State of New Mexico State of New Miexico Energy Minerals and Natural Resources

Form C-101 June 16, 2008

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.

Santa Fe, NM 87505

HOBBSOCD

☐ AMENDED REPORT

ubmit to appropriate District Office

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

		133	Operator Name a Resaca Operating I Lamar St. Ste.	Company		30 – 025-09	² OGRID Number 263848 ³ API Number 1642		
	rty Code 6443						⁶ Well 148		
⁹ Proposed Pool 1 Jalmat; Tansill-Yates-7Rivers (Oil) 33820						L	¹⁰ Propo anglie Mattix; 7Rive	osed Pool 2 rs-Queen-Grayburg	37240
					⁷ Surface Loc	cation			
UL or lot no.	Section 24	Township 24S	Range 36E	Lot Idn	Feet from the 2310	North/South line South	Feet from the 2310	East/West line East	County Lea
			8 Prop	osed Bottom	Hole Location	If Different Fro	om 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

¹¹ Work Type Code	¹² Well Type Code	¹³ Cable/Rotary	¹⁴ Lease Type Code	15 Ground Level Elevation
E	I	R	P	3318'
¹⁶ Multiple	¹⁷ Proposed Depth 3550'	¹⁸ Formation 7 Rivers	¹⁹ Contractor	²⁰ Spud Date 3/15/2011

²¹ Proposed Casing and Cement Program

5/8"	28	279'	135	0.0
			133	Surface
5 ½"	14	3465'	450	Unknown
ol @ 1209'				
	5 ½" ol @ 1209'		3103	77 3103 430

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 #148 (This well was plugged 3/21/2011).
- 2. Drill out cement plugs at surface, 145'-400', 1400'-1145', 2700'-2975', CIBP @ 2976', cement @ 3319' and CIBP @ 3354'.
- 3. Clean out OH 3465'-3550' TD.
- 4. Perf Jalmat; Yates (3182'-90', 3192'-95', 3220'-33', and 3236'-42') and Upper 7 Rivers (3248'-52', 3290'-3307', 3360'-65', 3380'-83', 3431'-34' and 3439'-42').

Approved by:

- 5. Stimulate Perfs 3018'-3442' and OH 3465'-3550' with approximately 12,000 gallons 15% HCl (90/10 Acid/Xylene); Divert with 20,000#'s salt.
- 6. RDMO Pulling Unit, clean location, clean and dispose of pit fluids.

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

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

best of my know		given above is true and complete to the
Signature:	ML	
Printed name:	Melanie Rey	res
Title:	Engineer Assi	stant
E-mail Address:	melanie.reyes@re	sacaexploitation.com
Date: 2	2/24/2011	Phone: (432) 580-8500

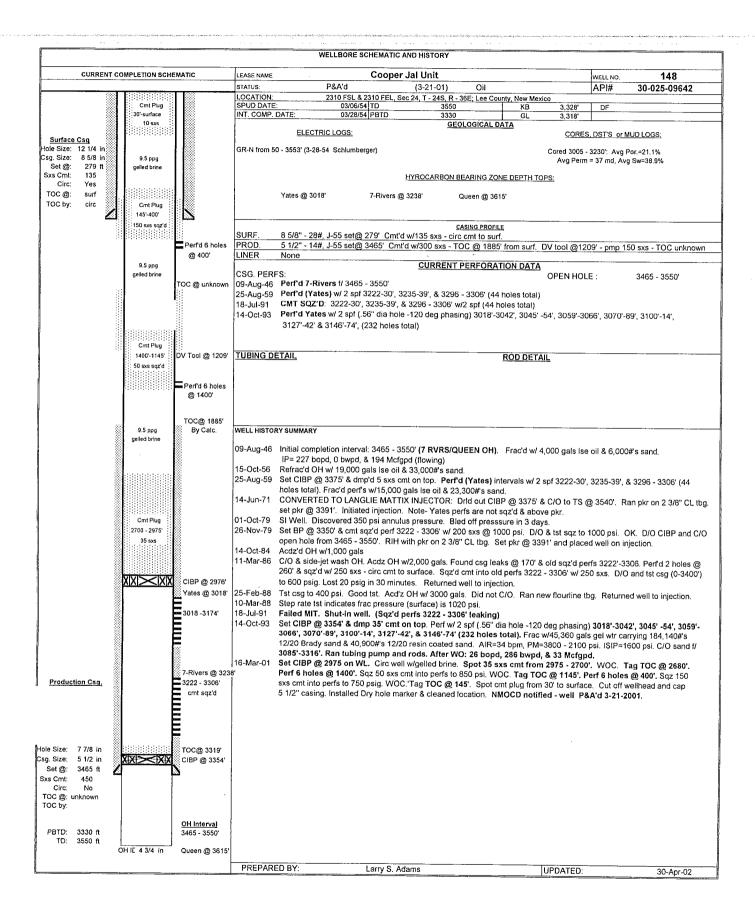
OIL CONSERVATION DIVISION

DENIED BY Oil Conservation Division _see attached letter

For more information on this matter, please call Donna Mull @ (575) 393-6161 ext 115 or email donna.mull@state.nm.us

DENIED because of Financial assurance per Rule 19.14.5.9(A)(1).





