

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
Energy Minerals and Natural Resources

Form C-101
 Revised July 18, 2013

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

RECEIVED
 FEB 07 2014
NMOCD ARTESIA

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

¹ Operator Name and Address MANZANO, LLC PO BOX 2107 ROSWELL, NM 88202-2107		² OGRID Number 231429
⁴ Property Code 313081		³ API Number 30-015-34861
⁵ Property Name BOND FEE		⁶ Well No. 2

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
C	20	21S	28E		660	N	1650	W	EDDY

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
C	20	21S	28E		660	N	1650	W	EDDY

9. Pool Information

<i>Fenton; Delaware</i>	Pool Name	<i>24320</i>	Pool Code
-------------------------	-----------	--------------	-----------

Additional Well Information

¹¹ Work Type P	¹² Well Type O	¹³ Cable/Rotary n/a	¹⁴ Lease Type P	¹⁵ Ground Level Elevation 3195
¹⁶ Multiple N	¹⁷ Proposed Depth 6600	¹⁸ Formation DELAWARE	¹⁹ Contractor n/a	²⁰ Spud Date 02/17/14
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

We will be using a closed-loop system 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

Casing/Cement Program: Additional Comments

SEE ATTACHED ADDITIONAL COMMENTS

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer

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 checked="" type="checkbox"/> , if applicable. Signature: <i>[Signature]</i> Printed name: MIKE HANAGAN Title: MANAGING MEMBER E-mail Address: mike@manzanoenergy.com Date: 02/06/14	OIL CONSERVATION DIVISION
	Approved By: <i>[Signature]</i>
	Title: "Geologist"
	Approved Date: <i>2-7-2014</i> Expiration Date: <i>2-7-2016</i>
	Conditions of Approval Attached

MANZANO, LLC

LEASE: **Bond**
 FIELD:
 LOCATION: **660 FNL 1650 FWL**
 SPUD DATE: **6/7/2006**
 CONTRACTOR:

WELL NO.: **2**
 COUNTY: **Eddy**
 LEGAL: **Sec 20 T21 S R 28 E**
 DRAWN BY: **M Hanagan**
 DATE: **2/6/2014**

API #: **30 - 015 - 34861**
 STATE: **New Mexico**
 GL: **3194**
 DF:
 KB: **3213**

Bond Fee 2 Re-Completion Proposal

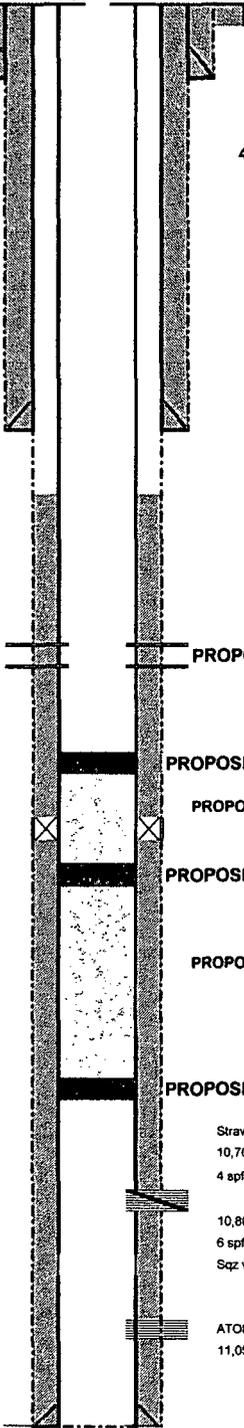
Hole Size
 Csg Design

17-1/2" Hole
 13-3/8", 54.5#
 J-55 ST&C
 Set @ 532' w/
 460 sxs circ

12-1/4" hole
 9-5/8", 40#
 N-80, LT&C
 Set @ 2890'
 Cmt w/ 1197 sxs
 Circ

DV Tool @ 8217'

5-1/2", 17#
 P-110 LT&C
 8-3/4" Hole
 Cmt w/ 1930 sxs
 TOC 3900 CBL



PROPOSED PROCEDURE

1. SET CIBP @ 10600' & CAP W/25' CLASS H CEMENT
2. SET CIBP @ 8600' & CAP W/25' CLASS H CEMENT
3. SET CIBP @ 6600' & CAP W/25' CLASS H CEMENT
4. PERFORATE DELAWARE @ 5529'-5597' & FRAC w/~100,000# SAND
5. PUT WELL ON PUMP & PRODUCTION TEST

PROPOSE TO PERFORATE DELAWARE @ 5529'-5597' & FRAC w/~100,000# SAND

PROPOSE TO SET CIBP #3 @ 6600' & CAP w/25sx CLASS H CEMENT

PROPOSE TO FILL w/10# BRINE

PROPOSE TO SET CIBP #2 @ 8600' & CAP w/25sx CLASS H CEMENT

PROPOSE TO FILL w/10# BRINE

PROPOSE TO SET CIBP #1 @ 10600' & CAP w/25sx CLASS H CEMENT

Strawn Perfs (Previously Abandoned)

10,706-10,748

4 spf 168 holes sqz w/ 450 sxs

10,802-10,812

6 spf 60 holes

Sqz w/ 175 sxs

ATOKA PERFS

11,050'-11,058' and 11,064'-11,072'

PBTD @ 12,182'

TD @ 12,270'