

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C-101  
May 27, 2004

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

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

<sup>1</sup> Operator Name and Address Texland Petroleum-Hobbs, LLC 777 Main Street, Suite 3200, Fort Worth, TX 76102		<sup>2</sup> OGRID Number 113315
<sup>3</sup> Property Code 35406		<sup>4</sup> API Number 30-025-37676
<sup>5</sup> Property Name State 31		<sup>6</sup> Well No. #1
<sup>7</sup> Proposed Pool 1 Garrett Drinkard		<sup>8</sup> Proposed Pool 2

**7 Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	31	16S	38E		2297'	South	990'	West	Lea

**8 Proposed 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

**Additional Well Information**

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3747'
<sup>16</sup> Multiple NO	<sup>17</sup> Proposed Depth 8850'	<sup>18</sup> Formation Drinkard	<sup>19</sup> Contractor CapStar	<sup>20</sup> Spud Date est 2/10/06
Depth to Groundwater approx 56'		Distance from nearest fresh water well est 2000+'		Distance from nearest surface water n/a
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 4400 bbls Closed-Loop System <input type="checkbox"/> Drilling Method: Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

**21 Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	2000'	850 sks	surface
7 7/8"	5 1/2"	15.5#	8850'	700 sks	4000'

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

See attached proposed diagram of the rig layout w/lined pits shown. Also included is the blowout preventer diagram.

Texland plans to drill the well to a total depth of 8850' and complete as a Garrett Drinkard producing well. After reaching TD the completion procedures will be determined after evaluation of the well.

Permit Expires 1 Year From Approval  
Date Unless Drilling Underway

<sup>23</sup> 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: Production Analyst  
E-mail Address: vsmith@texopetro.com  
Date: 1/25/06  
Phone: 817-336-2751

**OIL CONSERVATION DIVISION**

Approved by:

Title:

Approval Date:

Conditions of Approval Attached ☐

PETROLEUM ENGINEER  
Expiration Date:

## DISTRICT I

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## DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

## State of New Mexico

Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102

Revised JUNE 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025- <b>37676</b>	Pool Code <b>27130</b>	Pool Name Garrett Drinkard
Property Code <b>35406</b>	Property Name STATE 31	Well Number 1
OGRID No. 113315	Operator Name TEXLAND PETROLEUM-HOBBS, LLC	Elevation 3747'

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	31	16-S	38-E		2297	SOUTH	993	WEST	LEA

