

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

HOBBS OCD

JUL 17 2012

RECEIVED

State of New Mexico

Energy Minerals and Natural Resources

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-101
Revised December 16, 2011

Permit

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

¹ Operator Name and Address Marshall & Winston Inc. POB 50880 Midland, TX 79710-0880		² OGRID Number 14187
⁴ Property Code 39353	³ Property Name TRES LADOS STATE 2	⁵ API Number 30-025-40692
		⁶ Well No 2H

⁷ Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
P	2	18S	35E	-	660	S	330	E	Lea
BH: M	2	18S	35E	-	660	S	330	W	Lea

⁸ Pool Information

Reeves Scharb Bone Springs	51870 80-acre sp
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Additional Well Information

⁹ Work Type N	¹⁰ Well Type O	¹¹ Cable/Rotary R	¹² Lease Type S	¹³ Ground Level Elevation 3791'
¹⁴ Multiple S	¹⁵ Proposed Depth 9080'	¹⁶ Formation Bone Springs	¹⁷ Contractor TBA	¹⁸ Spud Date est. 8-1-2012
Depth to Ground water ocd:		Distance from nearest fresh water well ocd:		Distance to nearest surface water ocd:

¹⁹ Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
H-40	17.5	13.375	48	1375'	1220	surface
J-55	12.5	9.625	40	3300'	955	surface
N-80	8.75	7.0	26	4880'	610	surface
P-110	6.125	4.5	11.6	13,536'	960	4500' (TOL)

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram w/annular	5M	5M	Regan & Hydril

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 ☒.

