

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) 848-9720
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
June 16, 2008

HOBBS OCD Energy Minerals and Natural Resources

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Permit

AUG 01 2011

RECEIVED

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

Operator Name and Address Marshall and Winston Incorporated POB 50880, Midland, TX 79710-0880 (432) 260-8650		OGRID Number 014187
Property Code 38731	Property Name County Line 31	API Number 30-005-29190
		Well No 1 H

Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
P	31	15S	31E	N/A	750'	FSL	30'	FEL	Chaves

Pool Information

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Additional Well Information

Work Type N	Well Type O	Cable/Rotary R	Lease Type S	Ground Level Elevation
Multiple N	Proposed Depth 9100	Formation Lower Abo	Contractor Patterson	Spud Date August 10, 2011
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
New H-60	17.5	13.375	48.0	340'	380 sx	surface
New J-55	12.25	9.625	40.0	3950'	1070 sx	surface
New P-110	8.75	7.0	26.0	9090'	840 sx	surface
New P-110	6.125	4.5	11.6	8100 to 16097'	1125 sx	7950' TOL

Casing/Cement Program: Additional Comments

Will set 4.5" liner at 8100', 150' above KOP, cement back to top of liner.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Hydril and Ram BOPE	3,000 psi	2,000	Hydril & Shaffer

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 NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name Vernon D. Dyer
Title Agent/ Marshall & Winston Inc.

E-mail Address Vdyeroil@cableone.com

Date 8-1-2011 Phone (575) 420-0355

OIL CONSERVATION DIVISION

Approved By

Title Agent PETROLEUM ENGINEER

Approved Date AUG 03 2011 Expiration Date

Conditions of Approval Attached

Permit Expires 3 Years From Approved
Date Unless Drilling Underway

AUG 03 2011

HOBBS OCD

DISTRICT I
1625 N FRENCH DR., HOBBS, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

AUG 01 2011

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

RECEIVED

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-005-29190	Pool Code 97715	Pool Name Wildcat Abq. Wolfcamp
Property Code 38731	Property Name COUNTY LINE 31	
OGRID No. 14182	Operator Name MARSHALL & WINSTON, INC.	Well Number 1H
		Elevation 4427'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	31	15-S	31-E		750	SOUTH	30	EAST	CHAVES

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
O	36	15-S	30-E		660	SOUTH	2310	EAST	CHAVES
Dedicated Acres		Joint or Infill		Consolidation Code		Order No.			

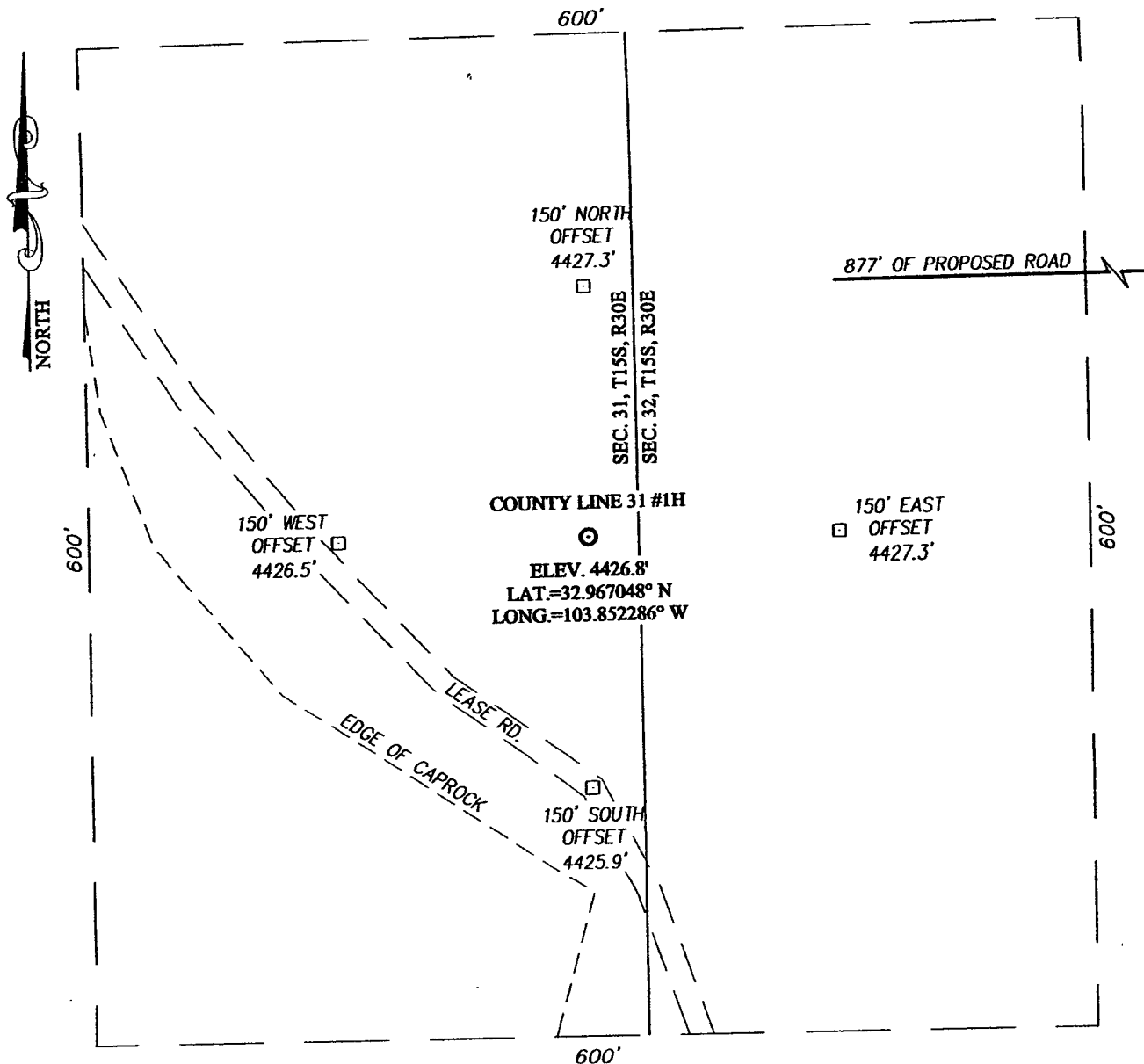
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