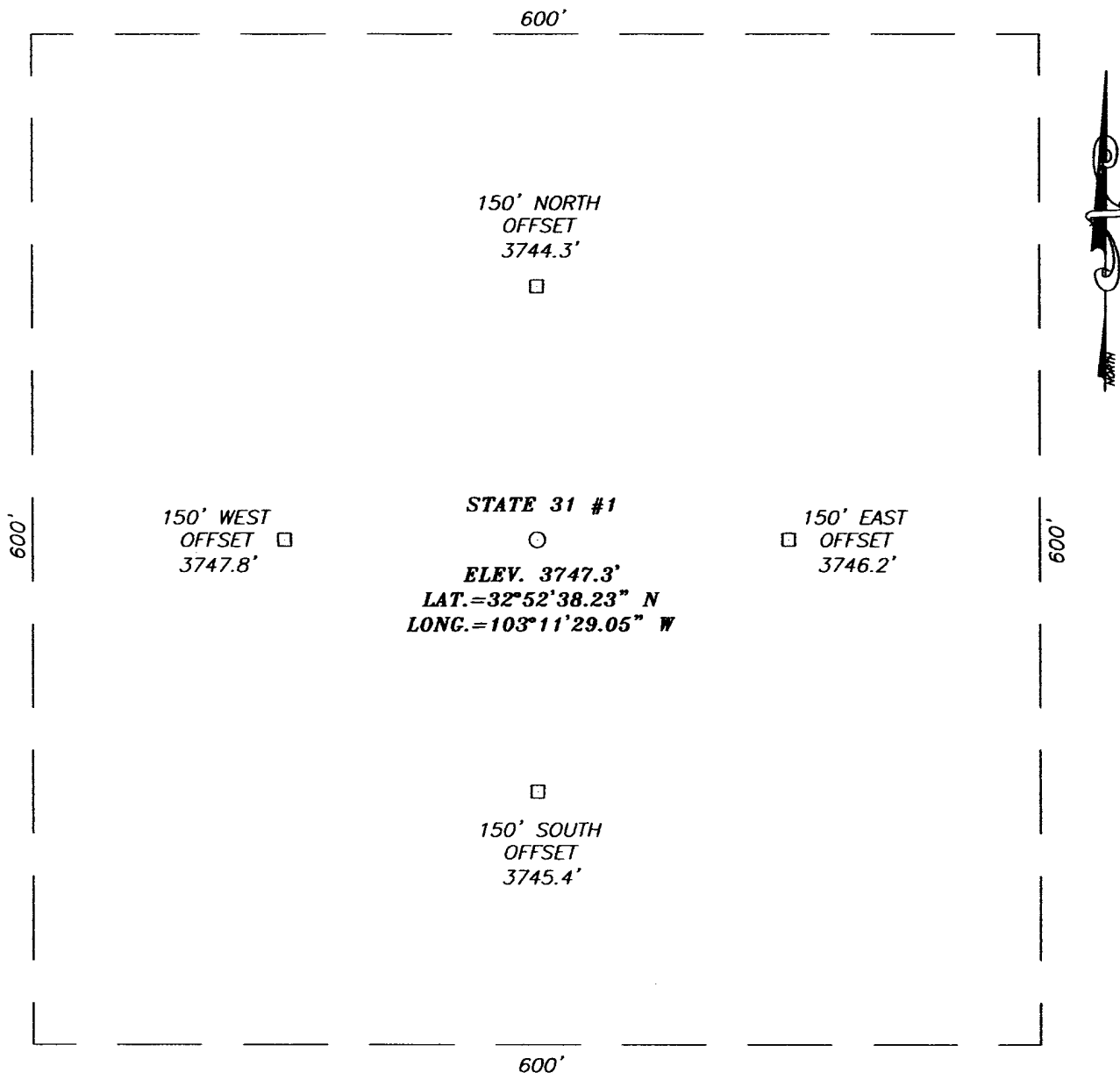
## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

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

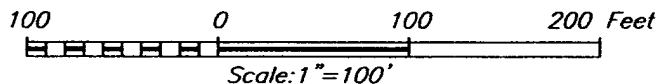
<p>LOT 1</p> <p>36.20 AC</p> <p>LOT 2</p> <p>36.22 AC</p> <p>LOT 3</p> <p>993'</p> <p>Texland et al VO-7528</p> <p>36.22 AC</p> <p>LOT 4</p> <p>2297'</p> <p>36.24 AC</p>	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=684765.0 N X=850590.0 E</p> <p>LAT.=32°52'38.23" N LONG.=103°11'29.05" W</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><u>Vickie Smith</u> Signature</p> <p><u>Vickie Smith</u> Printed Name</p> <p><u>Production Analyst</u> Title</p> <p><u>1/25/06</u> Date</p> <p><b>SURVEYOR CERTIFICATION</b></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>JANUARY 17, 2006</p> <p>Date Surveyed LA</p> <p>Signature &amp; Seal of Professional Surveyor</p> <p><u>GARY K. EDSON</u> 1/20/06</p> <p>06.11.0086</p> <p>Certificate No. GARY EDSON 12641</p>
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**SECTION 31, TOWNSHIP 16 SOUTH, RANGE 38 EAST, N.M.P.M.,**  
 LEA COUNTY, NEW MEXICO



**DIRECTIONS TO LOCATION**

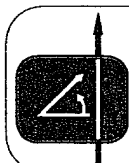
FROM THE INTERSECTION OF ST. HWY. #132 AND THORNHILL RD. L-88 (NORTH OF HUMBLE CITY). GO WEST ON L-88 APPROX. 4.0 MILES. TURN LEFT AND GO SOUTH APPROX. 1.0 MILES. THE LOCATION IS SOUTH-SOUTHEAST APPROX. 0.6 MILES.



