

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 - 025-10324
<sup>5</sup> Property Code 13024	<sup>5</sup> Property Name Cole State	<sup>6</sup> Well No. 4
<sup>9</sup> Proposed Pool 1 Penrose-Skelly; Grayburg		<sup>10</sup> Proposed Pool 2

**7 Surface Location**

UL or lot no. E	Section 16	Township 22S	Range 37E	Lot Idn	Feet from the 1980'	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**

<sup>11</sup> Work Type Code D	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3399'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 3985'	<sup>18</sup> Formation Penrose-Skelly; Grayburg	<sup>19</sup> Contractor To Be Determined	<sup>20</sup> Spud Date ASAP
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method:				
Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>				

**21 Proposed Casing and Cement Program**

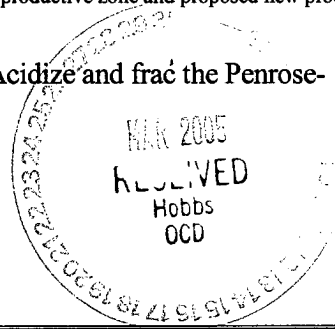
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
No Change					

<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 deepen the open hole section from 3690' to 3985' using foam. Acidize and frac the Penrose-Skelly; Grayburg.

BOP Diagram Attached.

Permit Expires 1 Year From Approval  
Date Unless Drilling Underway  
Deepen



<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 NMOC guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		<b>OIL CONSERVATION DIVISION</b>	
Printed name: Donald P. Dotson, P.E. <i>[Signature]</i>		Approved by: <i>[Signature]</i>	
Title: COO		Title: <i>[Signature]</i>	
E-mail Address: ddotson@plantationpetro.com		Approval Date: 3/31/05 Expiration Date: 3/31/06	
Date: 3/24/2005	Phone: 281-296-7222	Conditions of Approval Attached <input type="checkbox"/>	

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, 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 & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

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

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-025-10324</b>		<sup>2</sup> Pool Code <b>50350</b>		<sup>3</sup> Pool Name <b>Penrose-Skelly; Grayburg</b>	
<sup>4</sup> Property Code <b>13024</b>		<sup>5</sup> Property Name <b>Cole State</b>			<sup>6</sup> Well Number <b>4</b>
<sup>7</sup> OGRID No. <b>25616</b>		<sup>8</sup> Operator Name <b>Zia Energy Inc.</b>			<sup>9</sup> Elevation <b>3399'</b>

<sup>10</sup> Surface Location

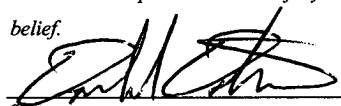
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>E</b>	<b>16</b>	<b>22S</b>	<b>37E</b>		<b>1980'</b>	<b>North</b>	<b>660'</b>	<b>West</b>	<b>Lea</b>

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres <b>40</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<div data-bbox="73 976 316 1480"> <p>16</p> </div>				<p><sup>17</sup> <b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p> Signature</p> <p><b>Donald P. Dotson, P.E.</b> Printed Name</p> <p><b>COO / ddotson@plantationpetro.com</b> Title and E-mail Address</p> <p><b>3/24/2005</b> Date</p>
				<p><sup>18</sup> <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.</p> <p>_____ Date of Survey</p> <p>_____ Signature and Seal of Professional Surveyor:</p> <p>_____ Certificate Number</p>

**Zia Energy, Inc**

**Cole State #4**

BOP Diagram

3000 psi WP

