| 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 |

Oil Conservation Division 1220 South St. Francis Dr.

Submit to appropriate District Office

AMENDED REPORT

| District IV 1220 S. St. Fr | ancis Dr., S | Santa Fe | , NM 8' | 7505 | | Sa | nta Fe, N | M 8 75 | 05 | | | | | | |
|--|--|----------|-----------------------|---------------------------------------|--|-------------|------------------------------------|--|------------------|---------------------------------------|-------------------------------------|-------------------|------------------------------------|-----------------|----------|
| APPL | ICATI | ON F | OR | PERMIT | TO DI | RILL, R | E-ENT | ER, DI | EEPEN | N, P | LUGBA | СК, С | OR AD | D A ZON | E |
| | | | 10 | Operator Name a | nd Addre | SS | | | <u></u> | | | ² OGRI | D Numbe | т <u>́</u> | |
| MANZANO, LLC P.O. BOX 2107 – ROSWELL, NM 88202-2107 | | | | | | | | | | 231429 ³ API Number | | | | | |
| | | | 30 - 025-36993 | | | | | The second secon | | | | | | | |
| Property Code SD1423 | | | | | | | | Well No | | | | | 4 | | |
| | 34462 | | | · · · · · · · · · · · · · · · · · · · | | PETER | GRANDE | . | | | 10 - | | | 1 | |
| | ⁹ Proposed Pool 1 | | | | | | | | | | ¹⁰ Prope | osed Poo | ol 2 | | |
| | MESCALERO, NORTH – SAN ANDRES ⁷ Surface L | | | | | | | | | | ····· | | | | |
| UL or lot no. | lot no. Section Township Range | | Range | | | et from the | | | F | | | West line | County | | |
| M | 1 | 10-3 | · 1 | 32-E | | 330 | | SOUTH | | 4030 | | W | EST | LEA | |
| | | - | | ⁸ Propos | ed Botto | om Hole L | ocation If | Differen | nt From | Surf | àce | | | · ····· | |
| UL or lot no. | Section | Towns | hip | Range | Lot I | dn Fe | et from the | North/S | North/South line | | | | West line | County | |
| | | L | l | | ـــــــــــــــــــــــــــــــــــــ | ditional | Well In | formati | 0 n | i | | | | _ | (] |
| ¹¹ Work | Type Code | | | 12 Well Type Cod | | | Cable/Rotary | Il Information //Rotary 14 Lease Type Code 15 Ground Level Elevation | | | | | | on | |
| | P | | | 0 | | | | | S | | | 4223' | | | |
| | fultiple | | | ¹⁷ Proposed Dept 4500 | h | | ⁸ Formation N ANDRES | | | ¹⁹ Contractor DESPERADO | | | ²⁰ Spud Date 9/30/05 | | |
| Depth to Grou | N undwater | ł | | | Distance from nearest fresh water well | | | | | | Distance from nearest surface water | | | vater | |
| | | | | s thick Clay |] Dit V | olume: | bbls | <u></u> | rilling Me | thod | | | | | |
| | : Synthetic ed-Loop Sys | | _ | SUNCK Clay [| _] ru v | | _0015 | | | | Brine Di | ssel/Oil- | hased 🕅 | Gas/Air | • |
| CROS | ca-Loop Sy | | <u></u> | 21 | Dronos | ed Casin | a and (| | | | | | | | |
| | | Τ | <u> </u> | T T | A | | | | | | Seelin of Co | | - | Estimated TO | |
| Hole S | | | Casin | | Casing weight/foot | | | Setting Depth 400 | | Sacks of Cement 400sx | | | Surface | | <u> </u> |
| 17 5 | | 1. | | 3/8" | 48#/ft 32# & 24# | | | 3400' | | 1100sx | | | Surface | | <u> </u> |
| <u> </u> | | | <u>8 5/8"</u> 5 ½" | | 17# & 20# | | | 9400' | | 2370sx | | | Surface | | |
| | | | | | | | | | | | | | | | |
| | | <u> </u> | | <u> </u> | | | | | to on the | | nt productive a | one end | hesonored | new productive | e 700e |
| Describe the | 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. | | | | | | | | | | | | | | |
| | - | | | | | | | | DECENT | | | PERF | DRATION | IS (8792'-9095' | יז פע |
| SETTING A | CIBP INSI | DE THI | EEXIS | TING 5.5" PRO | DUCTIO | N CASING A | AT 8770' & | CAP WI | LH 32, CI | LASS | "H" CEMEN | <u>r</u> and' | A CIBP A | T 4510' & CAI | P |
| WITH 35' C | LASS H CH | EMENT | . PROE | DUCTION TEST | r san ai | NDRES BY I | PERFORA | FING SAN | IANDRE | S FR | OM 4082/ 4] | 58' & A | CIDIZE W | v町東10,500GL | . 20% |
| NeFe ACID | | | _ | | 4 14 | | | | | | 3% | | 600 | 12 | |
| | Permit Expires 1 Year From Approval | | | | | | | | | | | | | | |
| NeFe ACID Permit Expires 1 Year From Approval Data Unless Dritting Underway Plug back Control 1 Plug back | | | | | | | | | | | | | | | |
| | ring nuch | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |
| State and the second | | | | | | | | | | | | | | | |
| ²³ I hereby certify that the information given above is true and complete to the OIL CONSERVATION DIVISION best of my knowledge and belief. I further certify that the drilling pit will be | | | | | | | | | | | | | | | |
| constructed according to NMOCD guidelines , a general permit , or Approved by: | | | | | | | | | | | | | | | |
| an (attached) alternative OCD-approved plan . | | | | | | | | | | | | | | | |
| Printed name: MIKE HANAGAN That Man | | | | | | | Titl | Title: PETROLEUM ENGINEER | | | | | | | |
| Title: MAN | Title: MANAGER | | | | | | | Approval Date: DFC 1 6 2005 piration Date: | | | | | | | |
| E-mail Address: mhanagan@dfn.com | | | | | | | | | | | | | | | |
| Date: 10/28/05 Phone: 505-623-1996 | | | | | | | Cor | Conditions of Approval Attached | | | | | | | |
| | | | | | | | <u> </u> | | | | | | | | |

