

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. 30-025-10090
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 Elliott "B"
8. Well Number 4
9. OGRID Number 25616
10. Pool name or Wildcat Eumont; Yates-7 Rvrs-Queen

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 B : 660 feet from the North line and 1980 feet from the East line  
Section 7 Township 22S Range 37E NMPM Lea County

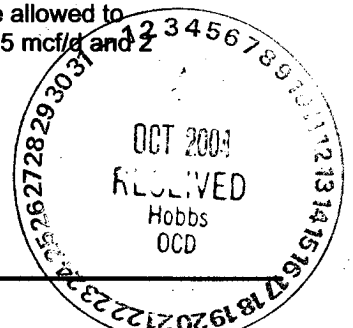
11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3446' RKB

12. 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 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: Request for downhole commingling. <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.

Zia Energy, Inc has perforated additional zones in the above wellbore. The wellbore was producing from the ~~Queen~~ *Gray but* formation and now additional intervals have been perforated in the Queen from 3448'--3605' and also in the Yates, 7 Rivers at 3057'--3402' w/ 122 holes. These zones have been acidized and stimulated and are in the Eumont; Yates- 7 Rivers-Queen area of previously approved commingling in T22S-R37E.

Zia Energy, Inc respectfully requests that the addition of perforations in the Yates-7 Rivers be allowed to commingle with the currently producing Queen zone. Production from each zone averages 25 mcf/d and 2 bbls/day of oil.



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 9/12/04

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

(This space for State use)

APPROVED BY DENIED TITLE \_\_\_\_\_ DATE OCT 06 2004  
Conditions of approval, if any: