

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

HOBBS OCD
SEP 18 2017

FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM06531A
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator LEGACY RESERVES OPERATING LP		7. If Unit or CA Agreement, Name and No. LEA / NMNM70976X
3a. Address 303 West Wall St., Ste 1800 Midland TX 7970		8. Lease Name and Well No. LEA UNIT 56H (302802)
3b. Phone No. (include area code) (432)689-5287		9. API Well No. 30-025-44026
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NWNE / 170 FNL / 1640 FEL / LAT 32.5944167 / LONG -103.5276537 At proposed prod. zone SWNE / 2310 FNL / 2210 FEL / LAT 32.5740291 / LONG -103.5294989		10. Field and Pool, or Exploratory LEA / BONE SPRING (38570)
14. Distance in miles and direction from nearest town or post office* 26 miles		11. Sec., T. R. M. or Blk. and Survey or Area SEC 11 / T20S / R34E / NMP
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 170 feet	16. No. of acres in lease 280	17. Spacing Unit dedicated to this well 240
18. Distance from proposed location* to nearest well, drilling, completed, 50 feet applied for, on this lease, ft. 50 feet	19. Proposed Depth 9800 feet / 16993 feet	20. BLM/BIA Bond No. on file FED: NMB001015
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3662 feet	22. Approximate date work will start* 05/08/2017	23. Estimated duration 45 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature (Electronic Submission)	Name (Printed/Typed) Matt Dickson / Ph: (432)689-5204	Date 05/05/2017
Title Drilling Engineer		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) Cody Layton / Ph: (575)234-5959	Date 09/07/2017
Title Supervisor Multiple Resources Office CARLSBAD		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

*(Instructions on page 2)

APPROVED WITH CONDITIONS

KZ
09/15/17

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

Additional Operator Remarks

Location of Well

1. SHL: NWNE / 170 FNL / 1640 FEL / TWSP: 20S / RANGE: 34E / SECTION: 11 / LAT: 32.5944167 / LONG: -103.5276537 (TVD: 0 feet, MD: 0 feet)
PPP: NWNE / 0 FNL / 1995 FEL / TWSP: 20S / RANGE: 34E / SECTION: 11 / LAT: 32.580429 / LONG: -103.528753 (TVD: 9800 feet, MD: 9800 feet)
BHL: SWNE / 2310 FNL / 2210 FEL / TWSP: 20S / RANGE: 34E / SECTION: 14 / LAT: 32.5740291 / LONG: -103.5294989 (TVD: 9800 feet, MD: 16993 feet)

BLM Point of Contact

Name: Deborah McKinney
Title: Legal Instruments Examiner
Phone: 5752345931
Email: dmckinne@blm.gov

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

CONFIDENTIAL



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Operator Certification Data Report

09/11/2017

Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

NAME: Matt Dickson

Signed on: 05/05/2017

Title: Drilling Engineer

Street Address: 303 West Wall St., Ste 1800

City: Midland

State: TX

Zip: 79701

Phone: (432)689-5204

Email address: mdickson@legacylp.com

Field Representative

Representative Name: Matt Dickson

Street Address: P.O. Box 10848

City: Midland

State: TX

Zip: 10848

Phone: (432)689-5204

Email address:



APD ID: 10400013827	Submission Date: 05/05/2017	Highlighted data reflects the most recent changes Show Final Text
Operator Name: LEGACY RESERVES OPERATING LP		
Well Name: LEA UNIT	Well Number: 56H	
Well Type: OIL WELL	Well Work Type: Drill	

Section 1 - General

APD ID: 10400013827	Tie to previous NOS?	Submission Date: 05/05/2017
BLM Office: CARLSBAD	User: Matt Dickson	Title: Drilling Engineer
Federal/Indian APD: FED	Is the first lease penetrated for production Federal or Indian? FED	
Lease number: NMNM06531A	Lease Acres: 280	
Surface access agreement in place?	Allotted?	Reservation:
Agreement in place? YES	Federal or Indian agreement: FEDERAL	
Agreement number: NMNM70976X		
Agreement name: LEA		
Keep application confidential? YES		
Permitting Agent? YES	APD Operator: LEGACY RESERVES OPERATING LP	
Operator letter of designation:	Lea_56H_letter_of_designation_05-01-2017.pdf	

Operator Info

Operator Organization Name: LEGACY RESERVES OPERATING LP

Operator Address: 303 West Wall St., Ste 1800

Operator PO Box: Zip: 79701

Operator City: Midland **State:** TX

Operator Phone: (432)689-5287

Operator Internet Address:

Section 2 - Well Information

Well in Master Development Plan? EXISTING	Mater Development Plan name: Lea Unit Master Dev Plan	
Well in Master SUPO? NO	Master SUPO name:	
Well in Master Drilling Plan? NO	Master Drilling Plan name:	
Well Name: LEA UNIT	Well Number: 56H	Well API Number:
Field/Pool or Exploratory? Field and Pool	Field Name: LEA	Pool Name: BONE SPRING
Is the proposed well in an area containing other mineral resources? USEABLE WATER,NATURAL GAS,CO2,OIL		

Operator Name: LEGACY RESERVES OPERATING LP

Well Name: LEA UNIT

Well Number: 56H

Describe other minerals:

Is the proposed well in a Helium production area? N Use Existing Well Pad? YES New surface disturbance? N

