

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-101
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

AMENDED REPORT

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

¹ Operator Name and Address. Zia Energy, Inc. PO Box 2510 Hobbs, NM 88241		² OGRID Number 025616
		³ API Number 30 - 025-06394
⁴ Property Code 26985	⁵ Property Name Hill	⁶ Well No. 1

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
10	4	21s	37e		3300	North	1730	East	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

⁹ Proposed Pool 1

¹⁰ Proposed Pool 2

⁹ Proposed Pool 1 Hare San Andres, East	¹⁰ Proposed Pool 2
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¹¹ Work Type Code P	¹² Well Type Code O	¹³ Cable/Rotary	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3445
¹⁶ Multiple NO	¹⁷ Proposed Depth 5550	¹⁸ Formation San Andres	¹⁹ Contractor	²⁰ Spud Date

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.

- 1) Set CIBP @ 5550' and dump 35' cement on plug. Blinebry and Tubb Abandoned.
- 2) Perforate intervals from 3860-3970.
- 3) Acidize with 3000 gals and fracture treat with 12,000 gals and 40,000 bls of sand.
- 4) Put on production.

Permit Expires 1 Year From Approval
 Date Unless Drilling Underway

Plug-Back

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

Signature: *Scott Nelson*

Printed name:
Scott Nelson

Title:
Engineer

Date: 12/13/00

Phone: 393-2937

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval : Attached

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-06394		² Pool Code 96601		³ Pool Name Hare San Andres, <i>East</i>	
⁴ Property Code 26985		⁵ Property Name Hill			⁶ Well Number 1
⁷ OGRID No. 025616		⁸ Operator Name Zia Energy, Inc.			⁹ Elevation 3445

¹⁰ Surface Location

U.L. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
10	4	21s	37e		3300	North	1730	East	Lea

¹¹ Bottom Hole Location If Different From Surface

U.L. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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		↑ 3300'		<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i></p> <p style="text-align: center;"><i>Scott Nelson</i></p> <p>Signature</p> <p>Scott Nelson</p> <p>Engineer</p> <p>Title</p> <p>Date 12/13/00</p>
		↓	← 1730' →	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under</i></p> <p style="text-align: right;">Date</p> <p>of Survey</p> <p>Signature and Seal of Professional Surveyer:</p>