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 October 12, 2005 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

| | | WI | ELL LC | IOITA | N AND ACR | EAGE DEDIC. | ATION PLA | Γ | 2 | | |
|--|--------------------------------|-------------|--------------|----------------------|---------------|------------------|---------------|----------------|--------------------|--|--|
| | API Number 0-025-36993 | r | 4 | Pool Code | Ð | Mescaler | North | | | | |
| Property 0 34462 | | | | | | Well Number | | | | | |
| OGRID No. Operator Name 231429 MANZANO, LLC | | | | | | | | | Elevation 4223' | | |
| | ¹⁰ Surface Location | | | | | | | | | | |
| UL or lot no. | no. Section Township | | | Lot Idn | | North/South line | Feet from the | East/West line | County | | |
| М | 1 | 10 s | 32 - е | | 330' | SOUTH | 400 3307 | 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 Acro 40 | es Joint of | or Infill C | pusolidation | Code ¹⁵ O | 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, and that this organization either |
| | | | owns a working interest or unleased mineral interest in the land including |
| | | | the proposed bottom hole location or has a right to drill this well at this |
| | | | location pursuant to a contract with an owner of such a mineral or working |
| | | | interest, or to a voluntary pooling agreement or a compulsory pooling |
| | | | arder heretalethe entered by the sightion. |
| · · · · · · · · · · · · · · · · · · · | | | May Her 10/28/05 |
| | | | |
| | | | Signature Date |
| 4 | | | MIKE HANAGAN |
| | | | Printed Name |
| | | | |
| | | | |
| | | | |
| | | · · · | 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 |
| | 1 | | Signature and Seal of Professional Surveyor: |
| | | | |
| · | | | |
| | | | |
| | | | |
| 6 | | | |
| | | | Certificate Number |
| | | | |