

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, PLUG BACK, OR ADD A ZONE

¹ Operator Name and Address Zia Energy Inc. 2203 Timberloch Place, Suite 229, The Woodlands, Texas 77380		² OGRID Number 25616
³ Property Code 13038	⁵ Property Name H.S. Turner	⁴ API Number 30 - 025-06884
⁹ Proposed Pool 1 Penrose-Skelly; Grayburg		⁶ Well No. 2
¹⁰ Proposed Pool 2		

7 Surface Location

UL or lot no. M	Section 29	Township 21S	Range 37E	Lot Idn	Feet from the 330'	North/South line South	Feet from the 330'	East/West line West	County Lea
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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
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Additional Well Information

¹¹ Work Type Code D	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3472' GR
¹⁶ Multiple No	¹⁷ Proposed Depth 3985'	¹⁸ Formation Penrose-Skelly; Grayburg	¹⁹ Contractor To Be Determined	²⁰ 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: Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>				
Closed-Loop System <input checked="" type="checkbox"/>				

21 Proposed Casing and Cement Program

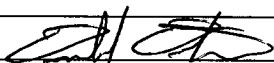

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
No Change					

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 deepen the open hole section from 3780' 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

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: Donald P. Dotson, P.E. 		Approved by: 	
Title: COO		Title: PETROLEUM ENGINEER	
E-mail Address: ddotson@plantationpetro.com		Approval Date: APR 29 2005 Expiration Date:	
Date: 4/08/2005	Phone: 281-296-7222	Conditions of Approval Attached <input type="checkbox"/>	

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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

¹ API Number 30-025-06884	² Pool Code 50350	³ Pool Name Penrose-Skelly; Grayburg
⁴ Property Code 13038	⁵ Property Name H.S. Turner	
⁷ OGRID No. 25616	⁸ Operator Name Zia Energy Inc.	⁶ Well Number 2
⁹ Elevation		

¹⁰ Surface Location

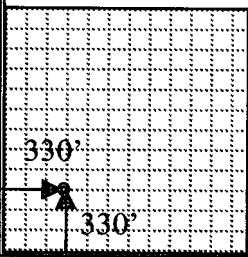

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	29	21S	37E		330'	South	330'	West	Lea

¹¹ 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

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

¹⁶ 				¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Donald P. Dotson, P.E. Printed Name COO / ddotson@plantationpetro.com Title and E-mail Address 4/08/2005 Date
				¹⁸ 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 of Survey Signature and Seal of Professional Surveyor: Certificate Number

Zia Energy, Inc
H.S. Turner #2
BOP Diagram
3000 psi WP