**TEXLAND PETROLEUM-HOBBS, LLC**

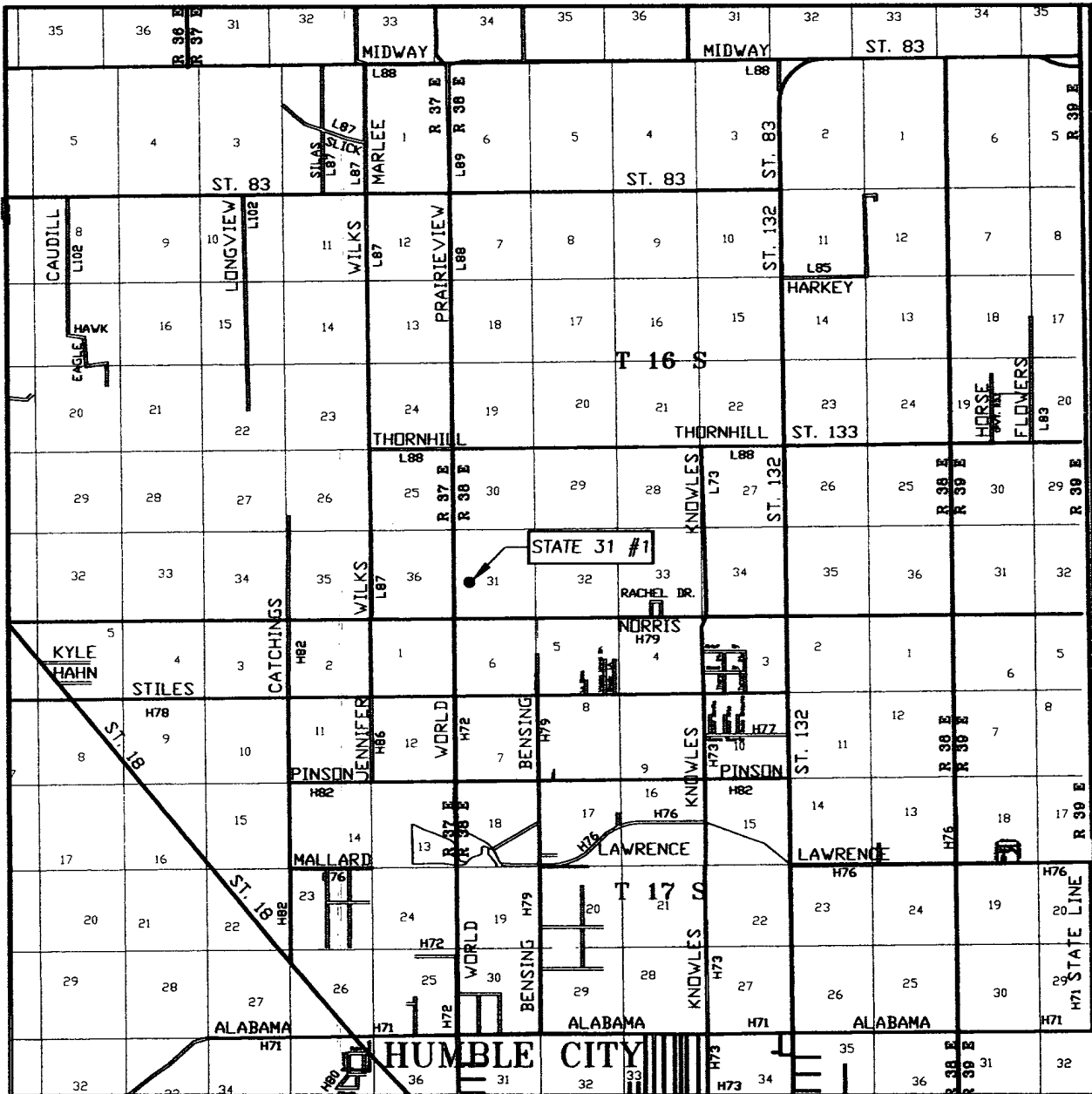
STATE 31 #1 WELL  
 LOCATED 2297 FEET FROM THE SOUTH LINE  
 AND 993 FEET FROM THE WEST LINE OF SECTION 31,  
 TOWNSHIP 16 SOUTH, RANGE 38 EAST, N.M.P.M.,  
 LEA COUNTY, NEW MEXICO.

