

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

Form C-101

May 27, 2004

Submit to appropriate District Office

☐ AMENDED REPORT**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

| | | |
|--|---|--|
| ¹ Operator Name and Address Pride Energy Company P.O. Box 701950 Tulsa, OK 74170 | | ⁴ OGRID Number 151323 |
| ³ Property Code 36909 | ⁵ Property Name Bagley 22 State | ³ API Number 38672 ⁶ Well No. 1 |
| ⁹ Proposed Pool 1 Bagley; Permo Penn, North | | ¹⁰ Proposed Pool 2 |

7 Surface Location

| | | | | | | | | | |
|--------------------|---------------|-----------------|--------------|--------------|-------------------------|---------------------------|-----------------------|------------------------|---------------|
| UL or lot no. E | Section 22 | Township 11S | Range 33E | Lot Idn E | Feet from the 1,980' | North/South line North | Feet from the 660' | East/West line West | 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 New Well | ¹² Well Type Code Oil | ¹³ Cable/Rotary Rotary | ¹⁴ Lease Type Code State | ¹⁵ Ground Level Elevation 4,262' |
| ¹⁶ Multiple N | ¹⁷ Proposed Depth 10,700 | ¹⁸ Formation Penn | ¹⁹ Contractor Unknown | ²⁰ Spud Date ASAP |
| Depth to Groundwater | | Distance from nearest fresh water well | | Distance from nearest surface water |
| ²¹ Drilling Method Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> | | | | |

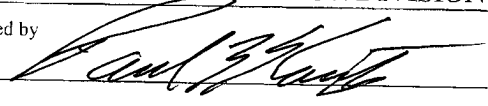
21 Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 17.5 | 13.375 | 48 | 415 | 450 | 0 |
| 12.25 | 8.625 | 24 | 3,750 | 1,500 | 0 |
| 7.875 | 5.5 | 15.5 | 10,700 | 2,650 | 3,650 |
| | | | | | |
| | | | | | |

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.

Approximately 415' of surface casing will be set and cemented to surface. Approximately 3,750' of 7 7/8" casing will be run and cemented to surface with approximately 1,500 sacks of cement. If warranted after logs evaluated, approximately 10,700' of 5 1/2" casing will be run and cemented with approximately 2,650 sacks of cement, estimated TOC at 3,650'.

**Permit Expires 1 Year From Approval
Date Unless Drilling Underway**

| | | | |
|--|----------------------|--|--|
| 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 <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 John W. Pride | | Approved by  | |
| Title, President of Pride Oil & Gas Co. Inc. as G. P. of Pride Energy Company | | Title: | |
| E-mail Address, johnp@pride-energy.com | | Approval Date: DEC 23 2007 Expiration Date: | |
| Date: 12/18/07 | Phone (918) 524-9200 | Conditions of Approval Attached <input type="checkbox"/> | |

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State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505Form C-102
Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|----------------------------|------------------------------------|--|
| API Number 30-025-38672 | Pool Code 3820 | Pool Name Bagley; Permo Penn, North |
| Property Code 36909 | Property Name BAGLEY "22" STATE | Well Number 1 |
| OGRID No. 151323 | Operator Name PRIDE ENERGY CO. | Elevation 4262' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| E | 22 | 11 S | 33 E | | 1980 | NORTH | 660 | WEST | 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 80 | Joint or Infill | Consolidation Code | Order No. | | | | | | |

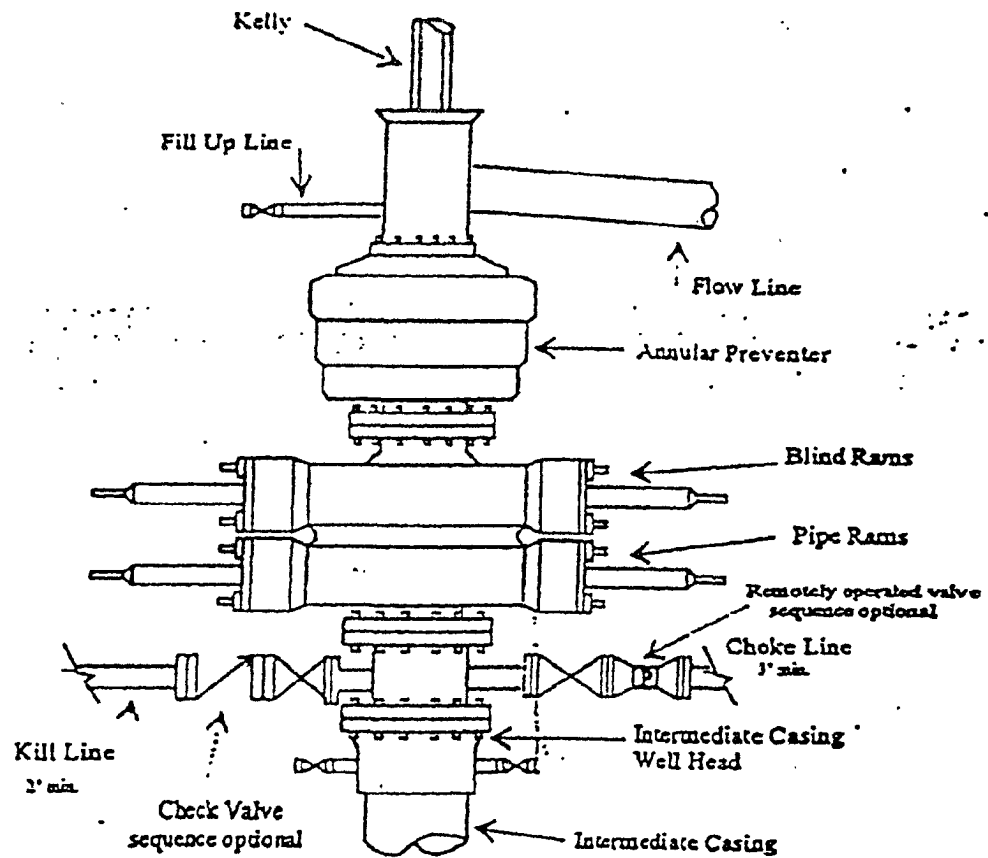
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | | |
|------------------------------------|---|------------------|
| | OPERATOR CERTIFICATION I hereby certify that the information contained 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 pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. | |
| | Signature | Date 12/27/07 |
| | Printed Name John W. Pride | |
| | 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. | |
| Date Surveyed December 20, 2007 | | |
| Certificate No. Gary L. Jones 7977 | | BASIN SURVEYS |



PRIDE ENERGY COMPANY
Typical 5,000 psi Pressure System
Schematic
Annular with Double Ram Preventer Stack

BOP-4



Typical 5,000 psi choke manifold assembly with at least these minimum features

