

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

Form C-101  
May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT

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

<sup>1</sup> Operator Name and Address Zia Energy Inc. 2203 Timberloch Place, Suite 229, The Woodlands, Texas 77380		<sup>2</sup> OGRID Number 25616
		<sup>3</sup> API Number 30-025-37163
<sup>5</sup> Property Code 13029	<sup>5</sup> Property Name Grizzell	<sup>6</sup> Well No. 5
<sup>9</sup> Proposed Pool 1 Penrose-Skelly; Grayburg		<sup>10</sup> Proposed Pool 2

**7 Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	5	22S	37E		2310'	South	1740'	East	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**

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 3433'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 4300'	<sup>18</sup> Formation Penrose-Skelly; Grayburg	<sup>19</sup> Contractor To Be Determined	<sup>20</sup> Spud Date ASAP
Depth to Groundwater 71'		Distance from nearest fresh water well >200'		Distance from nearest surface water >1000'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 20' mils thick Clay <input type="checkbox"/> Pit Volume: labor bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" 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
12 1/4"	8 5/8"	24#	1200'	600 Sx	Surface
7 7/8"	5 1/2"	15.5#	5000'	400 Sx	1000'

<sup>22</sup> 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 the 7 7/8" hole to 4300', run electric logs and run 5.5" production casing. Cement 5.5" csg w/400 sacks to tie into surface csg.

Mud Program: FW/ Native mud to 1200', Brine water to 4300' 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 and tested daily. See Attached BOP Diagram and Pit Registration Form.

Permit Expires 1 Year From Approval  
Date Unless Drilling Underway

<sup>23</sup> 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 ☐ a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Printed name: Donald P. Dotson, P.E.

Title: COO

E-mail Address: ddotson@plantationpetro.com

Date: 3/04/2005

Phone: 281-296-7222

**OIL CONSERVATION DIVISION**

Approved by:

Title:

Approval Date: 3/28/05

Expiration Date: 3/28/06

Conditions of Approval Attached ☐

DISTRICT I  
1625 N. FRENCH DR., HOBBES, NM 88240

DISTRICT II  
1301 W. GRAND AVENUE, ARTERIA, NM 88210

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

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102  
Revised JUNE 10, 2003  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-37163	Pool Code 50350	Pool Name PENROSE-SKELLY; GRAYBURG
Property Code 13029	Property Name GRIZZLE GRIZZELL	Well Number 5
OGRID No 25616	Operator Name ZIA ENERGY, INC.	Elevation 3433'

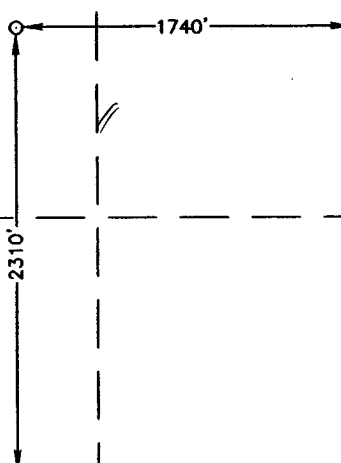
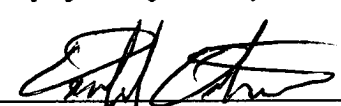
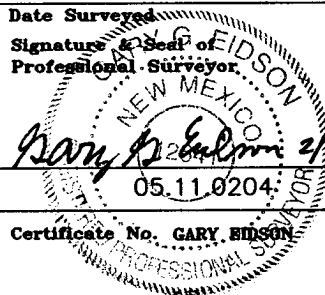
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	5	22-S	37-E		2310'	SOUTH	1740'	EAST	LEA