Survey Date: 1/17/06	Sheet 1 of 1 Sheets
W.O. Number: 06.11.0086	Dr By: LA
Date: 1/19/06	Disk: CD#4
06110086	Scale: 1"=100'



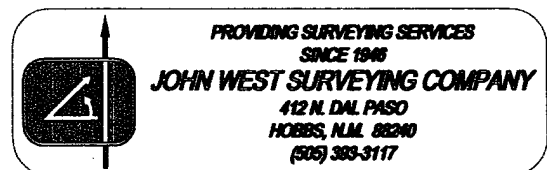
PROVIDING SURVEYING SERVICES  
 SINCE 1946  
**JOHN WEST SURVEYING COMPANY**  
 412 N. DAL PASO  
 HOBBS, N.M. 88240  
 (505) 393-3117

# VICINITY MAP

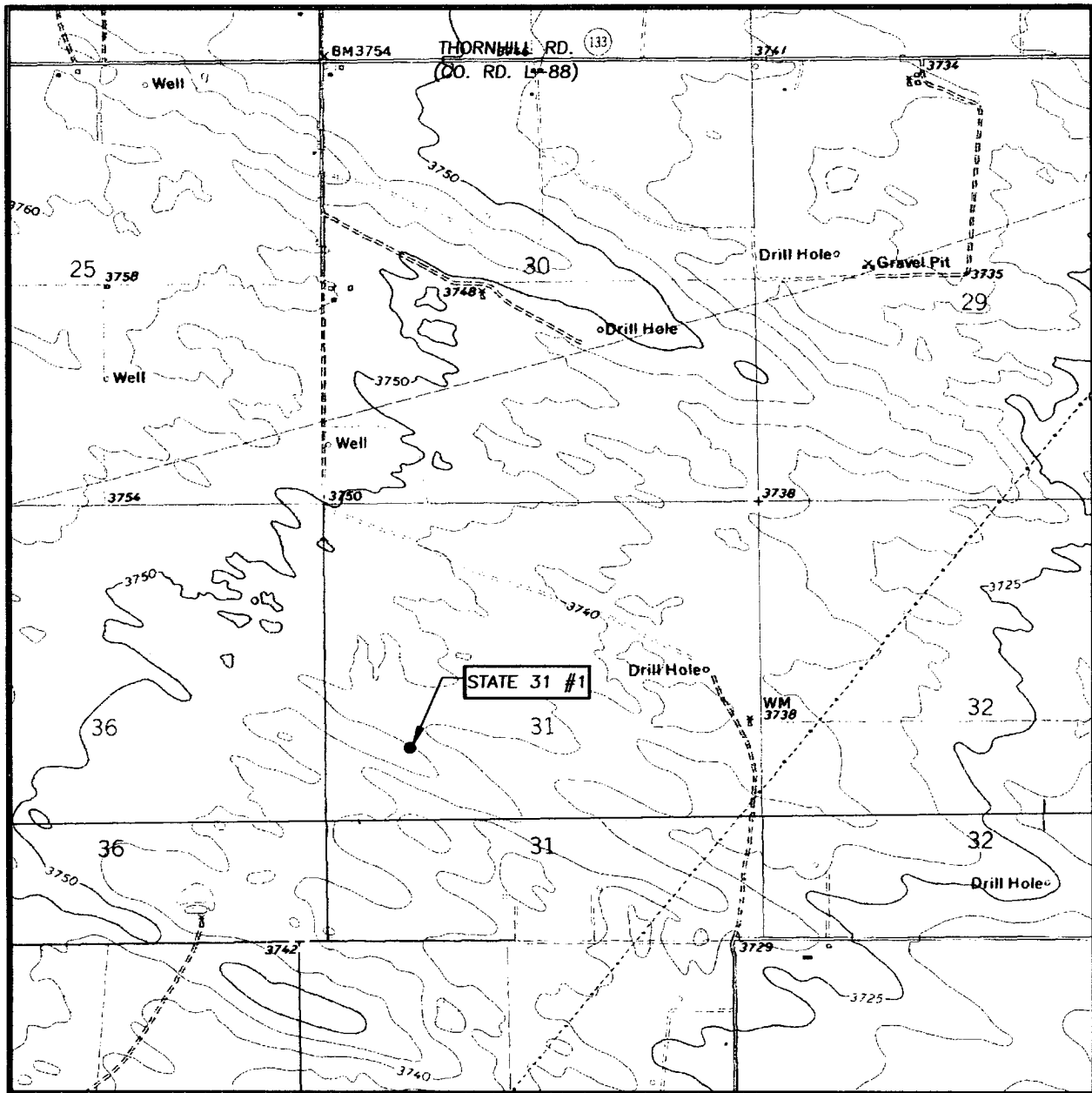


SCALE: 1" = 2 MILES

SEC. 31 TWP. 16-S RGE. 38-E  
 SURVEY N.M.P.M.  
 COUNTY LEA  
 DESCRIPTION 2297' FSL & 993' FWL  
 ELEVATION 3747'  
 OPERATOR TEXLAND PETROLEUM-HOBBS, LLC  
 LEASE STATE 31



# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 5'  
HUMBLE CITY, N.M.  
HUMBLE CITY NW, N.M.

SEC. 31 TWP. 16-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

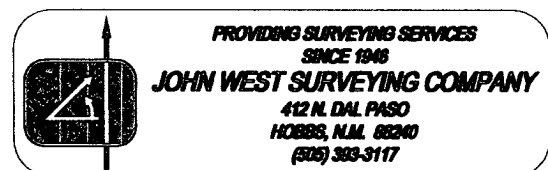
DESCRIPTION 2297' FSL & 993' FWL

ELEVATION 3747'