						<p>OPERATOR CERTIFICATION</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><u>Vernon D. Dyer</u> 8-1-2011 Signature Date</p> <p><u>VERNON D. DYER</u> Printed Name</p>	
<p>SCALE: 1" = 2000'</p> <p>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=715861.4 N X=647536.7 E</p> <p>LAT.=32.967048° N LONG.=103.852286° W</p> <p>BOTTOM HOLE LOCATION Y=715731.3 N X=639995.3 E</p>						<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on it was plotted from field notes of actual measurements made by me or under my supervision, and the same is true and correct to the best of my belief.</p> <p>MARCH 3, 2010</p> <p>Date Surveyed Signature & Seal of Professional Surveyor Professional Surveyor Certificate No. GARY EIDSON 12641 PROFESSIONAL SURVEYOR EIDSON 3239</p>	

OPERATOR: Please do not report production under this temporary pool code until you have checked with the OCD District I Geologist Paul Kautz, and he confirms where your perfs are producing from and gives you the correct pool code.

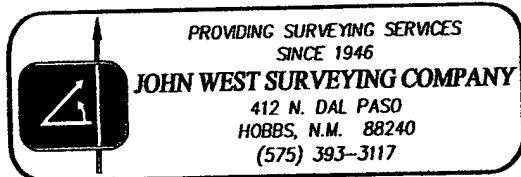
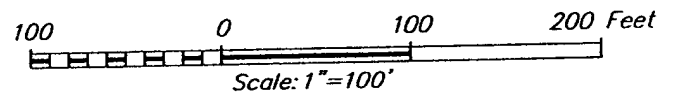
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SECTION 31, TOWNSHIP 15 SOUTH, RANGE 31 EAST, N.M.P.M.
CHAVES COUNTY NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. #249 AND ST. HWY. #172, GO WEST ON ST. HWY. #249 APPROX. 2.9 MILES. TURN LEFT AND GO SOUTH APPROX. 3.2 MILES TO PROPOSED ROAD SURVEY. TURN RIGHT AND FOLLOW PROPOSED ROAD SURVEY APPROX. 877 FEET WEST. THIS LOCATION STAKE IS APPROX. 212 FEET SOUTHWEST.

