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May 2, 2018

Florene Davidson via hand delivery Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Case 16250

RE: Amended Application

Dear Florene,

Enclosed for filing, on behalf of Petrolia Energy Corporation, are an amended package application for injection authority previously authorized and terminated due to inactivity, together with a proposed advertisement. Because of scheduling conflicts, please set this matter for the June 28, 2018 examiner hearing. This replaces and amends the application package submitted May 1, 2018. Please provide a case number for the Application pleading enclosed pursuant to your usual protocol.

If you require anything further, please let me know.

Thank you.

Sincerely,

Pete V. Domenici, Jr., Esq.

PVD|iwc|4158

Attorney for Petrolia Energy Corporation

Parties Being Notified

Wellsite surface owner Cross Roads West Phoenix, LLC 9 West 57 Street Suite #4500 New York, New York 10019

Commission of Public Lands New Mexico State Land Office 310 Old Santa Fe Trail, Santa Fe NM 87501 P.O. Box 1148, Santa Fe, NM 87504

Blue Sky New Mexico Blue Sky Energy and Power, Inc. 1509 E. Chapman Ave. Orange, CA 92866

Canyon Exploration and Production Canyon E & P Company 911 Lake Carolyn Parkway Suite 104 Irving, TX 75039

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BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF PETROLIA ENERGY CORPORATION FOR APPROVAL OF AN ORDER APPROVING A REACTIVATION OF AN INJECTION PERMIT TO ENHANCE OIL RECOVERY. $(230)^{6-250}$

APPLICATION

Petrolia Energy Corporation, whose address is 710 N. Post Oak Rd. Suite 512 Houston, TX 77024, phone number (832)941-0011, applies for an order approving a reactivation of an injection permit to enhance oil recovery. In support thereof, applicant states:

1. Applicant is a working interest owner and operator of wells in the Twin Lakes San

Andres Unit (TLSAU) located in Chavez County New Mexico.

2. Legal Description:

Township 8 South, Range 28 East, NMPM Section 25: SE/4 NW/4, NE/4 SW/4, S/2 SW/4, and SE/4 Section 26:SE/4 SE/4 Section 35: E/2 E/2 Section 36: All

Township 8 South, Range 29 East, NMPM Section 30: Lots 3 and 4, E/2 SW/4, and SW/4 SE/4 Section 31: All Section 32: W/2 SW/4

Township 9 South, Range 28 East, NMPM Section 1: Lots 1 through 4, S/2 N/2, SE/4, and E/2 SW/4 Section 2: Lot 1 Section 12: NE/4, E/2 SE/4 and NW/4 SE/4

Township 9 South, Range 29 East, NMPM Section 5: Lots 3 and 4, S/2 NW/4, and SW/4 Section 6 and 7: All Section 8: N/2 NW/4 and SW/4 NW/4 Section 18: Lot 1, E/2 NW/4, and W/2 NE/4 The injection interval is in the San Andres formation as further described in application, filed concurrently with this application.

- 3. Applicant proposes to reinstate a injection authority that has previously been approved three times and successfully used for many years to increase oil recovery. Injection will be into the following wells: TLSAU 50, 59, 68, 70 and 88.
- 4. The form C1-108 for the project is attached as exhibit A.
- 5. Approval of the application will prevent waste and protect correlative rights.
- 6. Wherefore the applicant requests that after notice and hearing the division enter its order approving the injection application.

Pete V. Domenici, Jr., Esq.

VERIFICATION

)) ss.

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)) ss.

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STATE OF TEXAS

COUNTY OF HARRIS

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ZEL KAHN, being first duly sworn upon his oath, deposes and states that he is the chief executive officer for Petrolia Energy Corporation and he is authorized to make this verification on its behalf. He has read the foregoing application and knows the contents thereof and the same are true and correct to the best of his knowledge and belief.

ZEL KAHN Khan

STATE OF TEXAS

COUNTY OF HARRIS

SUBSCRIBED AND SWORN TO AND ACKNOWLEDGED before me this 1st day of May, 2018 by Zel Kalm. Khan

Notary Public

CARLA PETTY Commission # 126354041 My Commission Expires December 14, 2019

My Commission Expires: 12/14/19

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PROPOSED ADVERTISEMENT

Case No. _/6250____:

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Application of Petrolia Energy Corporation for approval of reactivation of authority to inject in Chavez County.

Applicant seeks approval to reinstate injection authority used to increase oil production in the Twin Lakes Unit (TLSAU). The applicant seeks to reactivate five (5) shut in water injection wells and increase oil recovery. Produced water will be injected using TLSAU wells number 50, 59, 68, 70, 88. The wells will inject into the Twin Lakes; San Andres (ASSOC). Pool located in Chavez County New Mexico covering all or part of:

Township 8 South, Range 28 East, NMPM Section 25: SE/4 NW/4, NE/4 SW/4, S/2 SW/4, and SE/4 Section 26:SE/4 SE/4 Section 35: E/2 E/2 Section 36: All

Township 8 South, Range 29 East, NMPM Section 30: Lots 3 and 4, E/2 SW/4, and SW/4 SE/4 Section 31: All Section 32: W/2 SW/4

Township 9 South, Range 28 East, NMPM Section 1: Lots 1 through 4, S/2 N/2, SE/4, and E/2 SW/4 Section 2: Lot 1 Section 12: NE/4, E/2 SE/4 and NW/4 SE/4

Township 9 South, Range 29 East, NMPM Section 5: Lots 3 and 4, S/2 NW/4, and SW/4 Section 6 and 7: All Section 8: N/2 NW/4 and SW/4 NW/4 Section 18: Lot 1, E/2 NW/4, and W/2 NE/4