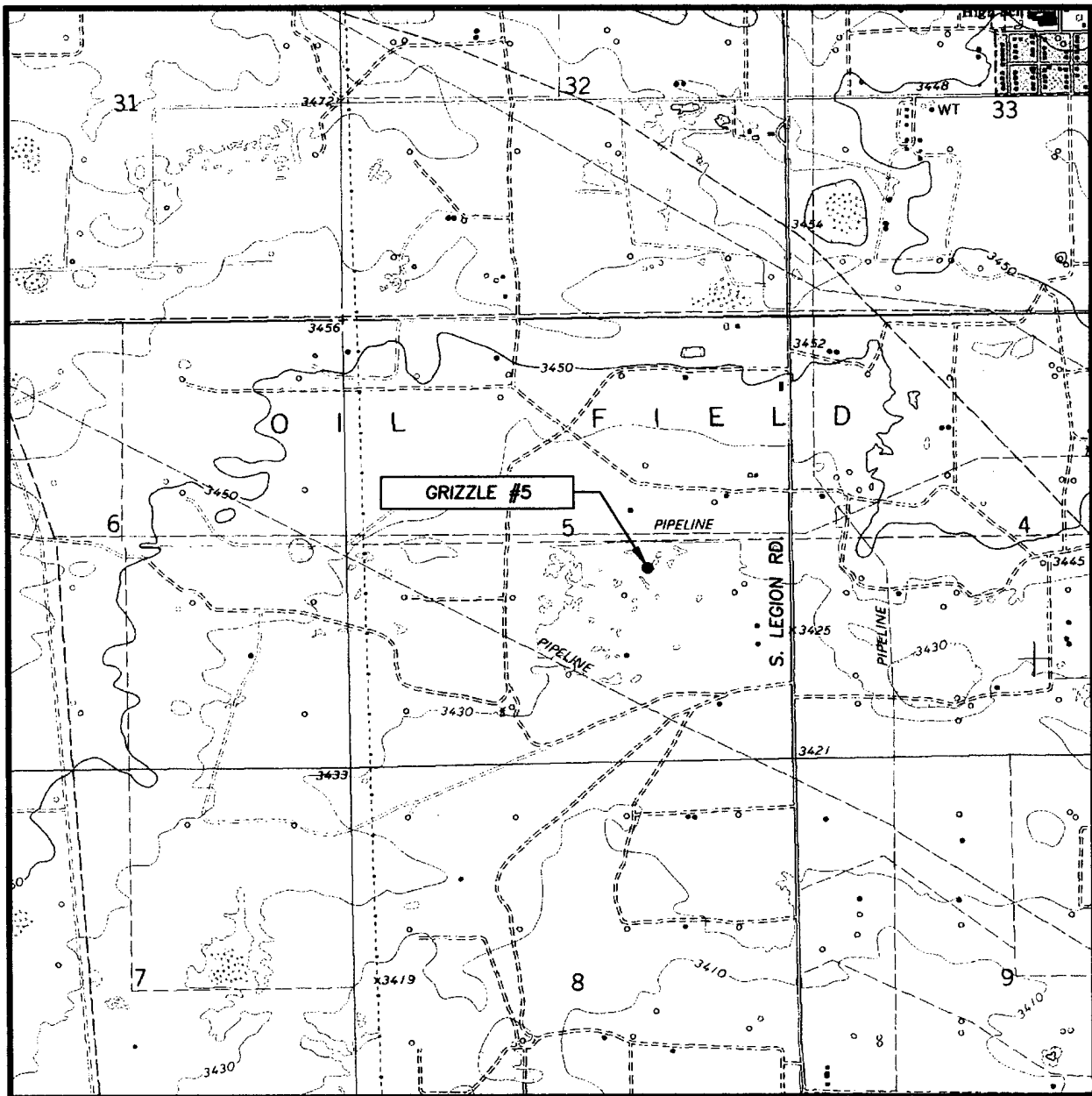
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 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

LOT 4	LOT 3	LOT 2	LOT 1
40.28 AC	40.19 AC	40.09 AC	39.99 AC
GEODETIC COORDINATES NAD 27 NME  Y=518370.6 N X=855357.4 E  LAT.=32°25'11.46" N LONG.=103°10'54.32 W			
			
<b>OPERATOR CERTIFICATION</b>  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.   Signature Donald Dotson Printed Name COO Title 3/01/2005 Date			
<b>SURVEYOR CERTIFICATION</b>  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.  FEBRUARY 15, 2005 Date Surveyed Signature & Seal of Professional Surveyor  Certificate No. GARY EIDSON 12641			

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
EUNICE, N.M. - 10'

SEC. 5 TWP. 22-S RGE. 37-E

SURVEY N.M.P.M.

