

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

Operator Name and Address Texland Petroleum-Hobbs, LLC 777 Main Street, Suite 3200, Fort Worth, Texas 76020		OGRID Number 113315
Property Code 35596	Property Name CP 3 State	API Number 30-025-37845
Proposed Pool 1 Lovington, Drinkard		Well No. #1
Proposed Pool 2		

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	3	17S	36E		1229	South	1005	East	Lea

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

Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3867'
Multiple N	Proposed Depth 8500'	Formation Lovington	Contractor CapStar	Spud Date 6/15/06
Depth to Groundwater est 60'		Distance from nearest fresh water well est 1500'		Distance from nearest surface water n/a
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12_mils thick Clay <input type="checkbox"/> Pit Volume: 400 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"/>				

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'	1000 sks	circ to surface
7 7/8"	5 1/2"	15.5#	8500'	1900 sks	circ to surface

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

Texland proposes to drill the well to the total depth of 8500' and complete as a Lovington Drinkard producing well. After TD is reached completion procedures will be determined after the well is evaluated.

Permit Expires 1 Year From Approval  
Date Unless Drilling Underway

NSL-5373

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"/> .		OIL CONSERVATION DIVISION	
Printed name: Vickie Smith		Approved by: ORIGINAL SIGNED BY CHRIS WILLIAMS OC DISTRICT SUPERVISOR/GENERAL MANAGER	
Title: Production Analyst		Title:	
E-mail Address: vsmith@texpetro.com		Approval Date: APR 28 2006	
Date: 4/12/06		Expiration Date:	
Phone: 817-336-2751		Conditions of Approval Attached <input type="checkbox"/>	

## DISTRICT I

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## DISTRICT II

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## DISTRICT III

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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 October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Federal Lease - 3 Copies

## WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025 - 37845	Pool Code 40490	Pool Name Lovington Drinkard
Property Code 35596	Property Name CP 3 STATE	Well Number 1
OGRID No. 113315	Operator Name TEXLAND PETROLEUM - HOBBS, LLC	Elevation 3867'

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	3	17-S	36-E		1229	SOUTH	1005	EAST	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. NSL-5373						

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

LOT 4	LOT 3	LOT 2	LOT 1
39.37 AC	39.42 AC	39.47 AC	39.52 AC
<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=678062.2 N X=806080.6 E</p> <p>LAT.=32°51'36.38" N LONG.=103°20'11.63" W</p>			
<p>1229'</p> <p>1005'</p> <p>Texland et al B-8197</p>			

**OPERATOR CERTIFICATION**

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Vickie Smith 4/12/06  
Signature Date

Vickie Smith  
Printed Name

**SURVEYOR CERTIFICATION**

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.

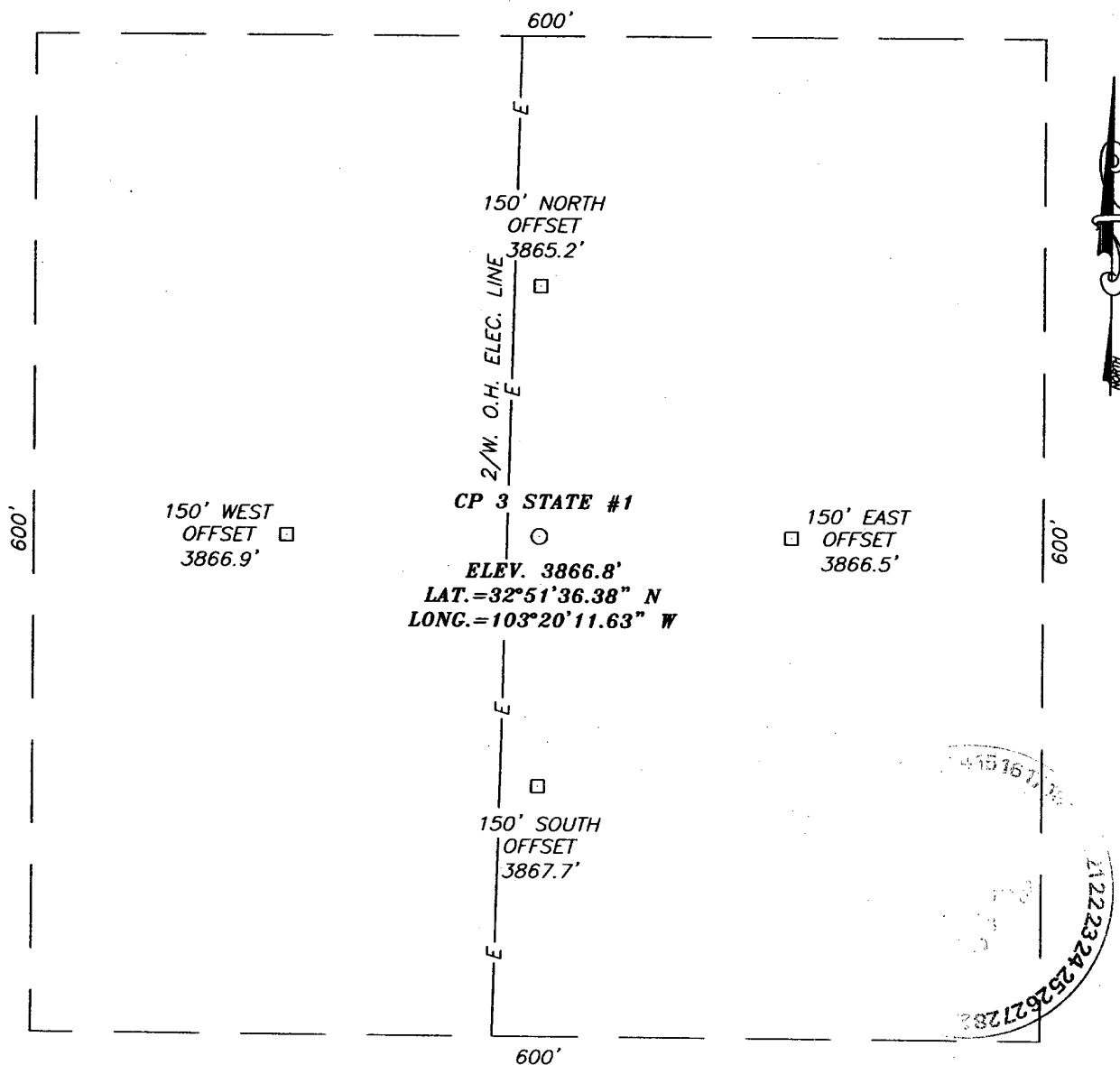
MARCH 30, 2006

Date Surveyed MR

Signature & Seal of Professional Surveyor  
GARY H. EDSON 4/6/06  
06.11.0557

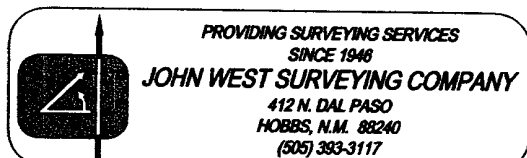
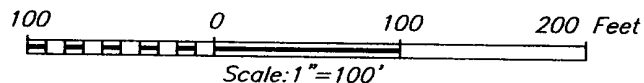
Certificate No. GARY, EDSON 12841

**SECTION 3, TOWNSHIP 17 SOUTH, RANGE 36 EAST, N.M.P.M.,**  
LEA COUNTY, NEW MEXICO



**DIRECTIONS TO LOCATION**

FROM THE INTERSECTION OF ST. HWY. #483 AND  
CO. RD. L-78 (WEST STILES RD.), GO EAST ON  
WEST STILES RD. APPROX. 0.81 MILES. THIS  
LOCATION IS APPROX. 1229 FEET NORTH.