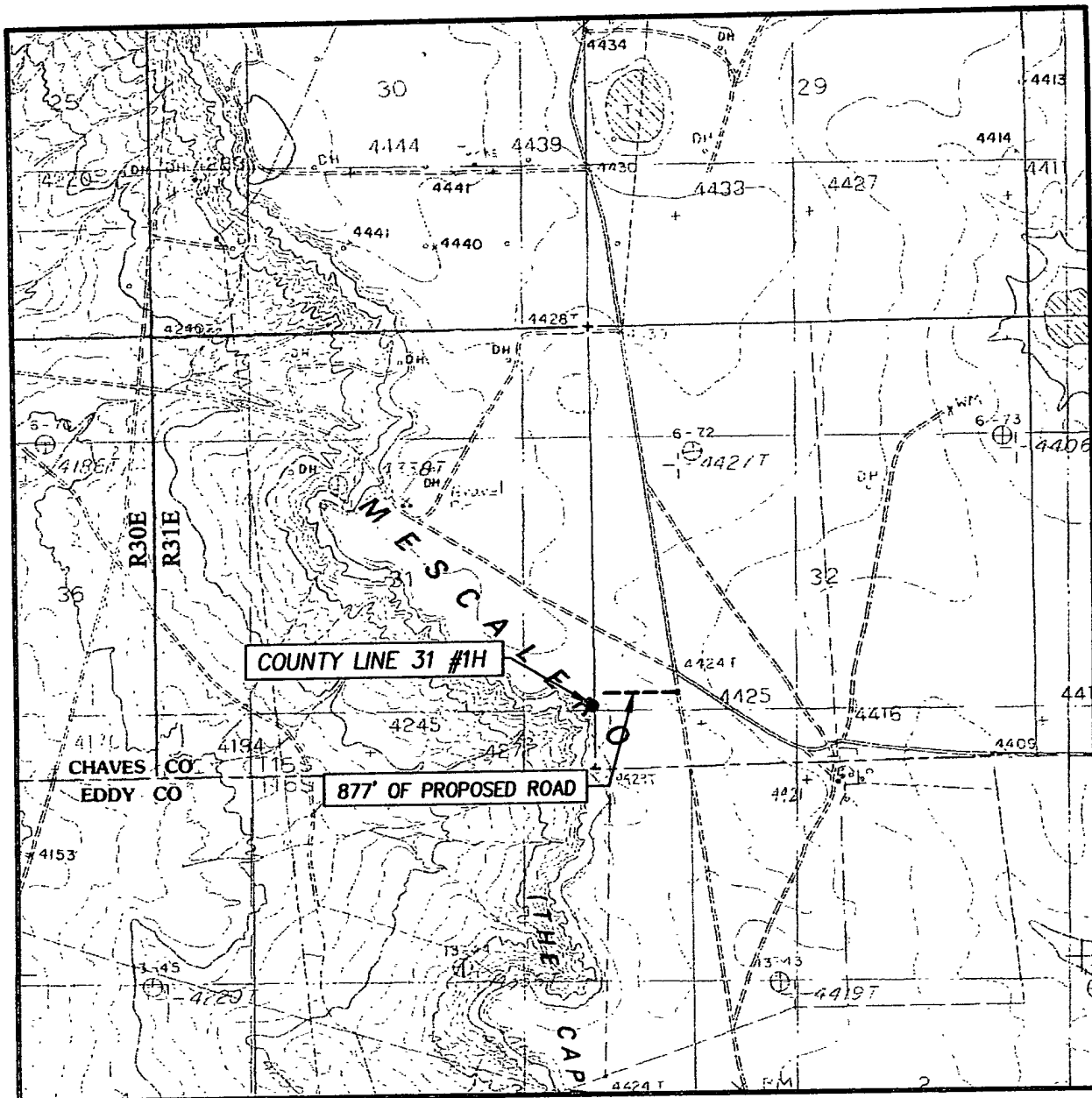


MARSHALL & WINSTON, INC.

COUNTY LINE 31 #1H WELL
LOCATED 750 FEET FROM THE SOUTH LINE
AND 30 FEET FROM THE EAST LINE OF SECTION 31,
TOWNSHIP 15 SOUTH, RANGE 31 EAST, N.M.P.M.,
CHAVES COUNTY, NEW MEXICO

Survey Date: 03/03/10	Sheet 1 of 1 Sheets
W.O. Number: 10.11.0287	Dr. By: DSS
Date: 03/09/10	Rel. W.O.: 10110287
	Scale: 1"=100'

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
MALJAMAR NE, N.M. - 10'

SEC. 31 TWP. 15-S RGE. 31-E

SURVEY N.M.P.M.

