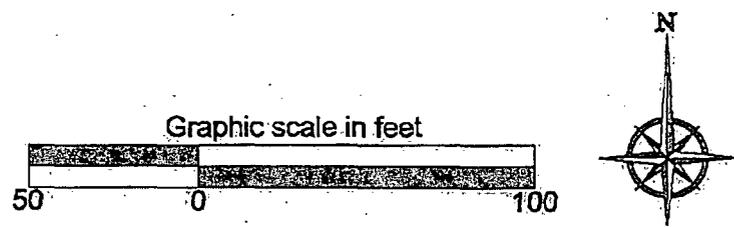


EXHIBIT #5

Legend Natural Gas III, LP
Multi-Point Surface Use Plan of Operations

Browning Federal Com 5H
SHL: 110 FNL & 1277 FEL
BHL: 330 FNL & 360 FEL
SHL: Section 20, T-24S, R-28E
BHL: Section 17, T-24S, R-28E
Eddy County, New Mexico

The plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well: The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations so that a complete appraisal can be made of the environmental effect associated with the operations.

1. Existing Roads:

- a. The well site and elevation plat for the proposed well are reflected on the well site layout Form C-102. The well was staked by John West Surveying Company.
- b. **Exhibit #2** is a portion of a topographic map showing the well and roads in the vicinity of the location. The well site is indicated on **Exhibit #2**
- c. Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue with this lease.

Directions:

From the intersection of US Highway 285 & CR 720 (Black River Rd.) go west on Black River Road approx. 1.7 miles to CR 716 (Higby Hole Rd.); turn left and go south on Higby Hole approx. 0.75 miles to end of pavement. Turn right and go southwest approx. 0.25 miles. Veer left and continue south approx. 0.2 miles. This location is west approx. 300 feet. Location is approximately 2.9 miles west/southwest of Malaga, NM.

2. Planned Access Road:

Legend Natural Gas III, LP will be using existing caliche road to access the Browning Federal Com 5H well; from there, an additional 47' of caliche road will need to be constructed. Width of the road is 14' wide with a crown design. The maximum width of surface disturbance needed to construct the road is 25 feet. The road is crowned and ditched with a 2% slope from the tip of the crown to the edge of the driving surface. The ditches are 3 feet wide with 3:1 slopes.

3. Location of Existing Facilities: (Exhibit #4)

Wells within a mile radius of proposed surface-hole location include:

- Ogden-8 #1
- Craft/8/#1
- James R Craft #1
- Browning Federal Com 3H (Proposed Location, Legend Natural Gas III, LP)
- Browning Federal Com 4H (Proposed Location, Legend Natural Gas III, LP)
- Browning Federal Com 5H (Proposed Location, Legend Natural Gas III, LP)
- Browning Federal Com 6H (Proposed Location, Legend Natural Gas III, LP)
- Oxy Big Spender State #1
- State 16#1
- State /16/#1
- Bypass #1HSTHL
- Oxy Bypass 16 State #1
- Enfield Federal #1
- Carlton 17
- Black Eagle Federal #1
- Browning Federal CO #1
- High Brass 2H
- High Brass Fee #1
- High Brass 3H (Proposed Location, Legend Natural Gas III, LP)
- Willow Lake 20 FED #1
- Willow Lake Unit #2
- New Man Federal Com #1
- Pardue Farms/20/#1
- Pardue 19 Com #1
- Pardue 19 Com 3H (Permitted Location, Legend Natural Gas III, LP)
- Pardue 19 Federal Com 2H (Proposed Location, Legend Natural Gas III, LP)
- Congo Federal Com #1
- Rwanda Fee Com #1
- Stent 21 Federal Com #2H
- OPL Stent Federal #1
- Pardue #1
- Pardue Farms 21 #1
- Woods /9/#1