Type of Well Pad: MULTIPLE WELL

Multiple Well Pad Name: LEA Number: 54H

Well Class: HORIZONTAL

UNIT

Number of Legs: 1

Well Work Type: Drill

Well Type: OIL WELL

Describe Well Type:

Well sub-Type: INFILL

Describe sub-type:

Distance to town: 26 Miles

Distance to nearest well: 50 FT

Distance to lease line: 170 FT

Reservoir well spacing assigned acres Measurement: 240 Acres

Well plat: Lea_56H_plat_05-01-2017.pdf

Well work start Date: 05/08/2017

Duration: 45 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number: 23263

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD
SHL Leg #1	170	FNL	1640	FEL	20S	34E	11	Aliquot NWNE	32.5944167	-103.5276537	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 06531A	3662	0	0
KOP Leg #1	170	FNL	1640	FEL	20S	34E	11	Aliquot NWNE	32.5944167	-103.5276537	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 06531A	-5588	9250	9250
PPP Leg #1	0	FNL	1995	FEL	20S	34E	11	Aliquot NWNE	32.580429	-103.528753	LEA	NEW MEXICO	NEW MEXICO	F	NMNM 080262	-6138	9800	9800

Operator Name: LEGACY RESERVES OPERATING LP

Well Name: LEA UNIT

Well Number: 56H

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD
EXIT Leg #1	231 0	FNL	221 0	FEL	20S	34E	14	Aliquot SWNE	32.57402 91	- 103.5294 989	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 080262	- 613 8	169 93	980 0
BHL Leg #1	231 0	FNL	221 0	FEL	20S	34E	14	Aliquot SWNE	32.57402 91	- 103.5294 989	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 080262	- 613 8	169 93	980 0

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 03:28 PM

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Run Date: 04/04/2017

01 02-25-1920;041STAT0437;30USC181
Case Type 318210: O&G EXPLORATORY UNIT
Commodity 459: OIL & GAS
Case Disposition: AUTHORIZED

Total Acres
2,559.680

Serial Number
NMNM-- - 070976X

Serial Number: NMNM-- - 070976X

Name & Address				Int Rel	% Interest
BLM ROSWELL FO	2909 W 2ND ST	ROSWELL NM 88201		OFFICE OF RECORD	0.00000000
LEGACY RESERVES OPERATING LP	303 W WALL ST STE 1800	MIDLAND TX 797015106		OPERATOR	100.00000000

Serial Number: NMNM-- - 070976X

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	0200S	0340E	011	ALIQ	E2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0200S	0340E	012	ALL	ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0200S	0340E	013	ALL	ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0200S	0340E	014	ALIQ	NE;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0200S	0340E	024	ALIQ	N2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0200S	0350E	018	ALIQ	E2W2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0200S	0350E	018	LOTS	1-4;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0200S	0350E	019	ALIQ	E2NW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0200S	0350E	019	LOTS	1-2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 070976X

Act Date	Code	Action	Action Remark	Pending Office
10/14/1959	387	CASE ESTABLISHED	DESIGNATION RECEIVED	
10/14/1959	500	GEOGRAPHIC NAME	LEA;	
10/14/1959	519	AGRMT/EXPANSION DESIG	AGREEMENT	
12/01/1959	680	AGREEMENT FILED		
12/10/1959	334	AGRMT APPROVED		
12/10/1959	516	FORMATION	ALL;	
12/10/1959	868	EFFECTIVE DATE	/A/ UNIT AGREEMENT	
08/08/1960	654	AGRMT PRODUCING	INT DVNN PA, #A	
10/09/1960	664	PA EFFECTIVE	INT BGGP 17 PA, #B	
12/14/1961	664	PA EFFECTIVE	INT PYLV PA, #C	
11/09/1989	974	AUTOMATED RECORD VERIF	MVD/AN	
01/08/1996	421	PLAN OPER/EXPL/DEV FILED	/1/	
01/16/1996	422	PLAN OPER/EXPL/DEV APPV	/1/	
08/02/2000	672	SUCCESSOR OPERATOR	MARATHON/BROTHERS	
08/03/2000	974	AUTOMATED RECORD VERIF	MO	
04/01/2006	672	SUCCESSOR OPERATOR	BROTHERS/LEGACY	

Serial Number: NMNM-- - 070976X

Line Nr	Remarks
0002	/A/ EXHIBIT B EFFECTIVE DATE 12/10/1959
0003	LEASE SERIAL NO TR# STATUS ACRES
0004	NMLC 0 65375A 1 FC 239.77
0005	NMLC 0 66147A 2 EC 39.91
0006	NMLC 0 66147D 3 EC 40.00
0007	NMNM 0 1747 4 FC 360.00
0008	NMNM 0 2127B 5 FC 480.00

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
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0009	NMNM	0	3085	6	FC	120.00
0010	NMNM	0	3085A	7	FC	80.00
0011	NMNM	0	6531	8	FC	40.00
0012	NMNM	0	6531A	9	FC	280.00
0013	NMNM	0	48579	10	FC	120.00
0014	NMNM	0	53434	11	FC	400.00
0015	NMNM	0	80262	12	FC	120.00
0016	NMNM	0	1747A	13	FC	80.00
0019	STATE			14	FC	160.00
0020				TOTAL		2559.68

Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Injection well type:

Injection well number:

Assigned injection well API number?

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Injection well name:

Injection well API number:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Bond Info Data Report

09/11/2017

Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB001015

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment: