

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

State of New Mexico

Form C-101
Revised July 18, 2013

HOBBS OCD
OCT 01 2018
RECEIVED

Energy Minerals and Natural Resources

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

AMENDED REPORT
Replaces APD dated 5-18-18
Long string deepened

MIN P
SURF P

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

| | | |
|--|-----------------------------|----------------------------|
| Operator Name and Address Goodnight Midstream Permian, LLC 5910 North Central Expressway, Suite 580 Dallas TX 75206 (214) 891-2039 | | OGRID Number 372311 |
| Property Code 322861 | Property Name Nolan Ryan | API Number 30-025-45349 |
| | | Well No. 1 |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet from | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| 0 | 13 | 21S | 36E | | 779 | N 5 | 1481 | E | Lea |

8. Proposed Bottom Hole Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet from | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| | | | | | | | | | |

9. Pool Information

| | |
|------------------------------|--------------------|
| Pool Name SWD; San Andres | Pool Code 96121 |
|------------------------------|--------------------|

Additional Well Information

| | | | | |
|---|---|-----------------------------|--|--------------------------------------|
| 11. Work Type N | 12. Well Type S | 13. Cable/Rotary R | 14. Lease Type P | 15. Ground Level Elevation 3547' |
| 16. Multiple N | 17. Proposed Depth 5700' | 18. Formation San Andres | 19. Contractor to be determined | 20. Spud Date upon C-108 approval |
| Depth to Ground water 148' (CP 00446 POD1) | Distance from nearest fresh water well ≈544' SW of CP 00446 POD1 | | Distance to nearest surface water ≈4500' NE of pond | |

A closed-loop system will be used in lieu of lined pits.

21. Proposed Casing and Cement Program

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surface | 12.25" | 9.625" | 40 | 1500' 1350' | 860 | GL |
| Production | 8.75" | 7" | 32 | 5700' | 725 | GL |

Casing/Cement Program: Additional Comments

Will complete in lower San Andres

22. Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|----------------|------------------|---------------|------------------|
| annular & rams | 3000 psi | 3000 psi | to be determined |

| | | |
|---|----------------------------------|---------------------------|
| <p>23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/>, if applicable. Signature: <i>B. Wood</i></p> <p>Printed name: Brian Wood</p> <p>Title: Consultant</p> <p>E-mail Address: brian@permitswest.com</p> <p>Date: 9-23-18</p> | OIL CONSERVATION DIVISION | |
| | Approved By: <i>[Signature]</i> | |
| | Title: <i>Petroleum Engineer</i> | |
| | Approved Date: 11/09/18 | Expiration Date: 11/09/20 |
| | Conditions of Approval Attached | |

CONDITIONS OF APPROVAL

| API # | Operator | Well name & Number |
|--------------|---------------------|-------------------------------|
| 30-025-45349 | GOODNIGHT MIDSTREAM | Nolan Ryan SWD # 001 |

Applicable conditions of approval marked with XXXXXX

Administrative Orders Required

| | |
|---------|--|
| XXXXXXX | Will require administrative order for injection or disposal prior to injection or disposal |
| | |

Other wells

Drilling

| | |
|---------|--|
| XXXXXXX | 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

| | |
|---------|--|
| XXXXXXX | SURFACE & PRODUCTION CASING - Cement must circulate to surface -- |
| XXXXXXX | Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water |
| | |

Lost Circulation

| | |
|---------|---|
| XXXXXXX | Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186 |
| | |

Water flows

| | |
|---------|---|
| XXXXXXX | Must notify OCD Hobbs Office of any water flow in the Salado formation at 575-370-3186. Report depth and flow rate. |
| | |

Stage Tool

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|---------|---|
| XXXXXXX | Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 |
| XXXXXXX | If using Stage Tool on Surface casing, Stage Tool must be greater than 350' and a minimum 200 feet above surface shoe. |
| XXXXXXX | When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe. |
| | |

Completion & Production

| | |
|---------|--|
| XXXXXXX | Will require a deviational survey with the C-105 |
| | Must notify Hobbs OCD office prior to conducting MIT (575) 393-6161 ext. 114 |
| | Must conduct & pass MIT prior to any injection |