Signature 

Printed name Vernon D. Dyer

Title Agent

E-mail Address vdieroil@cableone.com

Date 7/17/2012

Phone (575) 420-0355

OIL CONSERVATION DIVISION

Approved By

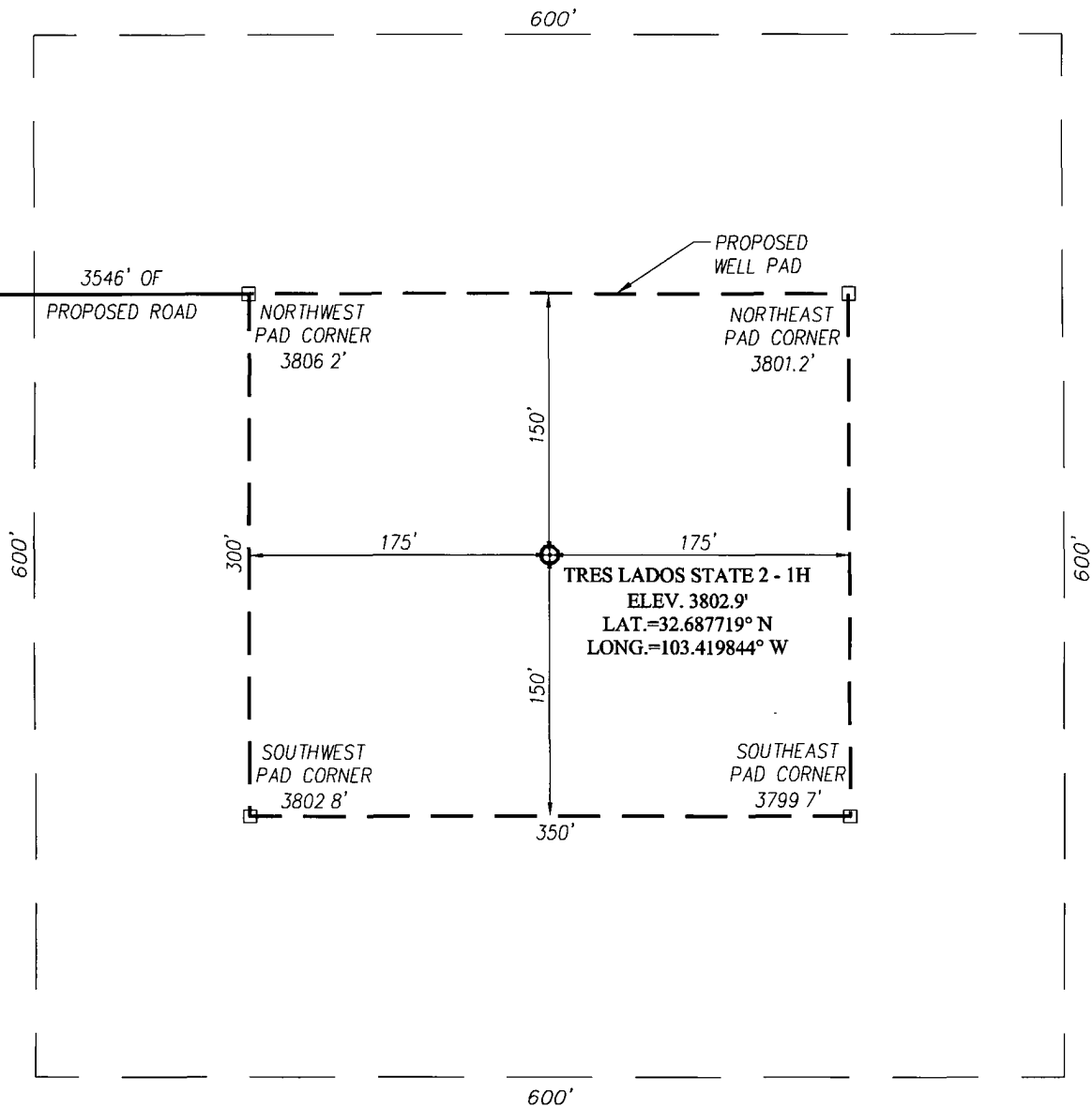
Title PETROLEUM ENGINEER

Approved Date JUL 20 2012 Expiration Date

Conditions of Approval Attached

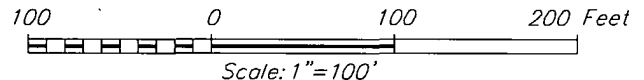
P.O.P. 442.5' FEL