COUNTY LEA

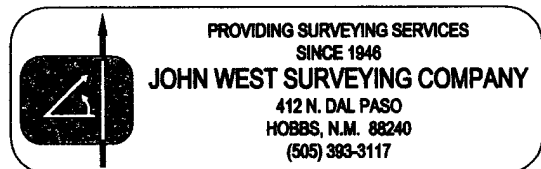
DESCRIPTION 2310' FSL & 1740' FEL

ELEVATION 3433'

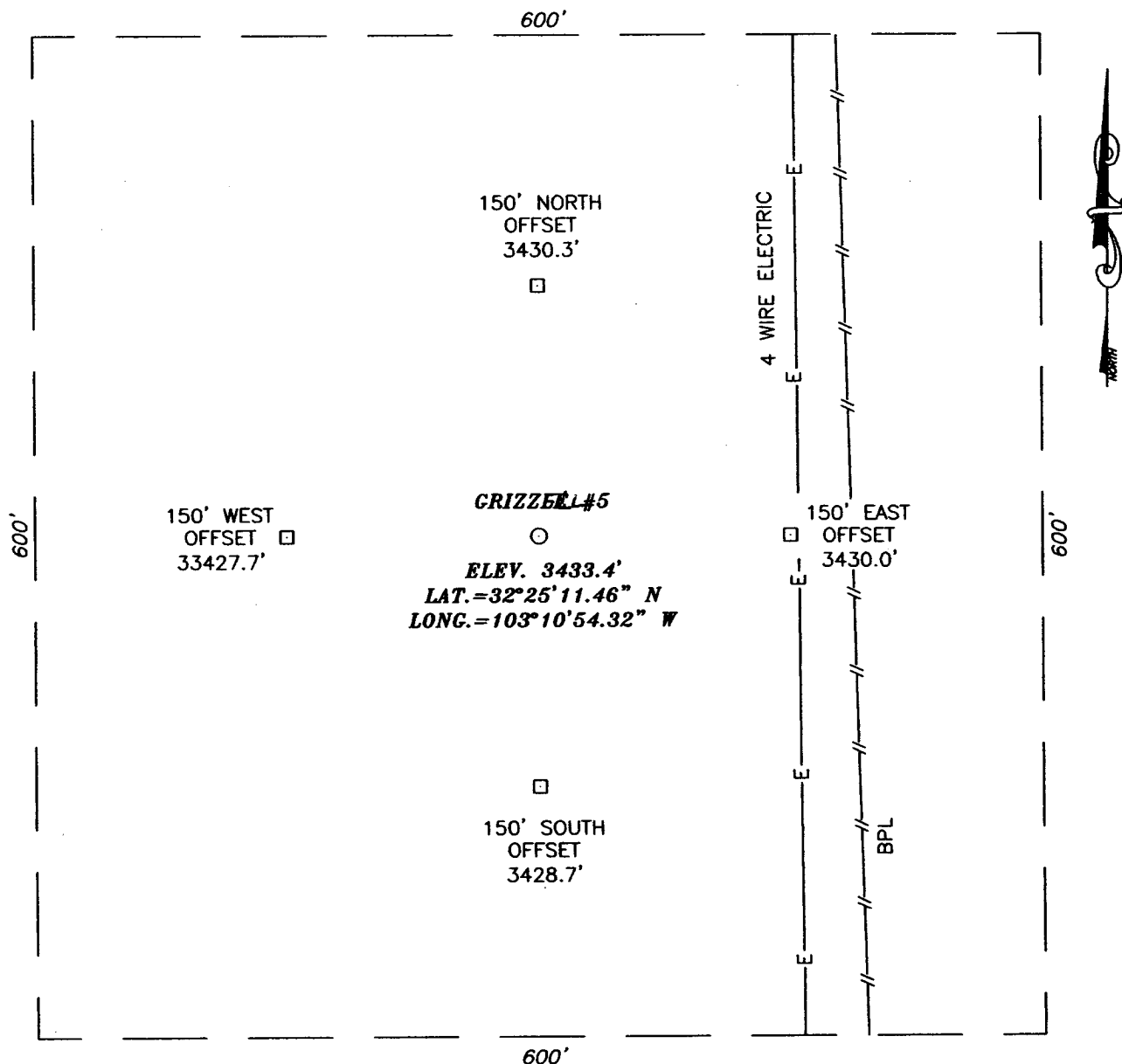
OPERATOR ZIA ENERGY, INC.

