

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. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-101
Revised March 17, 1999

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

¹ Operator Name and Address ZIA ENERGY, INC 2203 Timberloch Place Suite 229 The Woodlands, TX 77380		² OGRID Number 025616
⁴ Property Code 34085		³ API Number 30 - 025- 36761
⁵ Property Name Greenwood		⁶ Well No. 21

⁷ Surface Location									
UL or lot no. K	Section 9	Township 22S	Range 37E	Lot Idn	Feet from the 2310'	North/South line South	Feet from the 2310	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
⁹ Proposed Pool 1 Eunice San Andres Southwest					¹⁰ Proposed Pool 2 Penrose Skelly				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3409'
¹⁶ Multiple No	¹⁷ Proposed Depth 5000'	¹⁸ Formation San Andres	¹⁹ Contractor To Be Determined	²⁰ Spud Date ASAP

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#	1200'	600 Sx	Surface
7 7/8"	5 1/2"	17#	5000'	400 Sx	1000

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.

Operator proposes to drill 12 1/4" hole and set 8 5/8" csg into the Rustler Formation. Cement 8 5/8" csg to surface. Drill a 7 7/8" hole to 5000', run electric logs and run 5.5" production casing. Cement 5.5" csg w/ 400 sx cmt to tie into surface csg.

Mud Program: FW/ Native mud to 1200', Brine water to 5000' w/ salt water gel, starch, LCM sweeps.

BOP Program: Double Ram preventers rated to 3000# WP will utilized and nipped up on 8 5/8" csg & tested daily.
See Attached BOP Diagram and Pit Registration Form.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Gene Lee</i>		OIL CONSERVATION DIVISION	
Printed name: Gene Lee leeconinc@aol.com		Approved by: <i>[Signature]</i>	
Title: Agent		Title: <i>PETROLEUM ENGINEER</i>	
Date: 05/01/04		Approval Date: JUL 16 2004	
Phone: 505-626-4292		Expiration Date: <i>[Blank]</i>	
		Conditions of Approval: <i>[Blank]</i>	
		Attached <input type="checkbox"/>	

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-102
Revised February 10, 1984
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-36761	Pool Code 24180	Pool Name Eunice San Andres Southwest
Property Code 34085	Property Name GREENWOOD	Well Number 21
OGRID No. 25616	Operator Name ZIA ENERGY, INC.	Elevation 3410'