COUNTY CHAVES STATE NEW MEXICO

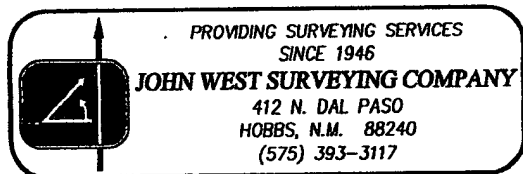
DESCRIPTION 750' FSL & 30' FEL

ELEVATION 4427'

OPERATOR MARSHALL & WINSTON, INC.

LEASE COUNTY LINE 31

U.S.G.S. TOPOGRAPHIC MAP
MALJAMAR NE, N.M



BOPE Stacking 9 5/8" X 5000 psi

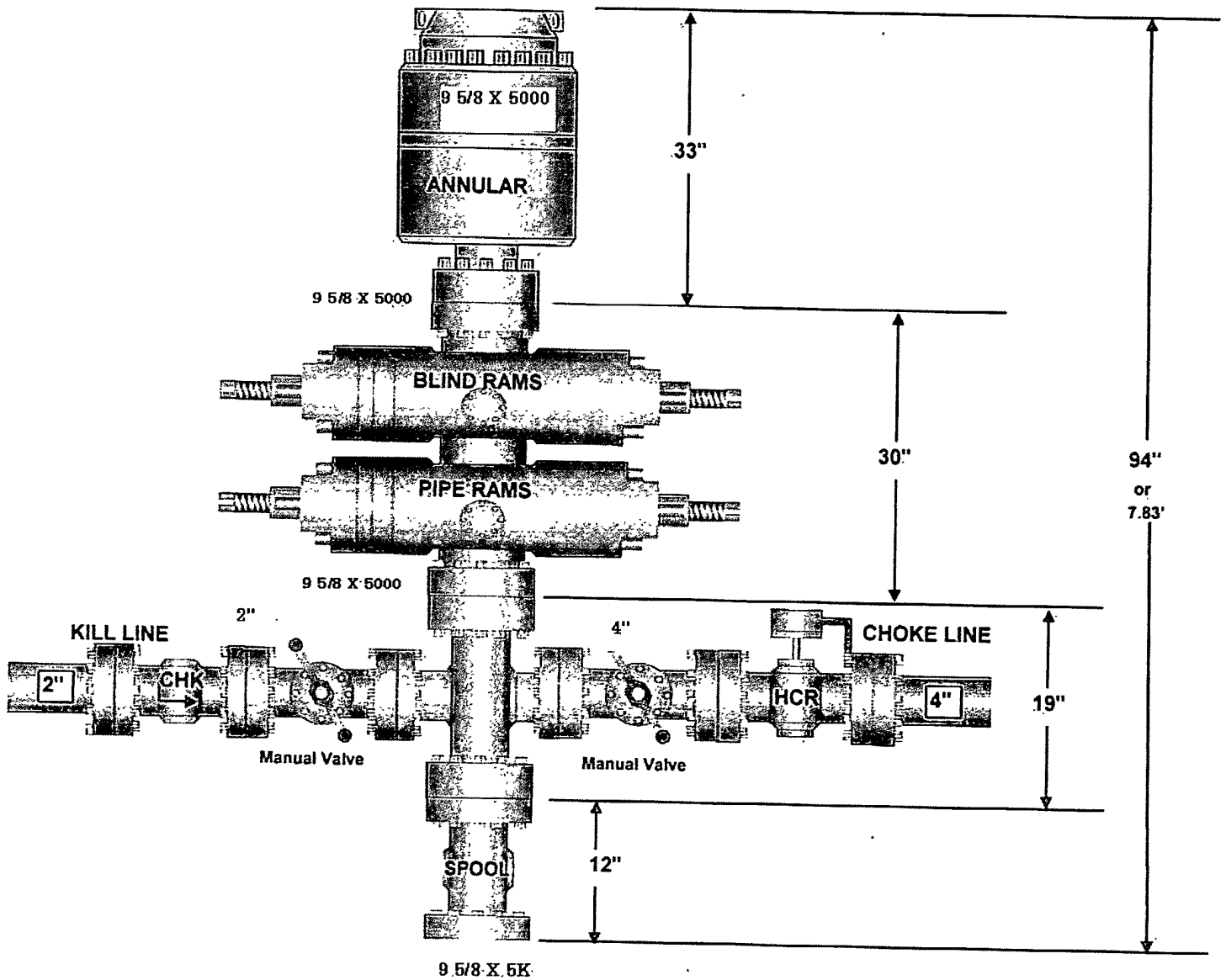


Exhibit 2