

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  
Revised May 08, 2003

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

WELL API NO. 30-025-10335
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 Christmas
8. Well Number 1
9. OGRID Number 025616
10. Pool name or Wildcat Eunice San Andres, SW

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3406' GR
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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 Pl, Ste 229, The Woodlands, TX. 77380

4. Well Location  
Unit Letter I : 2310 feet from the North line and 330 feet from the East line  
Section 17 Township 22S Range 37E NMPM Lea County

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 COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: Perf, complete, place on production. <input checked="" 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.

7-24-04 thru 7-29-04

MIRU Mesa Well Service workover rig. TIH w/ 3 7/8" bit and clean out to PBTD--3984'. Run GR/CBL/CCL log. Perforate San Andres 3843'--3899' w/ 114 holes, 0.41" EHD. Acidize perms w/ 5000 gal 15% NEFE + 150 RCN Ball Sealers. Swab test w/ good show of gas and 15% oil cut. Rig up and run 2 3/8" production tbg. Run 2.375" 4.7# J55 EUE 8rd tbg. EOT--3885', SN--3850', TAC--3609'. Flange up and run rods and pump. Load & test to 500 psi. Leave producing into sales. Rig down and release Mesa Well Service.

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 7/30/04

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

(This space for State use)

APPROVED BY Harry W. Wink TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER

Conditions of approval, if any:

SEP 21 2004