LEASE GRIZZLE L

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

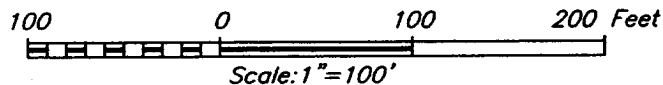


SECTION 5, TOWNSHIP 22 SOUTH, RANGE 37 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

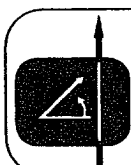
FROM THE INTERSECTION OF DELAWARE BASIN ROAD (CO. RD. #21) AND S. LEGION ROAD (CO. RD. #33). GO NORTH ON LEGION ROAD APPROX. 1.2 MILES. TURN LEFT AND GO WEST 0.1 MILES TO FORK. TURN RIGHT AND GO NW APPROX. 0.4 MILES TO EXISTING ZIA WELL. GO NE APPROX. 600' TO THIS LOCATION.



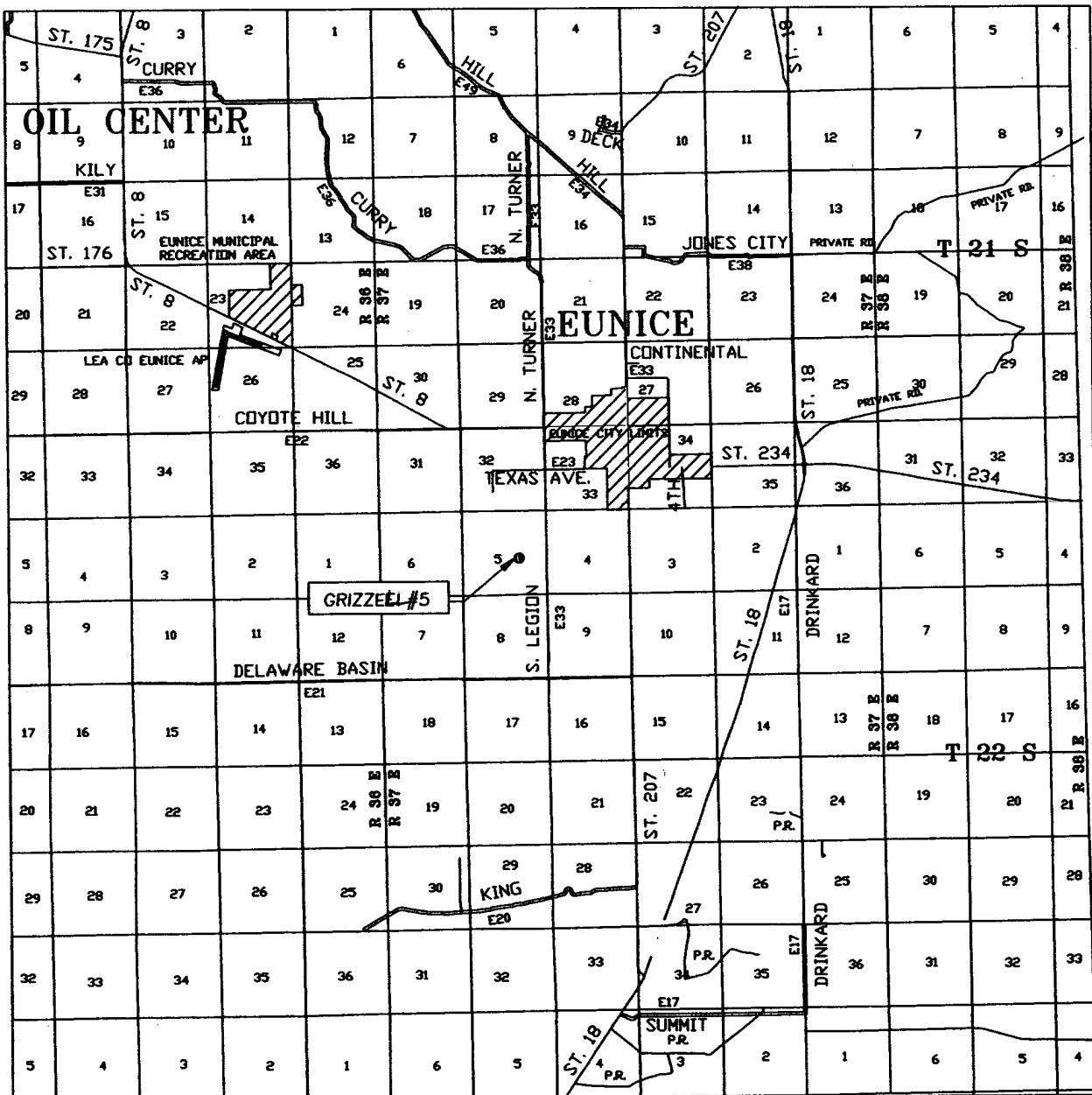
ZIA ENERGY, INC.