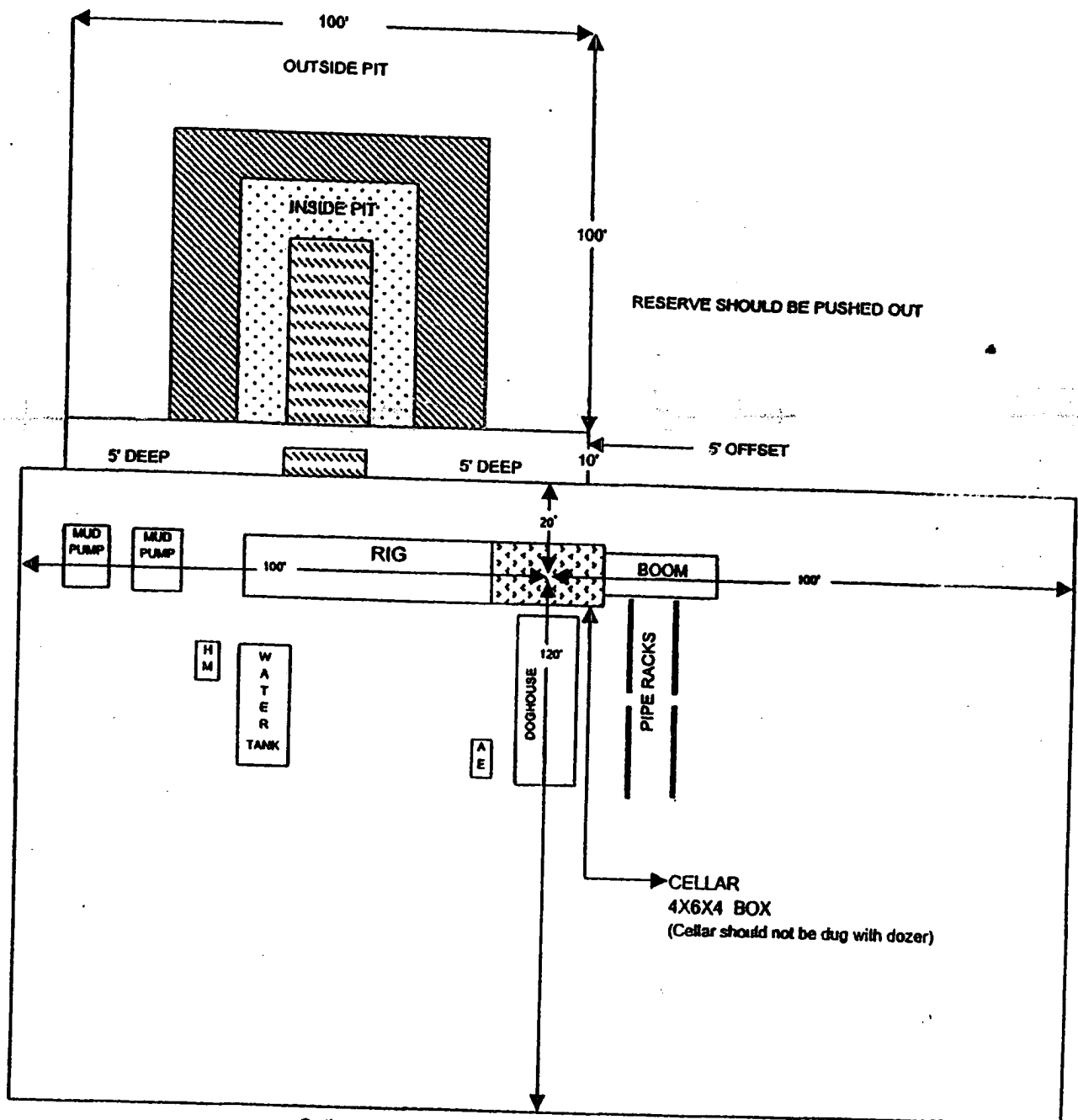
OPERATOR TEXLAND PETROLEUM-HOBBS, LLC

LEASE STATE 31

U.S.G.S. TOPOGRAPHIC MAP  
HUMBLE CITY, HUMBLE CITY NW, N.M.