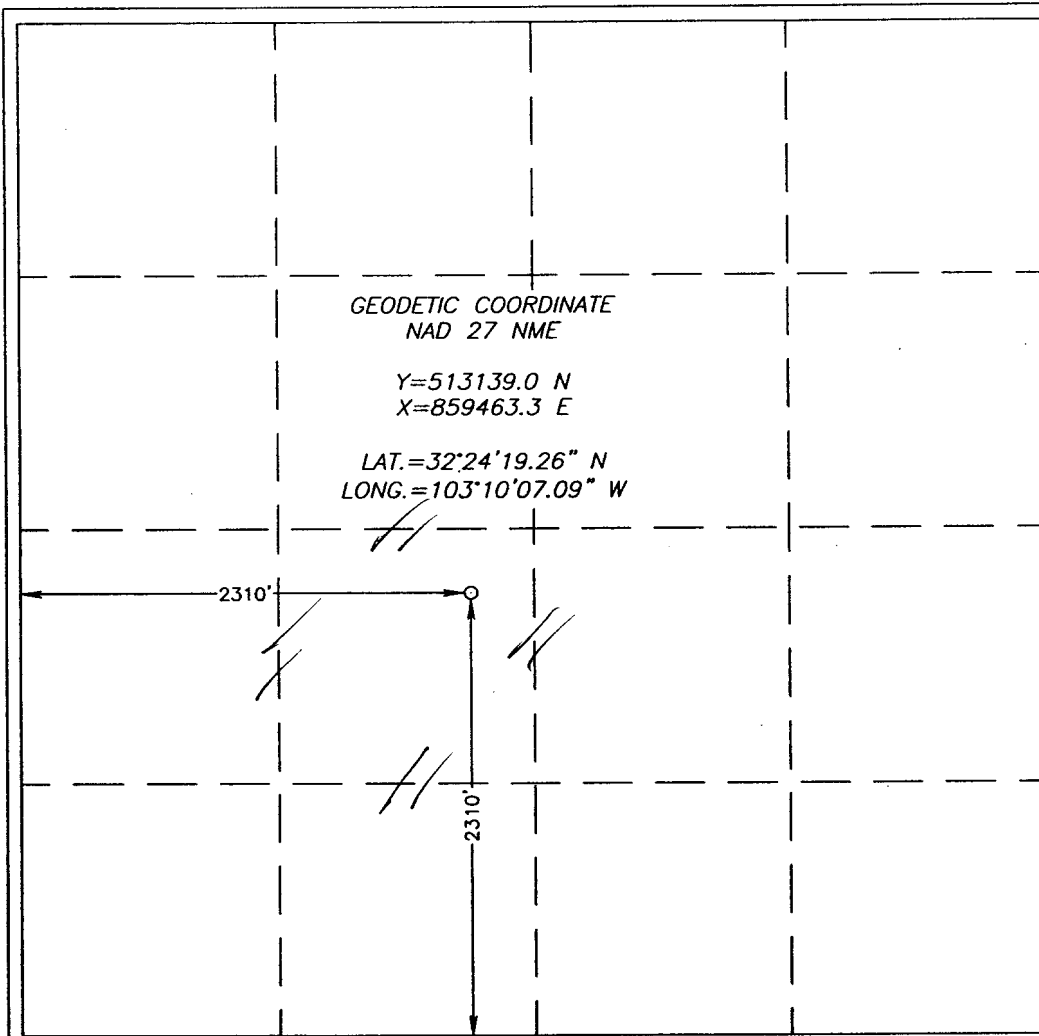
Surface Location

UL or lot No. K	Section 9	Township 22-S	Range 37-E	Lot Idn	Feet from the 2310'	North/South line SOUTH	Feet from the 2310'	East/West line WEST	County LEA
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Bottom Hole Location If Different From Surface

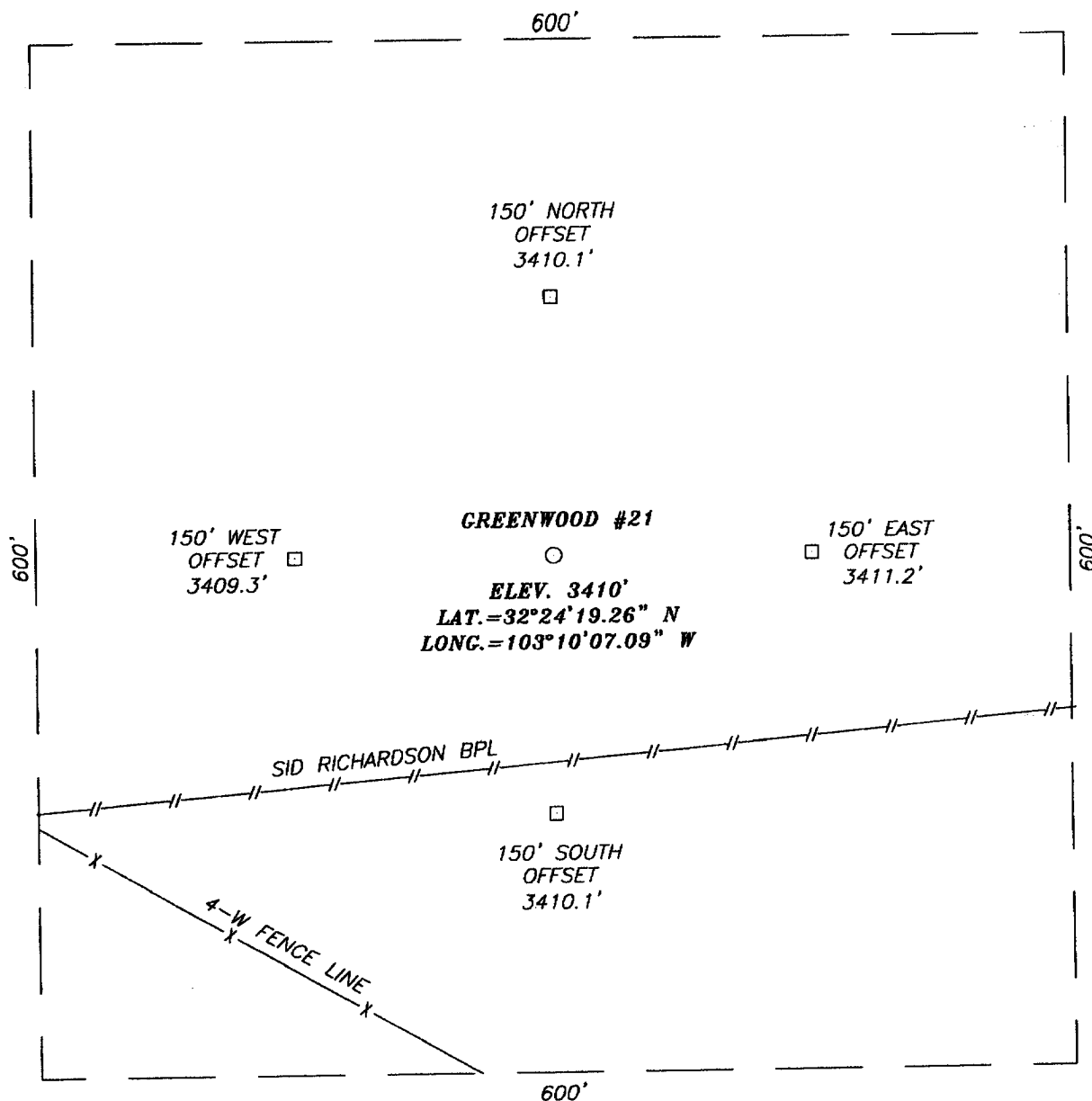
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

