

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

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

Form C-103  
Revised May 08, 2003

WELL API NO. 30-025-10030
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Brunson
8. Well Number 1
9. OGRID Number 025616
10. Pool name or Wildcat Eunice San Andes

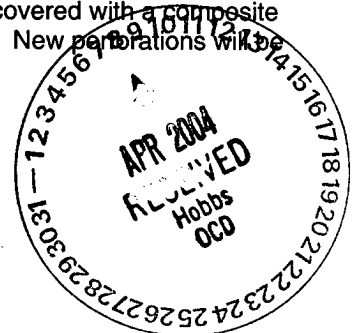
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	7. Lease Name or Unit Agreement Name Brunson
2. Name of Operator Zia Energy, Inc.	8. Well Number 1
3. Address of Operator 2203 Timberloch Place, Suite 229 The Woodlands, TX 77380	9. OGRID Number 025616
4. Well Location Unit Letter <u>J</u> : <u>2310'</u> feet from the <u>South</u> line and <u>2310</u> feet from the <u>East</u> line Section <u>4</u> Township <u>22S</u> Range <u>37E</u> NMPM <u>Lea</u> County	10. Pool name or Wildcat Eunice San Andes
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3453' GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input 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"/> MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: <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.

Operator proposes to add additional perforations in the Grayburg Formation from 3632'--3752'. Existing producing perforations are currently 3770--3916'. These perforations will be covered with a composite bridge plug and the new perforations will be shot, acid stimulated and fracture treated. New perforations will be evaluated then commingled with old perms 3770--3916'.

See attached wellbore diagram.



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

SIGNATURE Gene Lee TITLE Agent DATE 3/10/04

Type or print name Gene Lee Telephone No. (505) 626-4292

(This space for State use)

APPROVED BY Larry W. Wink TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE APR 15 2004  
Conditions of approval, if any:

Well Name: **Brunson #1** Zia Lease Number: **10030** Lease Type: \_\_\_\_\_  
 Location: **2310' FSL & 2310' FEL** Sec: **4** Township: **22S** Range: **37E**  
 County: **Lea** State: **NM** API: **30-025-10030** Formation: **Grayburg**

#### Surface Csg

Size: **12-1/2"**  
 Wt.&Thrd: \_\_\_\_\_  
 Grade: \_\_\_\_\_  
 Set @: **289'**  
 Sxs cmt: **75**  
 Circ: \_\_\_\_\_  
 TOC: \_\_\_\_\_  
 Hole Size: \_\_\_\_\_

#### Intermediate Csg 1

Size: **8-5/8"**  
 Wt.&Thrd: **32#; 10R**  
 Grade: \_\_\_\_\_  
 Set @: **1265'**  
 Sxs Cmt: **75**  
 Circ: **No**  
 TOC: \_\_\_\_\_  
 Hole Size: \_\_\_\_\_

#### Intermediate Csg 2

Size: **7"**  
 Wt.&Thrd: **24#; 10R**  
 Grade: \_\_\_\_\_  
 Set @: **3595'**  
 Sxs Cmt: **100**  
 Circ: **No**  
 TOC: \_\_\_\_\_  
 Hole Size: \_\_\_\_\_

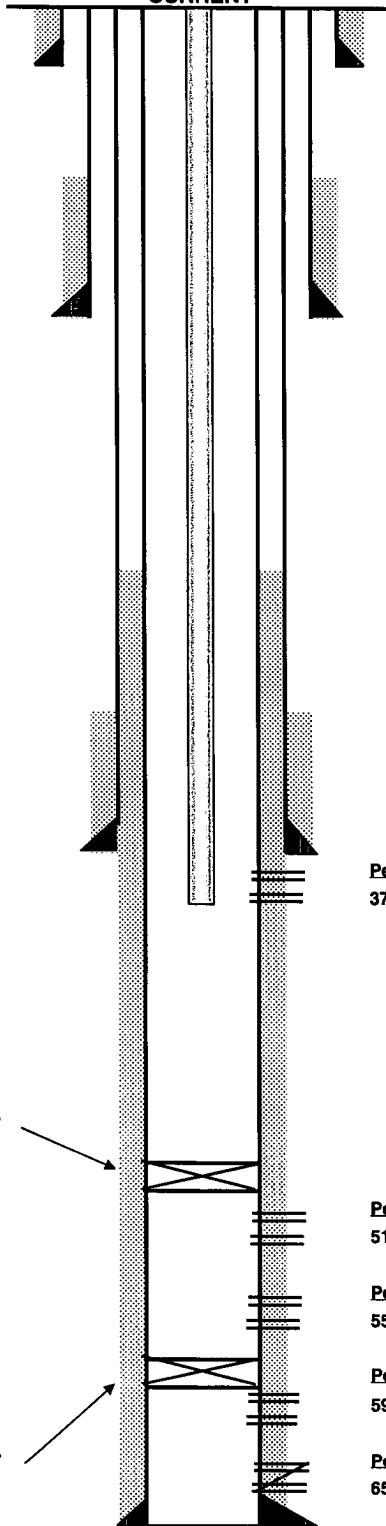
#### Production Csg

Size: **5"**  
 Wt.&Thrd: **15#; 8R**  
 Grade: **J55**  
 Set @: **6570'**  
 Sxs Cmt: **300**  
 Circ: **No**  
 TOC: \_\_\_\_\_  
 Hole Size: **6-5/8"**

CIBP set @ 5140'

CIBP set @ 5930'

#### CURRENT



KB: \_\_\_\_\_  
 DF: \_\_\_\_\_  
 GL: **3453'**  
 Spud Date: **11/13/1936**  
 Compl. Date: **2/19/1937**

#### History - Highlights

Perfs **Status**  
**3770-3916' Grayburg**

Perfs **Status**  
**5160-5254' Paddock - below CIBP**

Perfs **Status**  
**5570-5840' Blinbry - below CIBP**

Perfs **Status**  
**5952-6170' Tubb - below CIBP**

Perfs **Status**  
**6526-6544' Drinkard - ?squeezed**

TD 6570'

#### Tubulars - Capacities and Performance

	bbt/ft	cf/ft	Tensile (lbs)	Burst (psi)	Collapse (psi)	ID(in)	Drift (in)
2-3/8" 4.7# J55 Tubing	0.00387	0.02171	71730	7700	8100	1.995	1.901
7" 23# J55 Casing	0.03930	0.2210	313000	4360	3270	6.366	6.241
Annular 2-3/8"-7"	0.03390	0.1903					