CapStar Drilling, Inc.  
LOCATION SPECIFICATIONS AND RIG LAYOUT  
FOR EARTH PITS

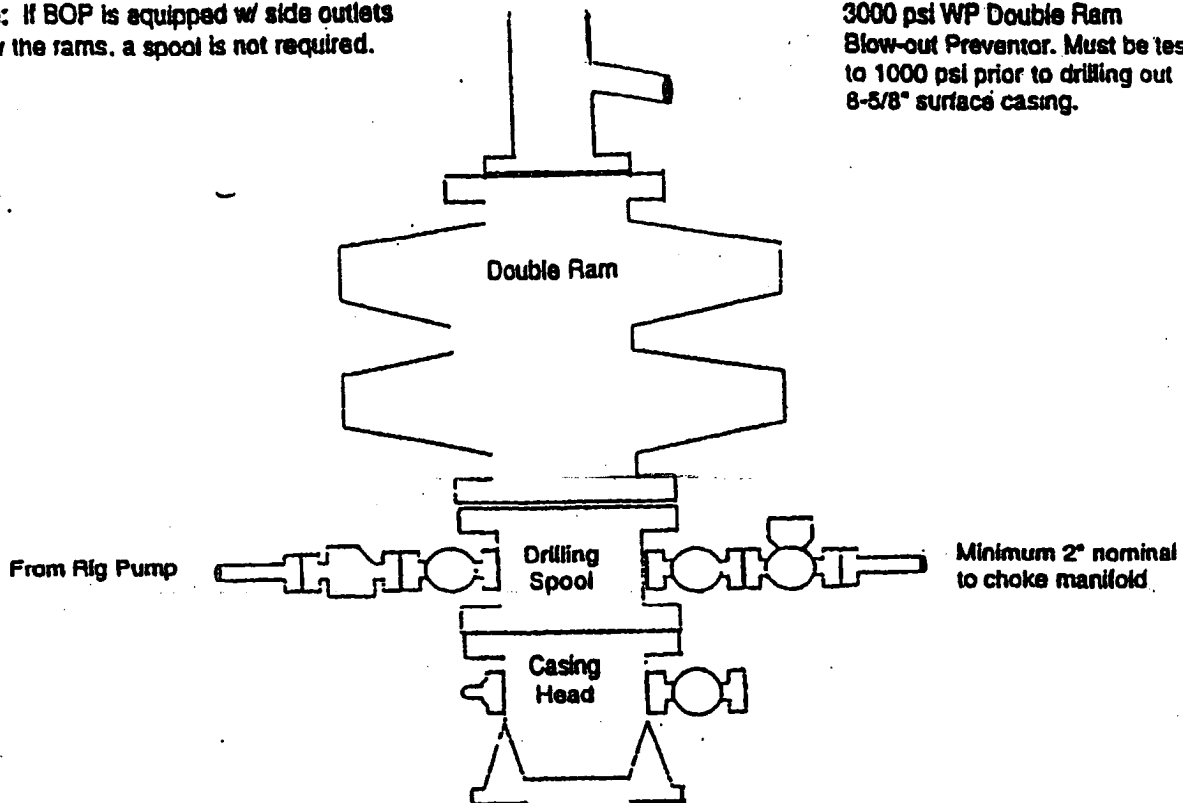


Cellar can be 4X4X4 if using a screw-on wellhead  
Working Pits dug 5' below ground level