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



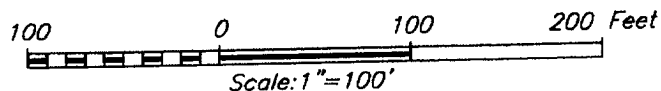
OPERATOR CERTIFICATION	
I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.	
Signature	
Gene LEE	
Printed Name	
Agent	
Title	
5-1-04	
Date	
SURVEYOR CERTIFICATION	
I hereby certify that the well location shown on this plat was plotted from 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.	
APRIL 27, 2004	
Date Surveyed	
LA	
Signature & Seal of Professional Surveyor	
Certificate No. GARY E. EDSON	
12641	

SECTION 9, TOWNSHIP 22 SOUTH, RANGE 37 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF DELAWARE BASIN ROAD (CO. RD. #21) AND LEGION ROAD (CO. RD. #33) APPROX. 2.5 MILES SOUTH & 1.0 MILE WEST OF EUNICE. GO NORTH ON LEGION ROAD 0.2 MILES AND TURN RIGHT ON TRULL ROAD AND GO 0.7 MILES. TURN LEFT AND GO TO CALICHE PIT. VEER LEFT AND GO 0.1 MILES NORTHWEST TO THE PROPOSED GREENWOOD #21.



ZIA ENERGY, INC.

