

District I

1625 N French Dr, Hobbs, NM 88240

District II

1301 W Grand Ave, Artesia, NM 88210

District III

1000 Rio Brazos Rd, Aztec, NM 87410

District IV

1220 S St Francis Dr, Santa Fe, NM 87505

HOBBS OCD

MAR 08 2012

RECEIVED

OIL CONSERVATION DIVISION

1220 South St Francis Dr
Santa Fe, NM 87505WELL API NO
30-025-403215. Indicate Type of Lease
STATE ☒ FEE ☐

6 State Oil & Gas Lease No

7. Lease Name or Unit Agreement Name

Victorio State 36

8 Well Number #1H

9. OGRID Number
11331510. Pool name or Wildcat
East Garrett, Drinkard

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)

1. Type of Well: Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Texland Petroleum-Hobbs, LLC

3. Address of Operator

777 Main Street, Suite 3200, Fort Worth, Texas 76102

4 Well Location

Unit Letter B : 830 feet from the North line and 1860 feet from the East lineSection 36 Township 16S Range 38E NMPM Lea County11. Elevation (Show whether DR, RKB, RT, GR, etc)
3683'Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐OTHER ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS ☐ P AND A ☐CASING/CEMENT JOB ☒OTHER ☐ Spud ☒

13 Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions Attach wellbore diagram of proposed completion or recompletion.

MI & RU, Spud well @ 3 30 am 2/8/12

2/10/12 TD 12 1/4" hole @ 2180'; Ran 51 jts 9 5/8" 36# J-55 STC csg, Set @ 2180'; Cmt w/700 sks 35:65:6 Poz C gel + 3% salt (12.8 ppg & 1.86 yd); Tail in w/250 sks CI "C" + 1% CaCl (14.8 ppg & 1.34 yd); PD @ 10:10 am 2/10/12, Circ 75 bbls to pit; WOC 12 hrs, Test 500# for 4 hrs, OCD notified, not present

2/28/12 TD 8 3/4" hole @ 8533'; Ran 195 jts 23# L80 & P110 LTC csg, Set @ 8533'; Cmt w/1700 sks 35:65:6 Poz CI "H" + .2% FL-53 (12.4 ppg & 1.99 yd), Tail in w/250 sks 15:61.11 Poz CI "C" CSE-2 + 5% FL-25 + .5% FL-52 (13.2 ppg & 1.63 yd); PD @ 7.20 am CST 2/29/12; Circ 64 bbls to pit; RR@ 2:00 pm 2/29/12; OCD notified, not present

WO rig to cut window and continue lateral drlg

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.SIGNATURE Vickie SmithTITLE Regulatory AnalystDATE 3/6/12Type or print name Vickie SmithE-mail address vsmith@texpetro.comTelephone No. 575-397-7450

For State Use Only

APPROVED BY: [Signature]

TITLE _____

DATE _____

Conditions of Approval (if any): [Signature]

PETROLEUM ENGINEER

MAR 09 2012

MAR 12 2012