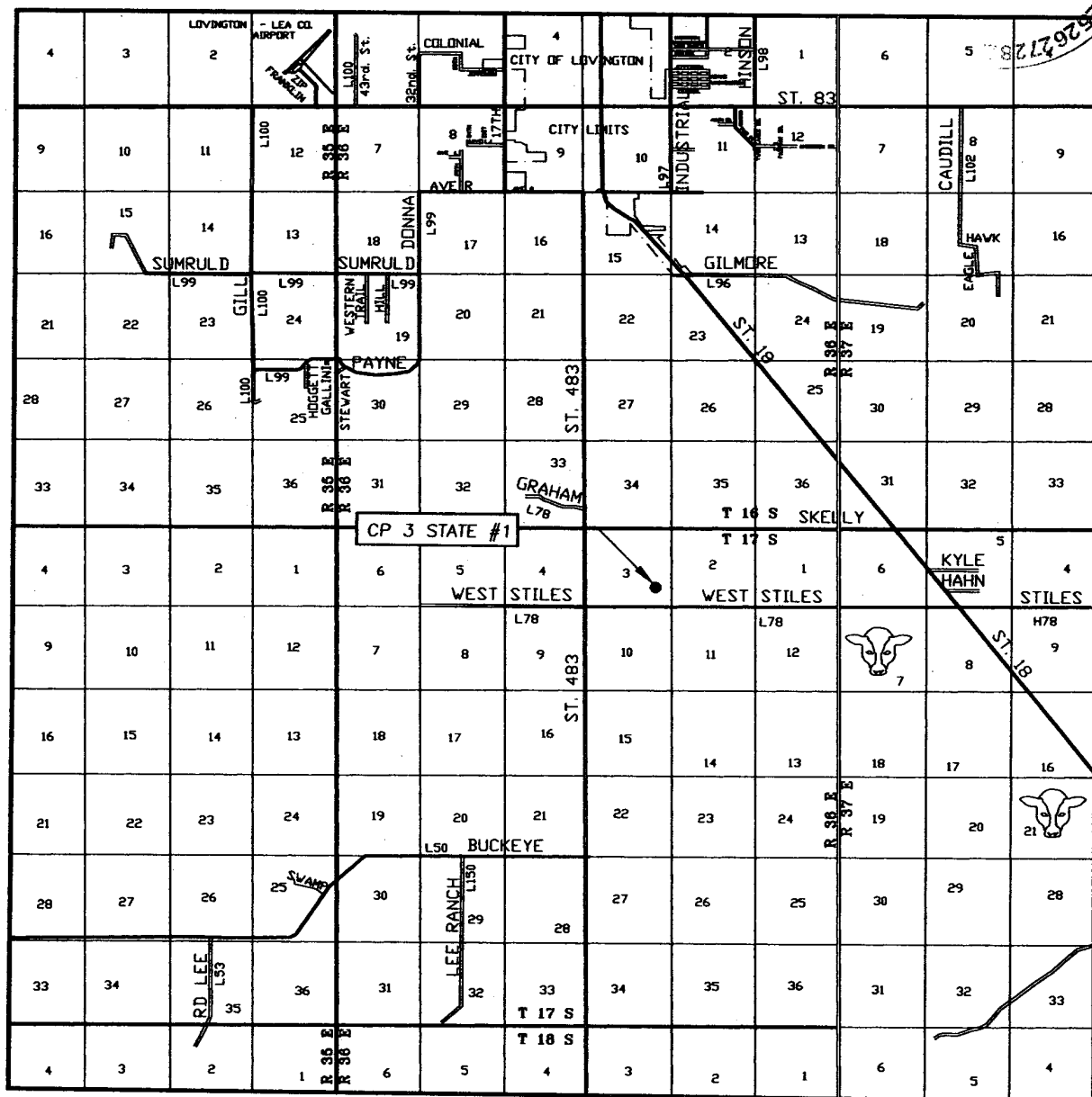


**TEXLAND PETROLEUM – HOBBS, LLC**

CP 3 STATE #1  
LOCATED 1229 FEET FROM THE SOUTH LINE  
AND 1005 FEET FROM THE EAST LINE OF SECTION 3,  
TOWNSHIP 17 SOUTH, RANGE 36 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO.

Survey Date: 03/30/06	Sheet 1 of 1 Sheets
W.O. Number: 06.11.0557	Dr By: M.R.
Date: 04/04/06	Disk: CD#6
06110557	Scale: 1"=100'

# VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 3 TWP. 17-S RGE. 36-E

SURVEY \_\_\_\_\_ N.M.P.M.