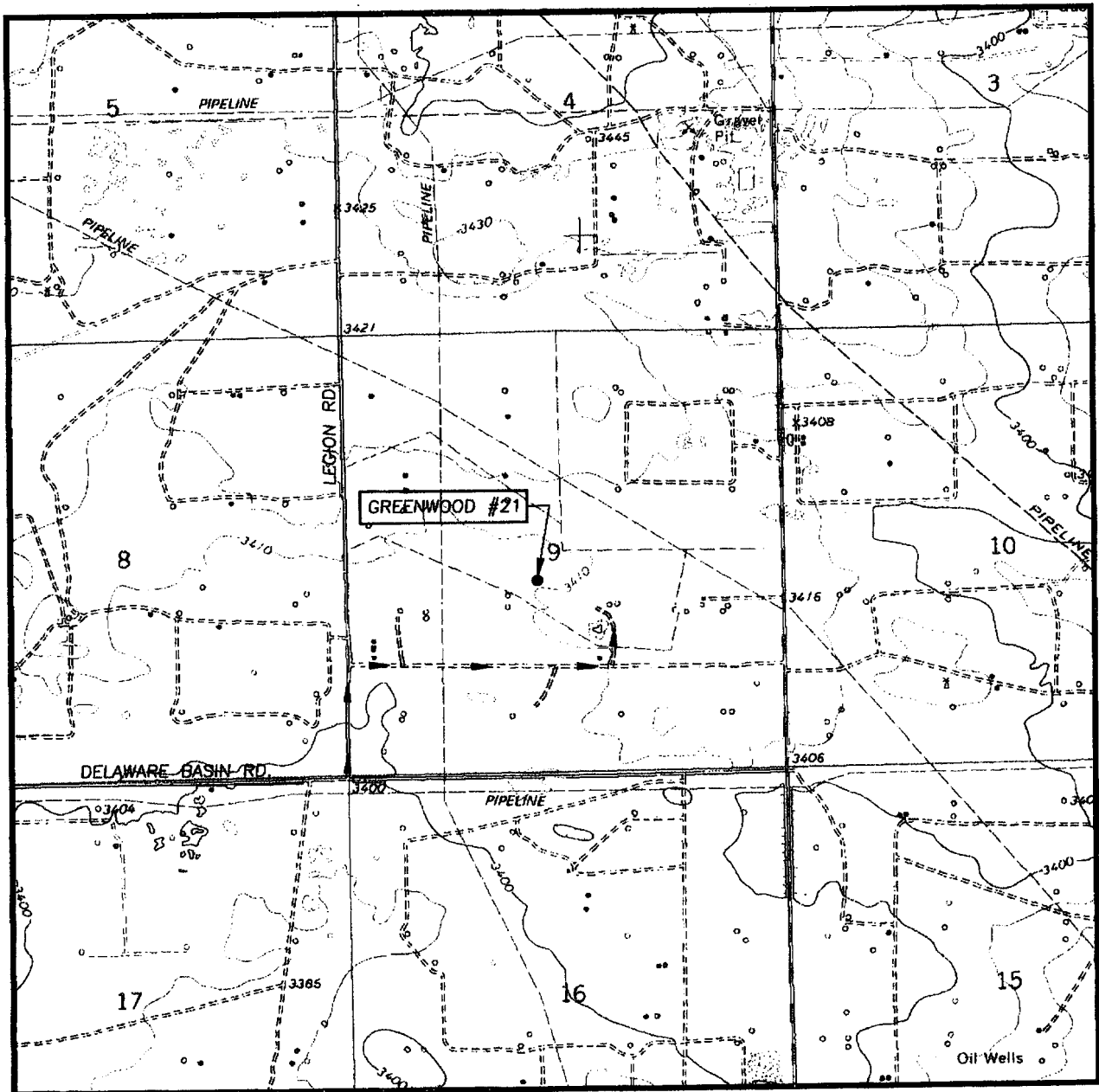
GREENWOOD #21 WELL
 LOCATED 2310 FEET FROM THE SOUTH LINE
 AND 2310 FEET FROM THE WEST LINE OF SECTION 9,
 TOWNSHIP 22 SOUTH, RANGE 37 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO.

Survey Date: 4/27/04	Sheet 1 of 1 Sheets
W.O. Number: 04.11.0479	Dr By: LA
Date: 4/30/04	Disk: CD#3
04110479	Scale: 1"=100'



PROVIDING SURVEYING SERVICES
 SINCE 1948
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 383-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'
EUNICE, N.M.

SEC. 9 TWP. 22-S RGE. 37-E

SURVEY N.M.P.M.

COUNTY LEA

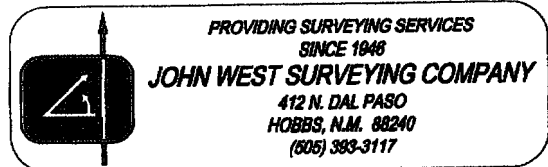
DESCRIPTION 2310' FSL & 2310' FWL

ELEVATION 3410'

OPERATOR ZIA ENERGY, INC.

LEASE GREENWOOD

U.S.G.S. TOPOGRAPHIC MAP
EUNICE, N.M.