SECTION 2, TOWNSHIP 19 SOUTH, RANGE 35 EAST, N.M.P.M.
LEA COUNTY **NEW MEXICO**



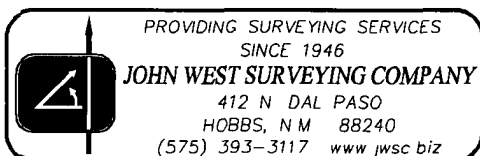
DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF HWY 529 AND HWY. 238, GO EAST ON HWY. 529 APPROX 0.1 MILE TURN RIGHT AND FOLLOW PROPOSED ROAD SURVEY STAKES SOUTH 3061 FEET, THEN EAST APPROX. 485 FEET TO THIS LOCATION.



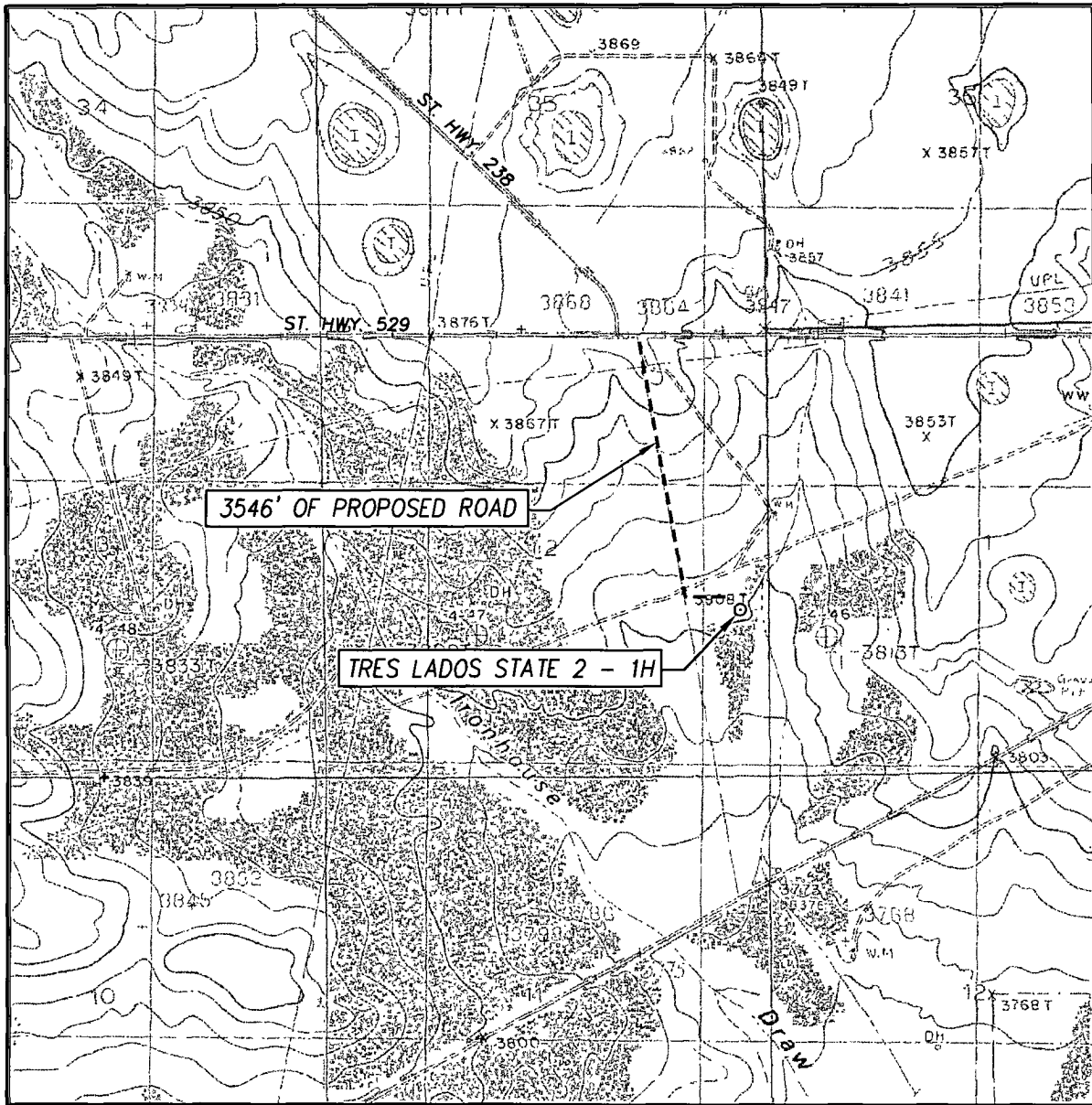
MARSHALL & WINSTON, INC.