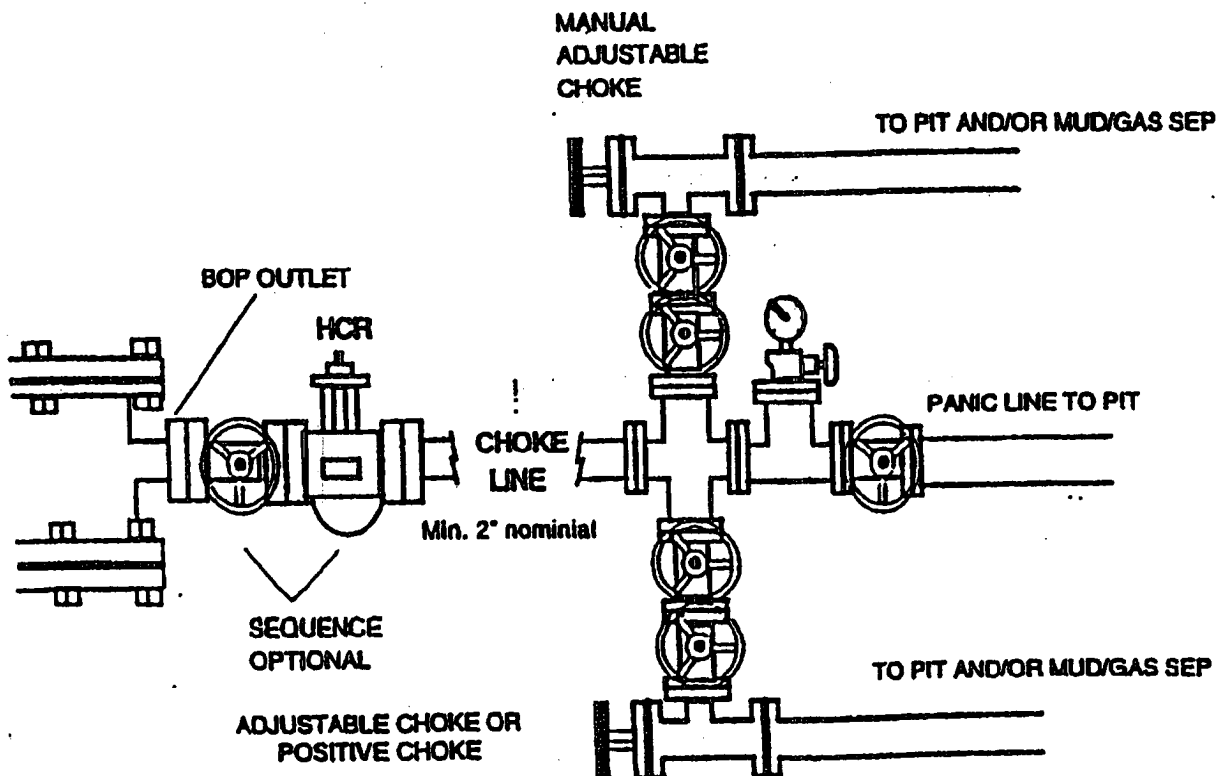
## BOP Schematic

\*Note: If BOP is equipped w/ side outlets below the rams, a spool is not required.

3000 psi WP Double Ram  
Blow-out Preventor. Must be tested  
to 1000 psi prior to drilling out  
8-5/8" surface casing.



## Choke Manifold Schematic



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State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
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Santa Fe, NM 87505

Form C-144  
June 1, 2004  
For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☐

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☐

Operator: Texland Petroleum-Hobbs, LLC Telephone: 817-336-2751 e-mail address: vsmith@texpetro.com  
Address: 777 Main Street, Ste 3200, Fort Worth, TX 76102  
Facility or well name: State 31 #1 API #: 30-025- U/L or Qtr/Qtr 3 Sec 31 T 16S R 38E  
County: Lea Latitude 32°52'38.23" N Longitude 103°11'20.05"W NAD: 1927 ☒ 1983 ☐  
Surface Owner: Federal ☐ State ☐ Private ☒ Indian ☐

<b>Pit</b> Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>4400</u> bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____						
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) est 56'	<table border="1"><tr><td>Less than 50 feet</td><td>(20 points)</td></tr><tr><td>50 feet or more, but less than 100 feet</td><td>(10 points) 10</td></tr><tr><td>100 feet or more</td><td>( 0 points)</td></tr></table>	Less than 50 feet	(20 points)	50 feet or more, but less than 100 feet	(10 points) 10	100 feet or more	( 0 points)