4. Location of Existing and/or Proposed Facilities:

- a. In the event the well is found productive, a tank battery and other surface facilities will be constructed onsite (See Exhibit C-102 & Exhibit#5 & #6)
- b. **Exhibit #3** shows the proposed pipeline route to the Browning Federal Com 4H, 5H, and 6H facility. The proposed route is 8625.0' in length, all included in section 20. 1"-6" steel, buried gas sales line with a working PSI of 150, Starting at the S/E corner

of section 20 running N 3582' with a slight turn N/W 562.6' then 3730.4' W to tie-in point for Browning Federal Com 2H and 3H pad. Browning 2H & 3H pad will consist of a 750.0' 4" sales line (stated L11) tying into proposed pipeline route. Browning Federal Com 4H, 5H, and 6H will consist of a 789.8' 4" sales line (stated L14) tying into intersection point of proposed pipeline; and 1-4" poly waterline on surface with an operating PSI of 120 or less. being more particularly described in **Exhibit #3**

- c. A buried flow line from the well head to the separator is proposed and will be 150' of 4" welded steel line carrying oil, gas, and water with less than 150 psi.
- d. All flow lines will adhere to API Standards
- e. An Onsite Inspection was conducted with BLM representative, Indra Dahal on **December 11, 2013** with no issues being found during the inspection.

5. Location and Types of Water Supply:

This well will be drilled using a combination of water mud systems (outlined in the Drilling Program). The water will be obtained from commercial water stations in the area and hauled to a location by transport truck using the existing and proposed roads shown in **Exhibit #2**. On occasion, water will be obtained from a pre-existing water well, running a pump directly to the drill rig. In these cases where a poly pipeline is used to transport water for drilling purposes, the existing and proposed road shown in **Exhibit #2** will be utilized.

6. Construction Materials

All caliche utilized for the drilling pad and proposed access road will be obtained from an existing pit or from prevailing deposits found under the location. All roads will be constructed of 6" rolled and compacted caliche. Where BLM recommends use of extra caliche, will obtain from other locations close by for roads, if available.

7. Methods of Handling Waste Material:

- a. All trash, junk, and other waste material will be removed from the well site within 30 days after finishing drilling and/or completion operations. All waste material will be contained in trash cages or trash bins to prevent scattering. When the job is completed, all contents will be removed and disposed of in an approved sanitary landfill.
- b. The supplier will pick up slats, including broken sacks, remaining after the completion of the well.
- c. A port-o-john will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.
- d. Disposal of fluids to be transported by an approved disposal company.

8. Ancillary Facilities:

No campsite or other facilities will be constructed as a result of this well

9. Well Site Layout:

- a. Exhibit #1 shows the proposed well site layout with dimensions of the pad layout.
- b. Mud pits in the active circulating system will be steel pits and a closed loop system will be utilized.

10. Plans for Surface Reclamation:

Surface is privately owned; per discussion with the landowner we will keep the pad the same size for future drilling and completion operations off this same pad to minimize the footprint.

11. Surface Ownership:

The surface is owned by Pardue Limited. PO Box 2018 (126 N. Canyon), Carlsbad, New Mexico 88220. Phone number is 575-887-9525. A Surface Use Agreement between Pardue Limited and Legend Natural Gas III, LP has been executed. A copy of the Multi-Point Surface Use and Operations Plan has been mailed to Pardue Limited. (See Exhibit #8 & Exhibit #9)

12. Other Information

- a. The area surrounding the well site is grassland. The vegetation is moderately sparse with native prairie grass and mesquite bushes. No wildlife was observed but is likely that deer, rabbits, coyotes, and rodents traverse the area.
- b. There is no permanent or live water in the general proximity of the location.
- c. Topsoil will be stockpiled 30' wide on the SOUTH SIDE of the location until it is needed for interim reclamation.
- d. A NSL (Non Standard Location) application will be filed with the State of New Mexico Oil Conservation Division
- e. This pad location is designated for the Browning Federal Com 4H, Browning Federal Com 5H, and the Browning Federal Com 6H

13. Operator's Representatives:

Drilling: David Dunn: 817-872-7805
Drilling: Scott Zacharie: 817-872-7806
Operations: Jason Vining: 817-872-7845
Operations: Ron Dahle: 817-872-7811
Land: John McCauley: 281-644-5972
Geology: Dan Emmers: 817-872-7853
Regulatory: Jennifer Elrod: 817-872-7822
Environmental: Brad Bingham: 817-872-7808
HSE- Jody Fontenot: 817-872-7809