TRES LADOS STATE 2 - 1H WELL
LOCATED 1980 FEET FROM THE SOUTH LINE
AND 330 FEET FROM THE EAST LINE OF SECTION 2,
TOWNSHIP 19 SOUTH, RANGE 35 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO



Survey Date: 5/18/12	CAD Date: 5/30/12	Drawn By: DSS
W.O No: 12110828	Rev:	Rel. W.O
		Sheet 1 of 1

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
IRONHOUSE DRAW, N.M. - 5'

SEC 2 TWP. 19-S RGE 35-E

SURVEY N.M.P.M

COUNTY LEA STATE NEW MEXICO

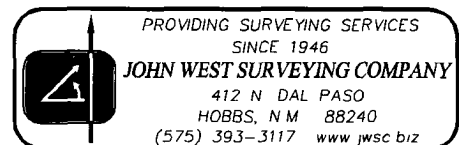
DESCRIPTION 1980' FSL & 330' FEL

ELEVATION 3803'

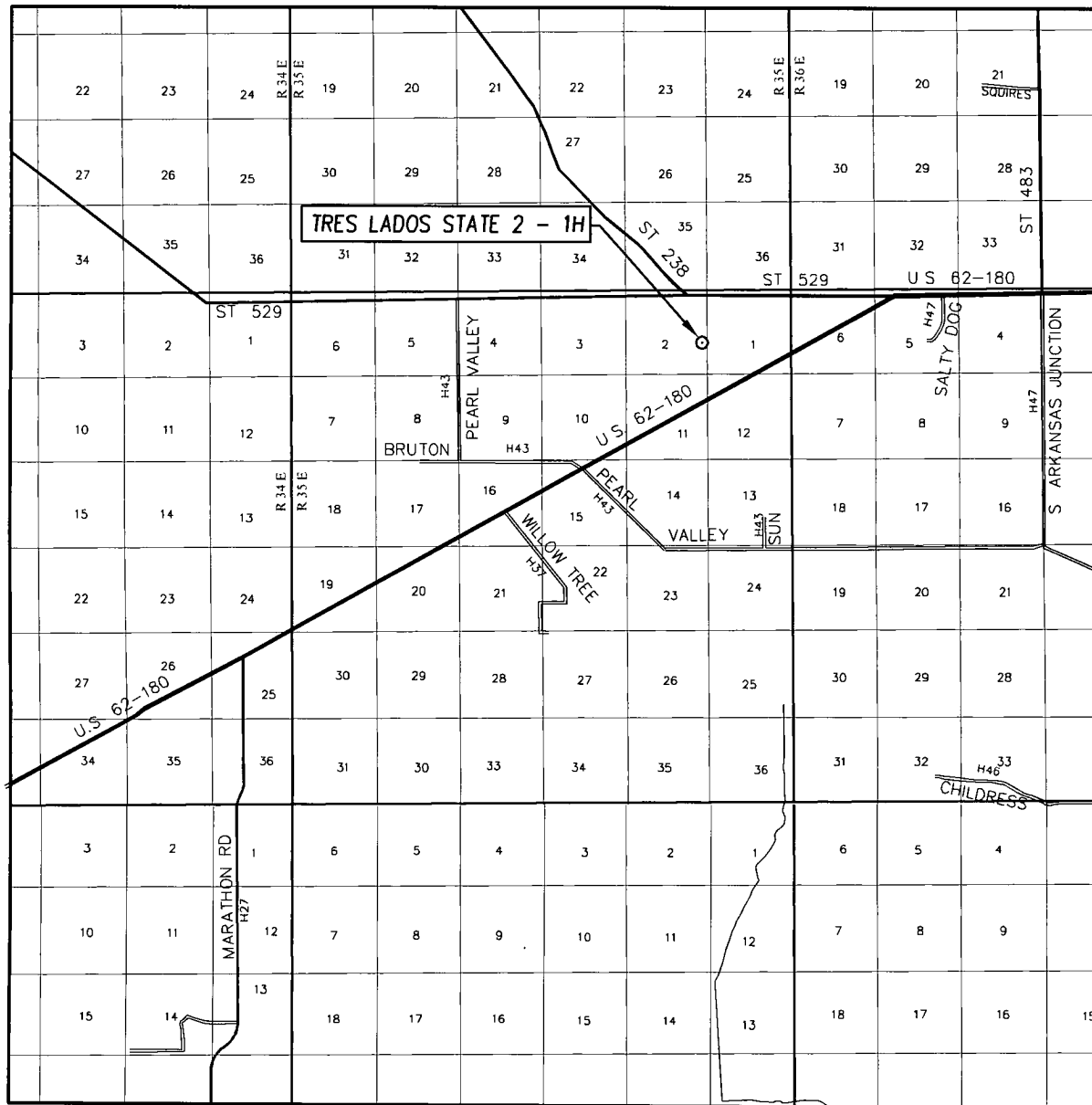
OPERATOR MARSHALL & WINSTON, INC.

LEASE TRES LADOS STATE 2

U.S.G.S. TOPOGRAPHIC MAP
IRONHOUSE DRAW, N.M.

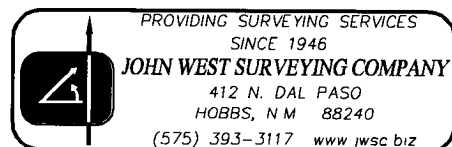


VICINITY MAP



SCALE: 1" = 2 MILES

SEC 2 TWP. 19-S RGE. 35-E
 SURVEY N.M.P.M
 COUNTY LEA STATE NEW MEXICO
 DESCRIPTION 1980' FSL & 330' FEL
 ELEVATION 3803'
 OPERATOR MARSHALL & WINSTON, INC.
 LEASE TRES LADOS STATE 2



C-144 Attachment
Closed Loop System Maintenance Summary
NMOCD Rule 19.15.17 NMAC
District I, NMOCD,
Hobbs, NM at (575) 393-6161

Operator and Well:

Marshall and Winston Incorporated
Tres Lados State 2 # 2H
Section 2, T-19-S, R-35E
Lea County, NM

Equipment:

The anticipated equipment shall consist of:

Above Ground steel tanks and or Roll-off steel tanks.

Dual motion shale shakers, solid removal centrifuges, gas separator, one 500 bbl fresh water and one 500 bbl brine water frac tanks. The closed loop mud system shall follow the guidance of regulations NM 19.15.17.11 NMAC.

Maintenance:

The drilling crew will inspect the closed loop circulating system at least once during each tour. Inspections or maintenance shall be entered into the driller's log. Any release of spill discovered will be reported to the NMOCD at (575) 393-6161 within 24 hours in accordance to NMOCD Rule 19.15.29 NMAC.

Closure:

All circulating fluids and cuttings deemed for disposal shall be transported to one of the following state permitted waste disposal sites to be determined:

- 1) Gandy Marley Inc., waste disposal site, Route 45 Crossroads, Hwy 380, permit no. NM 711-01-020, EPID 0001002484.**
- 2) Alternative disposal sites are Sundance Services, waste disposal site, located three miles east of Eunice, NM permit no. NM-01-0003.**
- 3) Control Recovery Inc. waste disposal site, Halfway, Hwy 62, permit no. NM-01-0006.**