Less than 50 feet	(20 points)						
50 feet or more, but less than 100 feet	(10 points) 10						
100 feet or more	( 0 points)						
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	<table border="1"><tr><td>Yes</td><td>(20 points)</td></tr><tr><td><u>No</u></td><td>( 0 points) 0</td></tr></table>	Yes	(20 points)	<u>No</u>	( 0 points) 0		
Yes	(20 points)						
<u>No</u>	( 0 points) 0						
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	<table border="1"><tr><td>Less than 200 feet</td><td>(20 points)</td></tr><tr><td>200 feet or more, but less than 1000 feet</td><td>(10 points)</td></tr><tr><td><u>1000 feet or more</u></td><td>( 0 points) 0</td></tr></table>	Less than 200 feet	(20 points)	200 feet or more, but less than 1000 feet	(10 points)	<u>1000 feet or more</u>	( 0 points) 0
Less than 200 feet	(20 points)						
200 feet or more, but less than 1000 feet	(10 points)						
<u>1000 feet or more</u>	( 0 points) 0						
Ranking Score (Total Points) 10							

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility \_\_\_\_\_. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface \_\_\_\_\_ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:


I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described 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 ☐.

Date: 1/25/06

Printed Name/Title Vickie Smith/Prod Analyst

Signature

Vickie Smith

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Printed Name/Title

Signature

ORIGINAL SIGNED BY

PAUL F. KAUTZ  
PETROLEUM ENGINEER

Date:

FEB 02 2006