

District I
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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

Form C-101
Revised August 1, 2011

Energy Minerals and Natural Resources **HOBBS OCD**
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

APR 17 2014

Permit

RECEIVED

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

¹ Operator Name and Address Texland Petroleum-Hobbs, LLC 777 Main Street, Suite 3200 Fort Worth, Texas 76102		² OGRID Number 113315
³ Property Code 31 39436		⁴ API Number 30-025- 41845
⁵ Property Name RLF Trust 30 State		⁶ Well No. #3H

7 Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
A	30	16-S	39-E		416	North	180	East	Lea

8 Pool Information

East Garrett, Drinkard	27135
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Additional Well Information

⁹ Work Type N	¹⁰ Well Type O	¹¹ Cable/Rotary R	¹² Lease Type P	¹³ Ground Level Elevation 3672'
¹⁴ Multiple N	¹⁵ Proposed Depth TVD 8068'; TMD 11,236'	¹⁶ Formation Drinkard	¹⁷ Contractor Norton	¹⁸ Spud Date ASAP
Depth to Ground water 90'		Distance from nearest fresh water well 2672' ENE		Distance to nearest surface water 1.5 m SSW

19 Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
J55	12 1/4"	9 5/8"	36#	2150'	950 sks	surface
N-80	8 3/4"	7"	23#	7915'	2195 sks	surface
ULT-FJ	6 1/8"	4 1/2"	11.36#	11,236'	350 sks	Circ to TOL

Casing/Cement Program: Additional Comments

See attached wellbore schematic for additional information Exhibit "D"; During this procedure we plan to use the Closed-Loop System and haul contents to the required disposal.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Hydraulic Double Ram	3000 PSI	1500 PSI	Townsend

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: Vickie Smith

Title: Regulatory Analyst

E-mail Address: vsmith@texpetro.com

Date: April 16, 2014

Phone: 575-397-7450

OIL CONSERVATION DIVISION

Approved By:

Title: Petroleum Engineer

Approved Date: 05/13/14

Expiration Date: 05/19/16

Conditions of Approval Attached

**See Attached
Conditions of Approval**

MAY 14 2014

CONDITIONS OF APPROVAL

API #	Operator	Well name & Number
30-025-41845	Texland Petroleum-Hobbs, LLC	# 003H

Administrative Orders Required

	Will require administrative order for non-standard location prior to placing the well on production
	Will require administrative order for non-standard spacing unit
	Will require administrative order for DHC prior to placing the well on production
	Will require form C-103 for pre-approved pools for downhole commingling prior to production. R-11363

Other wells

	Spacing rule violation. Operator must follow up with Change of Status notification on other well to be shut in or abandoned

Drilling

XXXXXX	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string

Casing

XXXXXX	SURFACE & INTERMEDIATE(1) CASING - Cement must circulate to surface --
	INTERMEDIATE2 CASING - Cement must tie back into intermediate casing --
XXXXXX	PRODUCTION CASING - Cement must tie back into intermediate casing --
	PRODUCTION CASING - Cement must circulate to surface --
	Liner – Cement must tie back into production casing
XXXXXXX	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
	Surface casing must be set at 350' and at least 50' into the red beds whichever is greater.