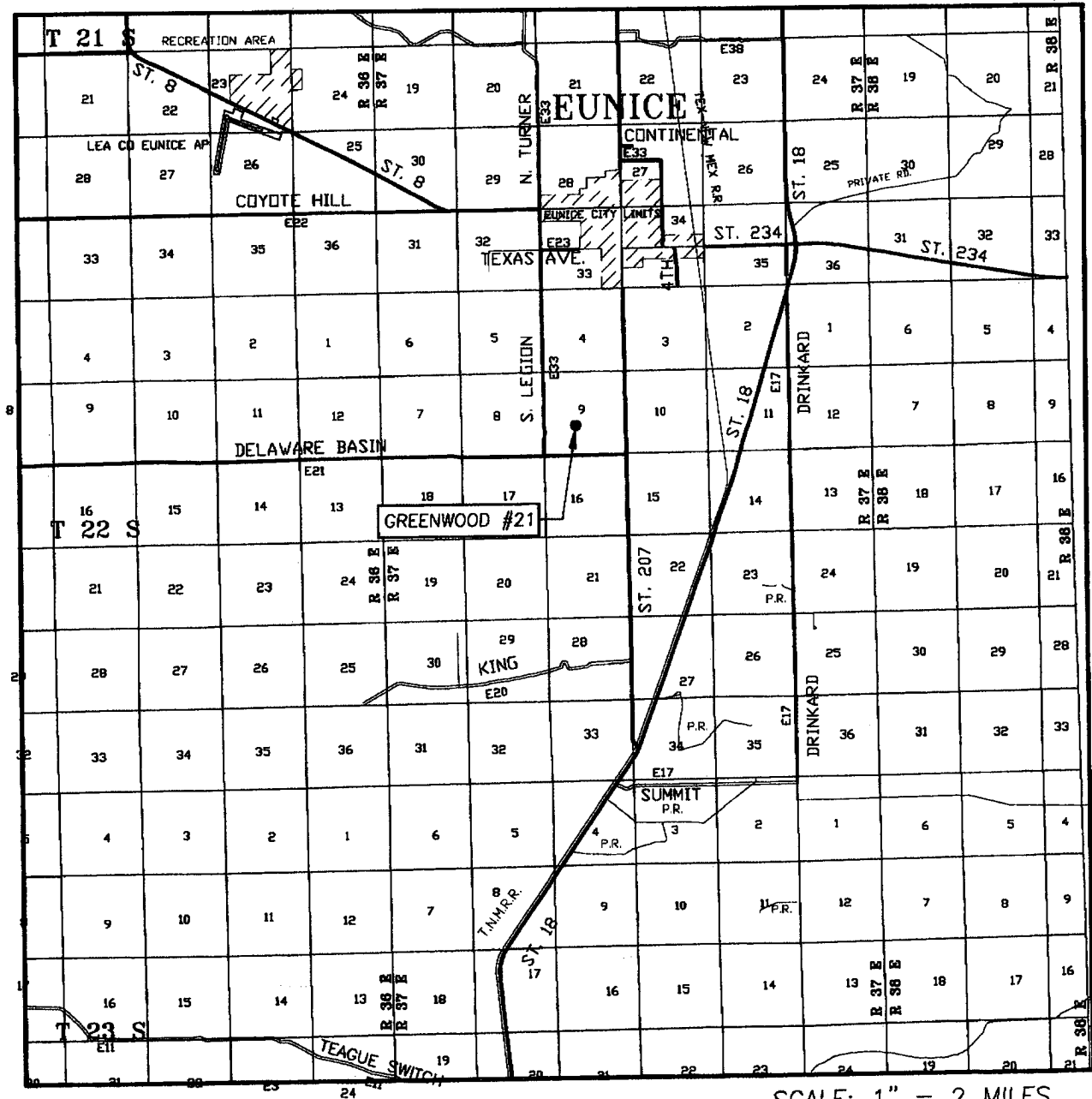


PROVIDING SURVEYING SERVICES
SINCE 1946

JOHN WEST SURVEYING COMPANY

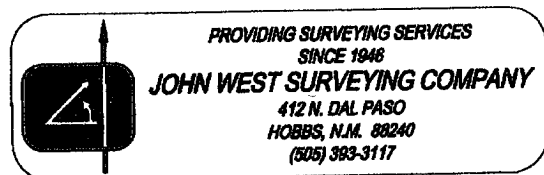
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

