

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

Form C-101
Revised December 16, 2011

Permit

JUL 02 2012

RECEIVED

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

¹ Operator Name and Address LEGACY RESERVES OPERATING LP P.O. BOX 10848 MIDLAND, TX 79702		² OGRID Number 240974
		³ API Number 30-025-26566
⁴ Property Code 309923	⁵ Property Name PENROC STATE 23	⁶ Well No 1

⁷ Surface Location

UL - Lot K	Section 23	Township 12S	Range 32E	Lot Idn	Feet from 1980	N/S Line SOUTH	Feet From 1980	E/W Line WEST	County LEA
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⁸ Pool Information

CAPROCK: UPPER PENN, EAST	WOLFcamp E	9310	9420
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Additional Well Information

⁹ Work Type A	¹⁰ Well Type OIL	¹¹ Cable/Rotary N/A	¹² Lease Type STATE	¹³ Ground Level Elevation 4335'
¹⁴ Multiple NO	¹⁵ Proposed Depth N/A	¹⁶ Formation WOLFCAMP	¹⁷ Contractor N/A	¹⁸ Spud Date 07/09/12
Depth to Ground water N/A		Distance from nearest fresh water well N/A		Distance to nearest surface water N/A

¹⁹ Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
		13-3/8"	48#	412'	350SX	SURF-CIRC'D
		8-5/8"	36#	3656'	2100SX	SURF-CIRC'D
		4-1/2"	13.50#	10,524'	900SX	4000'



Casing/Cement Program: Additional Comments

N/A

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
N/A	N/A	N/A	N/A

**Permit Expires 2 Years From Approval
Date Unless Drilling Underway**
OIL CONSERVATION DIVISION

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 <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		Approved By:	
Signature: 			
Printed name: D. PATRICK DARDEN, P.E.		Title: REGISTERED ENGINEER	
Title: SENIOR ENGINEER		Approved Date: JUL 05 2012	Expiration Date:
E-mail Address:			
Date: 06/26/2012	Phone: 432-689-5200	Conditions of Approval Attached	

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State of New Mexico
HOBBS, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
JUL 03 2012 1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-26566	² Pool Code 9310	³ Pool Name EAST CARROCK WILDCAMP
⁴ Property Code 309923	⁵ Property Name PENROCK STATE 23	⁶ Well Number 1
⁷ OGRID No. 240974	⁸ Operator Name LEGACY RESERVES OPERATING, L.P.	⁹ Elevation 4335 GL

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	23	12S	32E		1980	SOUTH	1980	WEST	LEA

¹¹ 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

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <u>E. Patrick Darden</u> Date: <u>7/02/12</u></p> <p>Printed Name: <u>D. PATRICK DARDEN</u></p> <p>E-mail Address: _____</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</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>Date of Survey: _____</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p>Certificate Number: _____</p>

Penroc State 23 #1

Notice of Intent – Sundry

Drillout CIBP's & Open Additional Pay

Planned start date: 07/09/12

1. MIRU PU. Unseat pmp & POH w/rods & pmp. Install 5k BOP.
2. Rel TAC & POH w/tbg.
3. RIH w/DC's & bit on WS. Tag CIBP. Drillout CIBP's @ ~8570' & ~9410'.
4. Acidize perfs 9554'-9564'.
5. OAP fr/8730'-8810'. Acidize perfs w/1500 gals 15%.
6. Stimulate perfs 8469'-8480'. POH w/tbg, pkr & RBP.
7. RIH w/TAC & tbg. Set TAC. RD BOP.
8. RIH w/pmp & rods.
9. RDMO PU. RWTP.

Note: Will use steel frac tanks and test tanks as needed to contain fluids (and solids) during workover. C-144 CLEZ has been submitted