GRIZZELL #5 WELL  
LOCATED 2310 FEET FROM THE SOUTH LINE  
AND 1740 FEET FROM THE EAST LINE OF SECTION 5,  
TOWNSHIP 22 SOUTH, RANGE 37 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO.

Survey Date: 02/15/05		Sheet 1 of 1 Sheets	
W.O. Number: 05.11.0204		Dr By: DEL	Rev 1:N/A
Date: 02/17/05	Disk: CD#4	05110204	Scale: 1"=100'



PROVIDING SURVEYING SERVICES  
SINCE 1948  
**JOHN WEST SURVEYING COMPANY**  
412 N. DAL PASO  
HOBBS, N.M. 88240  
(505) 393-3117



SEC. 5 TWP. 22-S RGE. 37-E

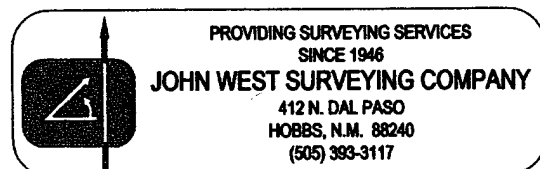
COUNTY \_\_\_\_\_ LEA \_\_\_\_\_

DESCRIPTION 2310' FSL & 1740' FEL

ELEVATION 3433'

OPERATOR ZIA ENERGY, INC.