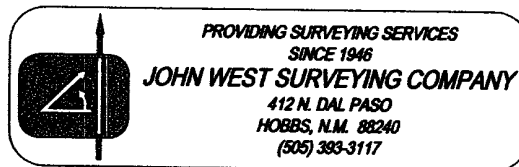
COUNTY LEA STATE NEW MEXICO

DESCRIPTION 1229' FSL & 1005' FEL

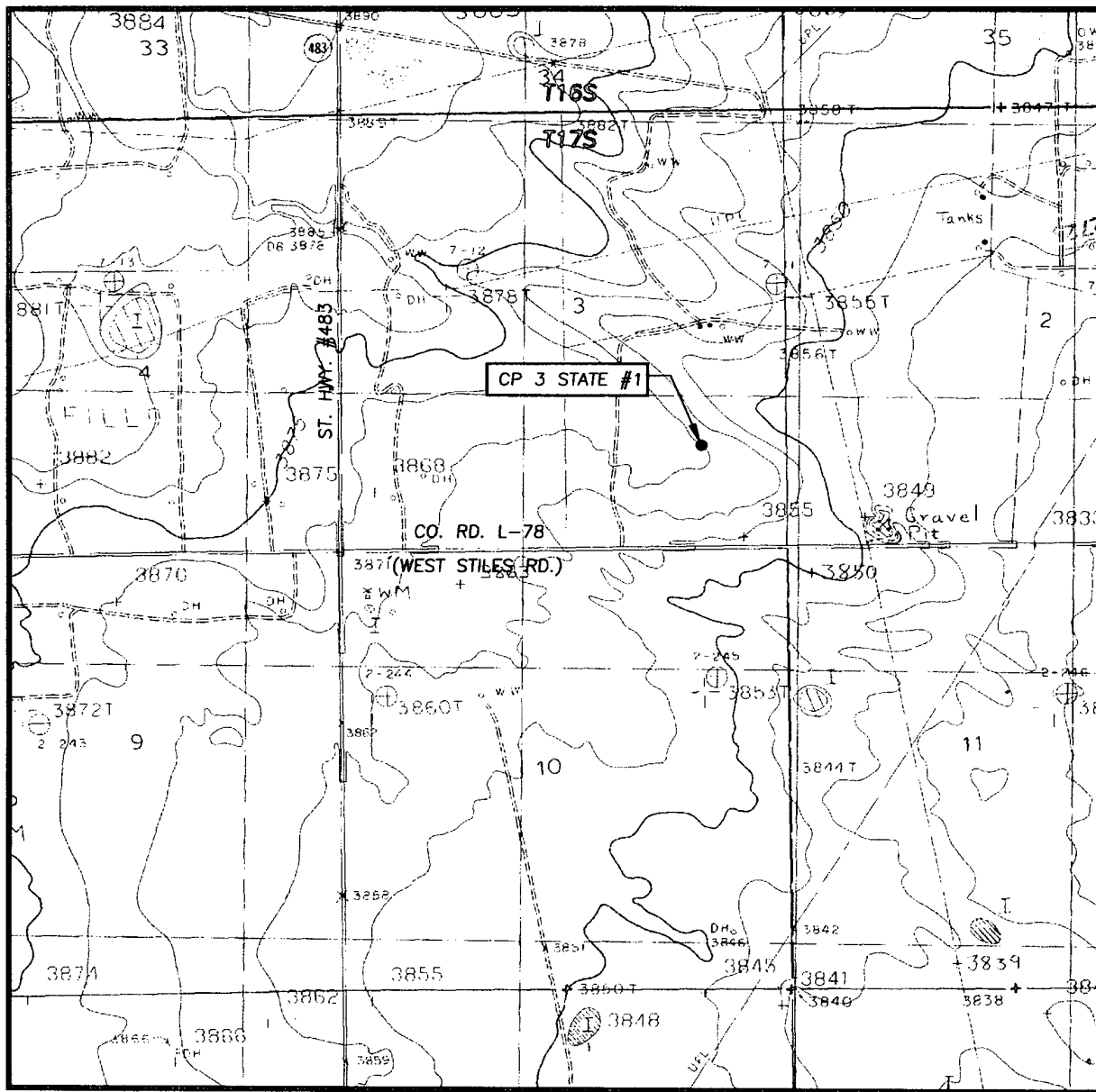
ELEVATION 3867'

OPERATOR TEXLAND PETROLEUM - HOBBS, LLC

LEASE CP 3 STATE



# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
LOVINGTON SE, N.M. - 5'

SEC. 3 TWP. 17-S RGE. 36-E

SURVEY \_\_\_\_\_ N.M.P.M.

