

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-101
 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by OCD on New Wells) <i>30-025-27185</i>
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/>				7. Lease Name or Unit Agreement Name Grizzell	
b. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>					
2. Name of Operator Zia Energy, Inc.			8. Well No. 3		
3. Address of Operator P.O. Box 2219 Hobbs, New Mexico 88240			9. Pool name or Wildcat Drinkard		
4. Well Location Unit Letter <u>0</u> : <u>330</u> Feet From The <u>South</u> Line and <u>1650</u> Feet From The <u>East</u> Line Section <u>5</u> Township <u>22 South</u> Range <u>37 East</u> NMPM <u>Lea</u> County					
10. Proposed Depth 7180 PBDT		11. Formation Drinkard		12. Rotary or C.T.	
13. Elevations (Show whether DF, RT, GR, etc.) GR 3424 RKB 3438		14. Kind & Status Plug. Bond one well 5/5/89		15. Drilling Contractor	
				16. Approx. Date Work will start 5/16/89	
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4	9 5/8	32.3	1185	825	circulated
8 3/4	5 1/2	15.5 & 17.0	7500	1100	3900' Bond Log

(Squeeze & abandon Brunson Fusselman & Cary Montoya perms. Recomplete in Drinkard.)

- RU Pulling Unit. Install BOP.
- POH w/rods, pump, & tbg.
- RIH w/cmt retainer on tbg. Set retainer at 7180'+. Load annulus w/brine. Squeeze perms 7200-12' (Brunson Fusselman) and 7256-7360' (Cary Montoya) w/100 sacks class 'c' cmt.
- POH w/tbg. RU wireline. Perf Drinkard from 6415-6542'. RD wireline.
- RIH w/treating tools. Treat new perms w/5000 gals 15% NEFE acid. POH w/tbg & tools.
- RIH w/MA, perf sub, SN, & tbg to 6600'+. Remove BOP. Run pump & rods.
- Place well on test.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE *D.E. Bratton* TITLE Engineer DATE 5/15/89
 TYPE OR PRINT NAME D.E. Bratton TELEPHONE NO. 393-2937

(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON
 DISTRICT I SUPERVISOR

MAY 16 1989

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

1981

RECEIVED
MAY 15 1980
OCD
HOBBS OFFICE