LEASE GRIZZEL

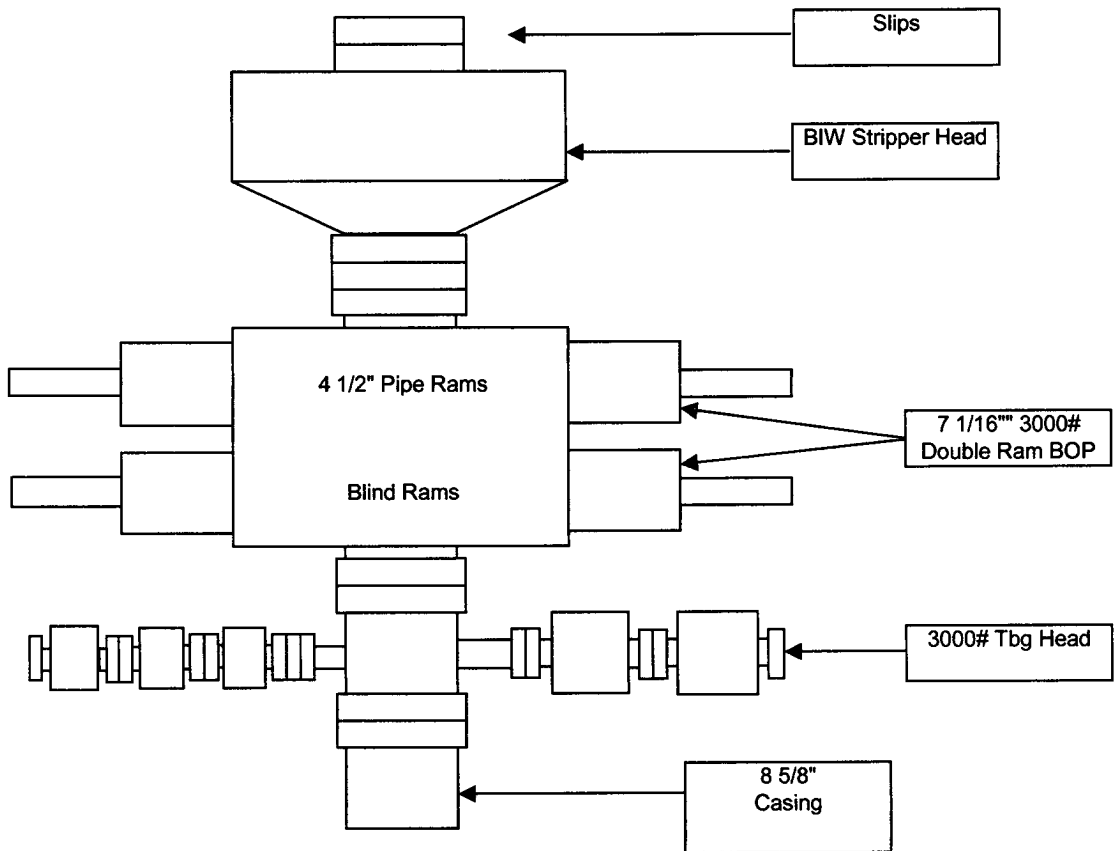


**Zia Energy, Inc**

**Grizzell #5**

**BOP Diagram**

**3000 psi WP**





**PLANTATION PETROLEUM COMPANIES**

PP HOLDINGS II, LLC; PP ACQUISITIONS, LLC; ZIA ENERGY, INC.

**Donald P. Dotson, P.E.**  
COO

2203 Timberloch Place, Ste. 229  
The Woodlands, TX 77380  
Tel: (281) 296-7222  
Fax: (281) 298-2333

March 3, 2005

Oil Conservation Division  
State of New Mexico  
Attn: Mr. Van Barton  
1301 W. Grand Ave.  
Artesia, NM 88210

RECEIVED  
HOBBS  
OCD

Re: General Plan  
Pit Design and Operation, Drilling Workover, and Blowdown

Companies included in this plan are: Zia Energy, Inc.

Zia Energy, Inc. is requesting approval to construct, use, and close the above-described pits as per the attached diagrams. The aforementioned pits will be lined as required, according to the rules and guidelines as set forth in Pit Rule 50. The attached diagrams are standard pits used on all Zia Energy, Inc. drilling and workover operations. Minor changes may be needed from time to time to work safely with the terrain and environmental conditions on a site-specific basis.

All pits will be constructed to prevent contamination of fresh waters, human health, and the environment. During operations, all pits will be fenced as required to maintain safety for livestock and wildlife.

When the pit is not longer used, it will be closed according to all applicable rules of the OCD, and all required reports would be submitted at that time.

If we can be of further assistance, please feel free to call (281) 296-7222.

Sincerely,

Zia Energy, Inc.

Donald Dotson  
COO

**ZIA ENERGY - PIT DIAGRAM**