COUNTY LEA STATE NEW MEXICO

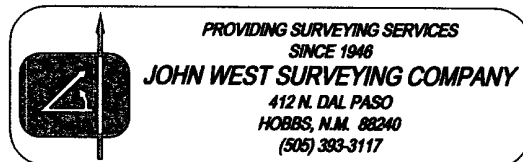
DESCRIPTION 1229' FSL & 1005' FEL

ELEVATION 3867'

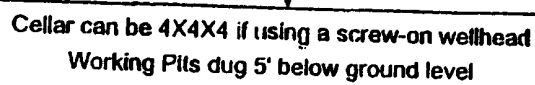
OPERATOR TEXLAND PETROLEUM -  
HOBBS, LLC

LEASE CP 3 STATE

U.S.G.S. TOPOGRAPHIC MAP  
LOVINGTON SE, N.M.



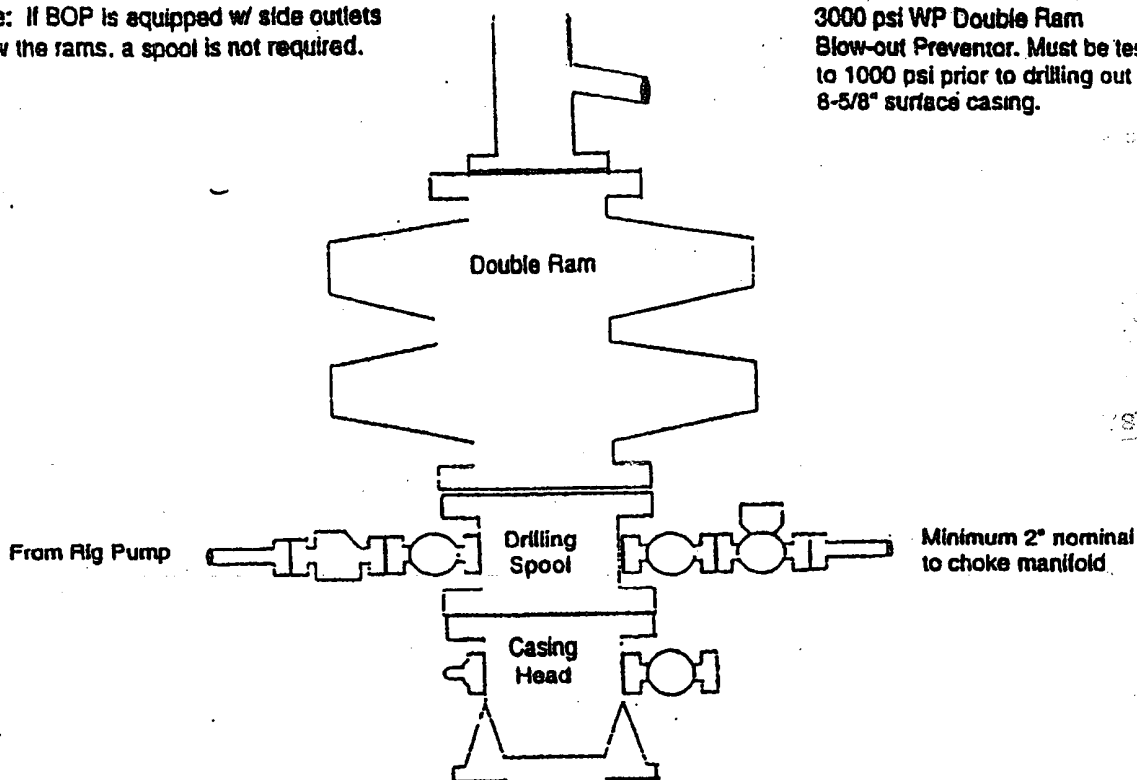
41516177181610021222324252627282



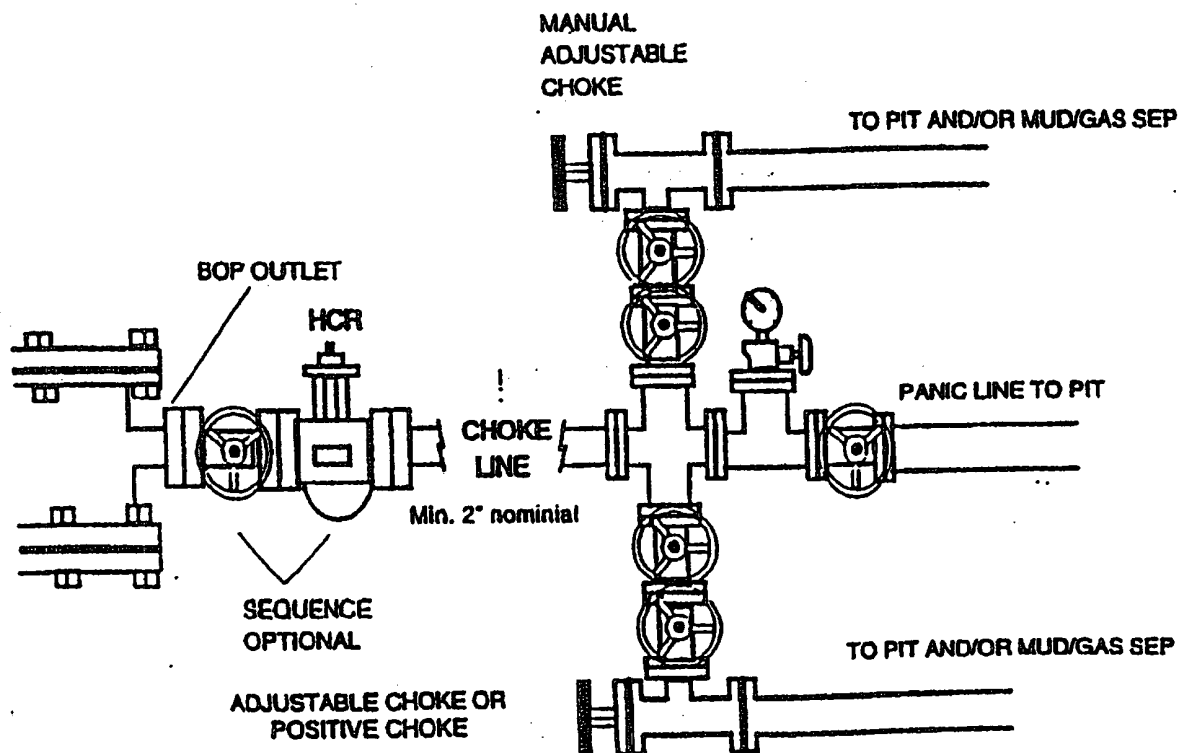
# BOP Schematic

\*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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Energy Minerals and Natural Resources

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

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office.

Form C-144  
June 1, 2004

**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, Suite 3200, Fort Worth, Texas 76020  
Facility or well name: CP 3 State #1 API #: 30-025-31845 U/L or Qtr/Qtr P Sec 3 T 17S R 36E  
County: Lea Latitude 32°51'36.38"N Longitude 103°20'11.63"W NAD: 1927 ☒ 1983 ☐  
Surface Owner: Federal ☐ State ☐ Private ☒ Indian ☐

Pit	Below-grade tank	
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	Volume: <u>    </u> bbl Type of fluid: <u>    </u> Construction material: <u>    </u> Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. <u>    </u>	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) <u>est 60'</u>	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) <u>10</u> ✓ (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.)	Yes No	(20 points) (0 points) <u>0</u> ✓
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points) <u>0</u> ✓
	Ranking Score (Total Points)	<u>10</u> ✓

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: 4/12/06


Printed Name/Title Vickie Smith/Production 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 CHRIS WILLIAMS/DIST. SUPERV. Signature Chris Williams Date: 4/27/06



 The sender of this message has requested a read receipt. [Click here to send a receipt.](#)

**Mull, Donna, EMNRD**

**From:** Phillips, Dorothy, EMNRD  
**To:** Mull, Donna, EMNRD  
**Cc:**  
**Subject:** RE: Financial Assurance Requirement  
**Attachments:**

**Sent:** Fri 4/28/2006 9:46 AM

All three have blanket bonds and do not appear on Jane's list.

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**From:** Mull, Donna, EMNRD  
**Sent:** Friday, April 28, 2006 8:18 AM  
**To:** Phillips, Dorothy, EMNRD  
**Cc:** Macquesten, Gail, EMNRD; Sanchez, Daniel J., EMNRD  
**Subject:** Financial Assurance Requirement

Dorothy,

Is the Financial Assurance Requirements for these Operators OK?

Chevron USA Inc, (4323)  
Manzano LLC (231429)  
Texland Petroleum-Hobbs LLC (113315)

Please let me know. Thanks and have a nice day. Donna