

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 ResourcesForm C-101
May 27, 2004Oil 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 76102 | | OGRID Number 1133185 |
| Property Code 35996 35596 | Property Name CP 3 State | API Number 30-025-37845 |
| Well No. #1 | | |
| Proposed Pool 1 Wildcat Levington, Seven Rivers | | Proposed Pool 2 |

7 Surface Location

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

| | | | | |
|---|-----------------------------------|---|-------------------------|--|
| 11 Work Type Code P | 12 Well Type Code O | 13 Cable/Rotary n/a | 14 Lease Type Code S | 15 Ground Level Elevation 3867' |
| 16 Multiple N | 17 Proposed Depth CIBP @ 4650' | 18 Formation Seven Rivers | 19 Contractor n/a | 20 Spud Date n/a |
| Depth to Groundwater est 60' | | Distance from nearest fresh water well est 1500' | | Distance from nearest surface water n/a |
| Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input 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# | 1982' | 950 | surface |
| 7 7/8" | 5 1/2" | 17# | 8350' | 1750 | surface |
| | | | | | |
| | | | | | |

22 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.

Paddock perms 6234-6418' (oa), PBTD @ 6118'

Propose to MI&RU WSU, GIH & tag CIBP @ 6100', pmp 9.5 ppg plug mud
 Set CIBP @ 4650', cmt w/2 sks on top
 Perf 3346-3356', Stimulate w/10% HCL acid w/additives
 Test well & evaluate further stimulation procedures.

Permit Expires 1 Year From Approval
 Date Unless Drilling Underway
 Plugback

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 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@texpetro.com

Date: 10/24/06

Phone: 817-336-2751

OIL CONSERVATION DIVISION

Approved by:

Chris Williams

Title:

OC DISTRICT SUPERVISOR/GENERAL MANAGER

Approval Date:

Expiration Date:

NOV 02 2006

Conditions of Approval Attached ☐

DISTRICT I

1625 N. FRENCH DR., HOBBS, NM 88240

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

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

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

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

| | | |
|---|---|--|
| API Number 30-025-37845 | Pool Code | Pool Name <i>Wildcat</i> Lovington, Seven Rivers |
| Property Code 25996 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. | | | | | | |

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> | | | |
| | | | |

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 10/24/06
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 B. Edson 4/4/06
06.110557

Certificate No. GARY EDSON 12841