

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
P.O. Box 2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

Santa Fe, New Mexico 87504-2088

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-025-10322
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-3480
7. Lease Name or Unit Agreement Name Cole State
8. Well No. 2
9. Pool name or Wildcat Penrose Skelly Grayburg
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3395 GR

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER
2. Name of Operator Zia Energy, Inc.
3. Address of Operator P.O. Box 2219, Hobbs, NM 88241
4. Well Location Unit Letter <u>D</u> : <u>660</u> Feet From The <u>North</u> Line and <u>660</u> Feet From The <u>West</u> Line Section <u>16</u> Township <u>22 South</u> Range <u>37 East</u> NMPM <u>Ira</u> County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3395 GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

- Moved in & rigged up a pulling unit. Tagged bottom w/ tbg. & tallied out. Found fill @ 3636'.
- Picked up 6 - 3 1/2" DC, 4 3/4" bit & 2 7/8" tbg. Rigged up foam equipment to C/O & deepen. C/O out to 3730'.
- Set RBP @ 3500'. Using Baker mod. R packer, located holes in 5 1/2" csg. between 322' & 550'.
- Pulled RBP & set CIBP @ 3490'. Rigged up Halliburton & pumped 100 s x s C1"C" cmt. Had wtr. returns through surface csg. but no cmt.
- Rigged up to drill out cmt. Found top of cmt. @ 269'. Drld. out to 406'. Pressure tsted csg. to 250#. Bled off to 50# in 2 min. Completed drlg. cmt. Csg. leak not squeezed off.
- Shut down & rigged down pending further study.

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

SIGNATURE Farris Nelson TITLE Engineer - President DATE 1/25/93

TYPE OR PRINT NAME Farris Nelson TELEPHONE NO. 505/393-2937

(This space for State Use)

APPROVED BY Paul Kanta Geologist TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

JAN 27 1993