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

HOBBS OCD
AUG 26 2011
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Form C-101
Revised August 1 2011

Permit

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

[1] Operator Name and Address	[2] OGRID Number
THREE RIVERS OPERATING COMPANY, LLC 1122 S. CAPITAL OF TX HWY, SUITE 325 AUSTIN, TX 78746	272295
	[3] API Number 30-025-30956

[4] Property Code	[5] Property Name	[6] Well No
309241	PHILLIPS STATE	1

[7] Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
O	17	21S	35E		990	S	1980	E	LEA

[8] Pool Information

Wildcat Bone Spring ~~OSUDO FIELD~~ <97704>	

Additional Well Information

[9] Work Type	[10] Well Type	[11] Cable/Rotary	[12] Lease Type	[13] Ground Level Elevation
P	G	ROTARY	S	3649 GL
[14] Multiple	[15] Proposed Depth	[16] Formation	[17] Contractor	[18] Spud Date
N	10,400 PBTD	BONE SPRINGS	N/A	10/01/11

Depth to Ground water	Distance from nearest fresh water well	Distance to nearest surface water

[19] Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
K55	17"	13 3/8"	54.5#	1,855'	1,560	SURFACE
N80	12 1/4"	9 5/8"	43.5#	5,560'	620 + 300	SURFACE
C95	8 1/2"	2"	23#, 25#	10,900'	700	7,800'
P110	6 1/2"	5"	18#	10,463'-12,580'	200	10,463'

Casing/Cement Program: Additional Comments

See C-103

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
HYDRAULIC	5000#	5000#	N/A

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 TOM STRATTON

Title OPERATIONS ENGINEER

E-mail Address tstratton@3rnr.com

Date 08/24/2011 Phone 512-706-9849

OIL CONSERVATION DIVISION

Approved By

Title PETROLEUM ENGINEER

Approved Date AUG 29 2011 Expiration Date

Conditions of Approval Attached

Permit Expires 2 Years From Approval Date Unless Drilling Underway
Plugback

AUG 29 2011

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Depart.

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102
Revised 1-1-89

HOBBS OCD

AUG 26 2011

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WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator	Lease	Well No.
Three Rivers Operating Co, LLC	Phillips State	1

Unit Letter	Section	Township	Range	County
O	17	21 South	35 East NMPM	Lea

Actual Footage Location of Well:
990 feet from the South line and 1980 feet from the East line

Ground level Elev.	Producing Formation	Pool	Dedicated Acreage:
3649.0	~~Morrow~~ Bone Spring	~~S. Osudo Morrow (Gas)~~ Wildcat Bone Spring (97704)	~~320~~ 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

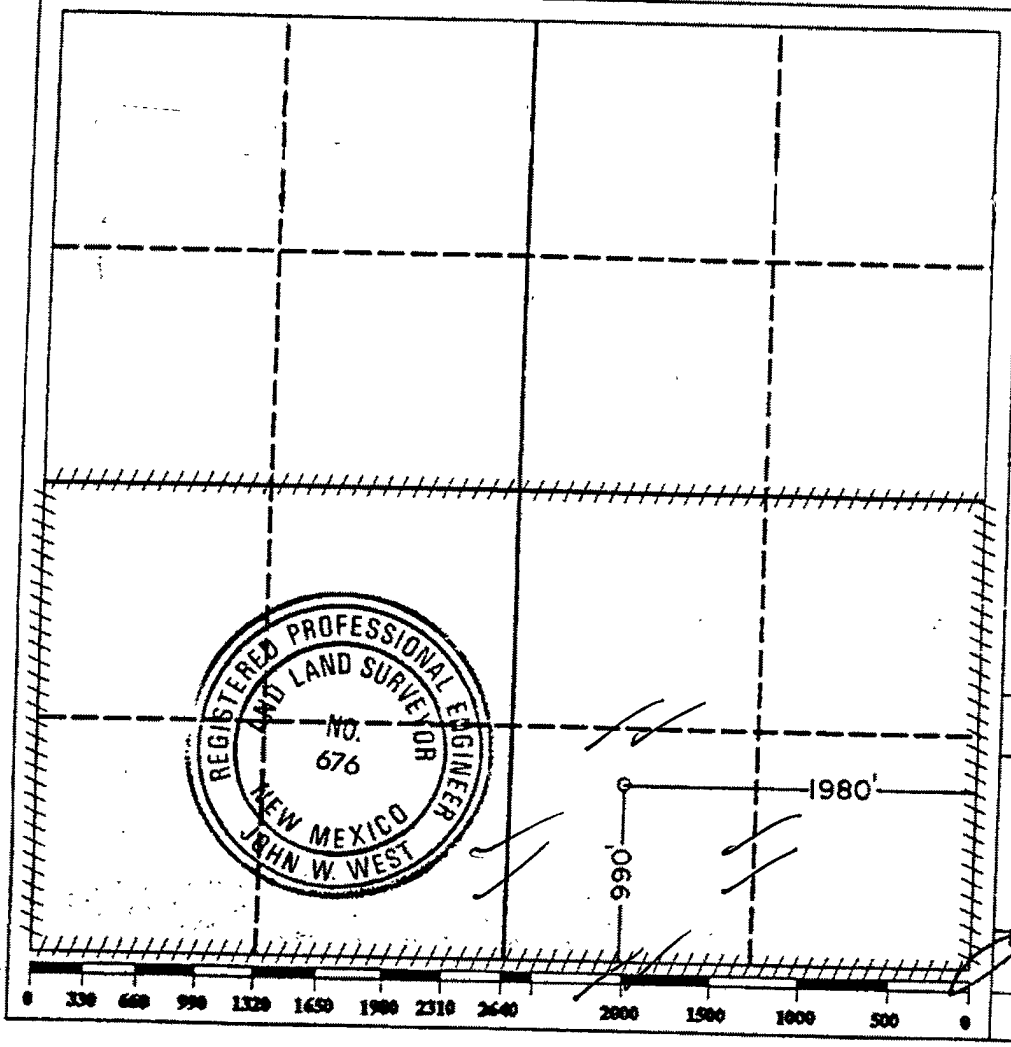
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☐ Yes ☐ No If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary. _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein in true and complete to the best of my knowledge and belief.

Signature: Tom 8/25/11

Printed Name: Tom Stratton

Position: Operations Engineer

Company: Three Rivers Operating Co, LLC

Date: 08/24/11

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 supervison, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: July 2, 1990

Signature & Seal of Professional Surveyor

John W. West

Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239

128850