VICINITY MAP

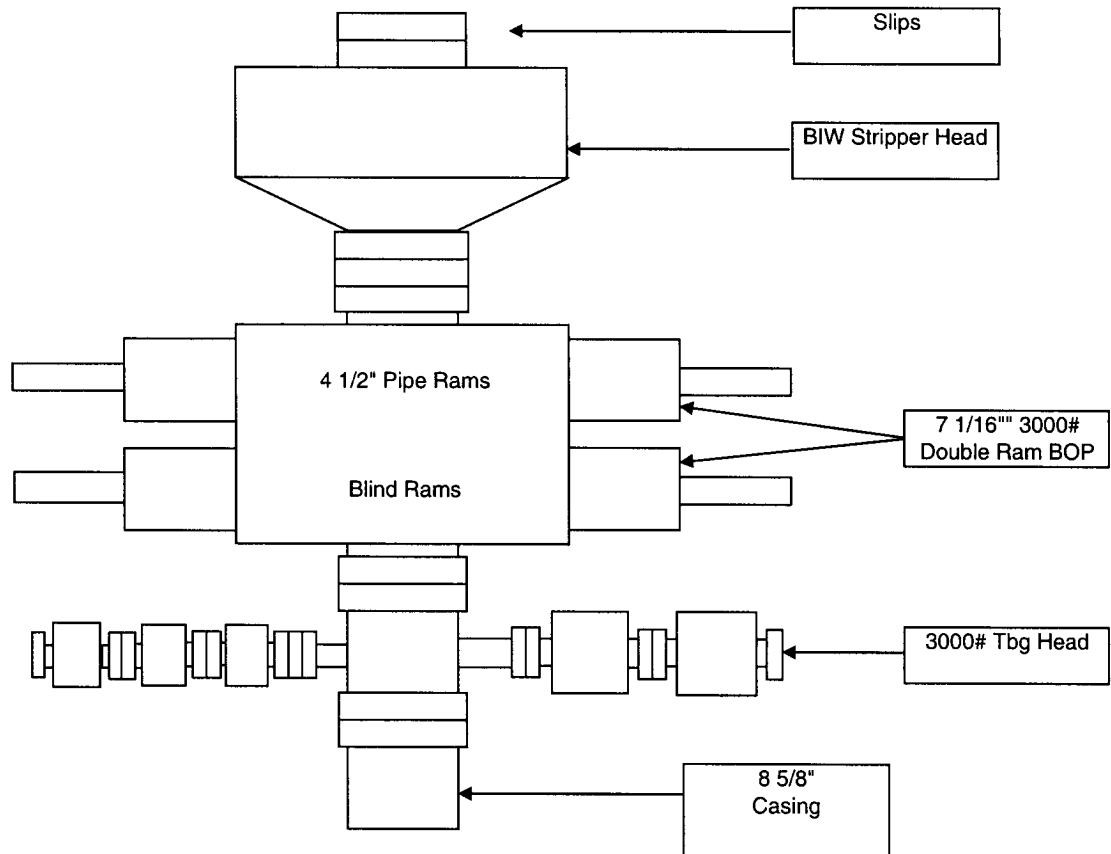


SCALE: 1" = 2 MILES

SEC. 9 TWP. 22-S RGE. 37-E
 SURVEY N.M.P.M.
 COUNTY LEA
 DESCRIPTION 2310' FSL & 2310' FWL
 ELEVATION 3410'
 OPERATOR ZIA ENERGY, INC.
 LEASE GREENWOOD



Zia Energy, Inc
Greenwood #21
BOP Diagram
3000 psi WP



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 Resources

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

Form C-144
March 12, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐
Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: <u>ZIA Energy Inc.</u> Telephone: <u>281-296-7666</u> e-mail address: <u>LeeCovine@AOL.com</u>		
Address: <u>2203 Timberloch Place Suite 229 The Woodlands, TX 77380</u>		
Facility or well name: <u>Greenwood # 21</u> API #: <u>30-025-36764</u> L or Qtr/Qtr <u>K</u> Sec <u>9</u> T <u>22S</u> R <u>37E</u>		
County: <u>LEA</u> Latitude <u>32N</u> Longitude <u>103W</u> NAD: 1927 <input type="checkbox"/> 1983 <input checked="" type="checkbox"/> Surface Owner Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>		
Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>20</u> mil Clay <input type="checkbox"/> Volume <u>6500</u> bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet	(20 points)
	50 feet or more, but less than 100 feet	(10 points)
	<u>100 feet or more</u>	(0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes	(20 points)
	<u>No</u>	(0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet	(20 points)
	200 feet or more, but less than 1000 feet	(10 points)
	<u>1000 feet or more</u>	(0 points)
Ranking Score (Total Points)		

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: onsite ☐ offsite ☐ If offsite, name of facility _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒ a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 5-14-04

Printed Name/Title GENE LEE, Agent Signature Gene Lee

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Date: 7/14/04

Printed Name/Title PETROLEUM ENGINEER Signature [Signature]