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

24

24S

36E

State of New Mexico

Energy, Minerals & Natural Resources Department ETUP fibrait one copy to appropriate OIL CONSERVATION DIVISION

> 1220 South St. Francis Dr. Santa Fe, NM 87505

FEB 25 2011

HOBBSOCD

2310

East

☐ AMENDED REPORT

Revised July 16, 2010

Form C-102

District Office

Lea

WELL LOCATION AND ACREAGE DEDICATION PLAT

	API Numbe 0-025-0964	-		² Pool Code 3820/37240	1 ou ranc				
1	⁴ Property Code ⁵ Property Name Cooper Jal Unit						Number		
⁷ OGRID No. Resaca Operating Company					ŀ	evation 318'			
					¹⁰ Surface L	ocation			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

11 Rottom Hole Location If Different From Surface

South

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 of	r Infill 14 Co	onsolidation C	ode 15 Ordo	er 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 compliant be information continued berein is me and complete to the best of my howhole, and belief, and that the cognitation either owns a working interest or unleased mineral interest in the land including the prepased bostom hole lection on hose a right to delift this will at this location pursum that a countest with an owner of such a mineral interest in whe land including the prepased bostom hole lection on hose a right to white it was bring titlerest, or to a voluntary pooling agreement or a compulsory pooling order horsefore outered by the division. 2244/2011 Signature Melanic Reves Printed Name melanic track@restacexploitation.com E-mail Address 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 Dute of Survey Signature and Seal of Professional Surveyor: Certificate Number					
1 I hereby certify that the uplimation contained herein is true and complete to the best of my knowledge and belief, and that this organication either owns a working interest in the lead 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 mixeral or working interest, or an oralization probability of the division. 2.24/2011 Signature Date Melanic Reves Printed Name ———————————————————————————————————	16				17 OPERATOR CERTIFICATION
owns a working interest or unlecosed mineral interest in the hand including the proposed human hole location or hea a right to delit this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling generator of pack a mineral or working interest, or to a voluntary pooling order hereinfore entered by the division. 224/2011 Signature Date Melanic Reves Printed Name melanic revers@researcyploitation.com E-mail Additess 18 SURVEYOR CERTIFICATION I here by 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:					I hereby certify that the information contained herein is true and complete
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 peoling agreement or a compulsary pooling orther heretofive entered by the division. 2724/2011 Signature Date Melanic Reves Printed Name melanic reves@resacaexploitation.com E-mail Address 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:					to the best of my knowledge and belief, and that this organization either
Date Of Survey Signature and Seal of Professional Surveyor:					owns a working interest or unleased mineral interest in the land including
Interest, or to a voluntury peoling agreement or a compulsory pooling order herospore entered by the diviston. 2724/2011 Signature Date Melanic Reves Printed Name melanic revesiferesacexploitation.com E-mail Address 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:					the proposed bottom hole location or has a right to drill this well at this
order hereinfore entered by the division. 22442011 Signature Date Melanic Reves Printed Name melanic reves@resacexploitation.com E-mail Address 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:					location pursuant to a contract with an owner of such a mineral or working
2.24/2011 Signature Date Melanic reves Printed Name melanic reves/Gresacaexploitation.com E-mail Address 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:					interest, or to a voluntary pooling agreement or a compulsory pooling
Signature Date Melanic Reves Printed Name melanic reves@resacaexploitation.com E-mail Address 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:					order heretofore entered by the division.
Melanic Reves Printed Name melanic reves@resaceexploitation.com E-mail Address 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:					2/24/2011
Melanic Reves Printed Name melanic reves@resaceexploitation.com E-mail Address 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:					Signature
Printed Name melanic reves@resacaexploitation.com E-mail Address 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:					Bate
melanic reves@resacaexploitation.com E-mail Address 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:					
E-mail Address 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:					Printed Name
E-mail Address 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:					malania vavas@roccoccompleitation som
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:		_			E-mail Address
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:		214			
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:		2			18SURVEYOR CERTIFICATION
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:			A /	2310'	
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:			A		i e e e e e e e e e e e e e e e e e e e
Same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor:			1		
Date of Survey Signature and Seal of Professional Surveyor:					_
Signature and Seal of Professional Surveyor:					same is true and correct to the best of my belief.
Signature and Seal of Professional Surveyor:					
Signature and Seal of Professional Surveyor:					Date of Survey
2310					1
		1			organice and Sear of Frotessional Surveyor;
		1 1/4			
Certificate Number			1		
Certificate Number					
					Certificate Number