

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

RECEIVED

State of New Mexico

Energy Minerals and Natural Resources

Form C-101

June 16, 2008

FEB 04 2009

HOBSOCD

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**

¹ Operator Name and Address Resaca Operating Company 2600 W. I-20, Odessa, TX 79763		² OGRID Number 263848
		³ API Number 30-025-09610
⁴ Property Code 302966 306443	⁵ Property Name Cooper Jal Unit	
		⁶ Well No 237
⁹ Proposed Pool 1 Jalmat; Tansill-Yates-7Rivers (Oil)		¹⁰ Proposed Pool 2 Langlie Mattix; 7Rivers-Queen-Grayburg

7 Surface Location

UL or lot no O	Section 23	Township 24S	Range 36E	Lot Idn	Feet from the 660	North/South line South	Feet from the 1980	East/West line East	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 E	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3334'
¹⁶ Multiple	¹⁷ Proposed Depth 3950'	¹⁸ Formation Grayburg	¹⁹ Contractor	²⁰ Spud Date 9-3-34

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
15 1/2"	13 3/8"	54	309'	130	Surface
10 5/8"	9 5/8"	36	2789'	800	Surface
8 3/4"	7"	24	3400'	175	2335' (Calc)

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.

1. Re-enter CJU #237 (This well was plugged 2/28/01).
2. Drill out 4 Cement Plugs @ surface-350'; 1090'-1300'; 1940'-2040'; 2687'-3000'.
3. Drill out cement from 3270'-3631' (Original TD).
4. Deepen the well with a 6 1/4" Bit to a new TD of 3950' in the Grayburg Formation.
5. Test the Grayburg Formation for Production.

This well will be drilled using a Closed Loop System. C-144 will be filed accordingly.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief

Signature

Printed name

Melanie Reyes

Title

Engineer Assistant

E-mail Address

Melanie.Reyes@teai.com

Date

2/2/09

Phone 432-580-8500

OIL CONSERVATION DIVISION

Approved by

Title

PETROLEUM ENGINEER

Approval Date

FEB 19 2009

Expiration Date

Oil Conservation Division

Conditions of approval: Approval for drilling/workover ONLY--- CANNOT produce Downhole Commingled until DHC is approved in Santa Fe.

Permit Expires 2 Years From Approval
Date Unless Drilling Underway
Re-Entry