

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., 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 and Natural Resources

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO.
 30-025-23828

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.

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 Gas Well Other

2. Name of Operator
 Zia Energy, Inc.

3. Address of Operator
 2203 Timberloch Place, Suite 229, The Woodlands, TX 77380

4. Well Location
 Unit Letter F : 2310 feet from the North line and 1650 feet from the West line
 Section 16 Township 22S Range 37E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3396' GR, 3407' KB

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

7. Lease Name or Unit Agreement Name
 Cole State

8. Well Number 14

9. OGRID Number

10. Pool name or Wildcat
 Eunice; San Andres, Southwest

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

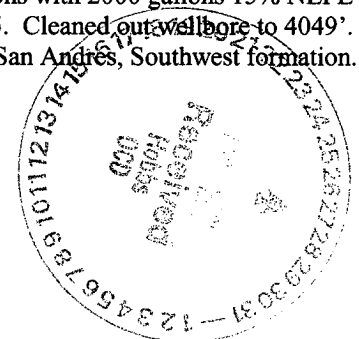
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>		SUBSEQUENT REPORT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

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

04/26/2004 - 05/24/2004

RIH to 4100'. Perforated additional San Andres from 3865-3990', total of 12 holes. Acidized perforations with 2000 gallons 15% NEFE and 20 RCN ball sealers. Fraced well with 76,500 gallons of 10# brine and 5000# of 14/30 Liteprop 125. Cleaned out wellbore to 4049'. RIH with 136 jts 2-3/8" tbg, 113 3/4" rods, and 53 5/8" rods. Put well back on production in the Eunice; San Andres, Southwest formation.

Tabing @ 4292' per KF



I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Donald Dotson TITLE _____ COO _____ DATE 4/14/2005

Type or print name Donald Dotson E-mail address: ddotson@plantationpetro.com Telephone No. 281-296-7222

APPROVED BY: Donald Dotson TITLE PETROLEUM ENGINEER DATE MAY 02 2005
 Conditions of Approval (if any): _____