

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. 30-025-06394
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Hill
8. Well Number 1
9. OGRID Number 025616
10. Pool name or Wildcat Eunice Tubb, Brinebry, Grayburg

**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 J : 3300 feet from the North line and 1730 feet from the East line  
 Section 4 Township 21S Range 37E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
 3445' GR

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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
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"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

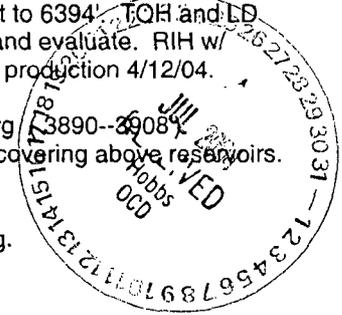
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

3/29/04 through 4/12/04

MIRU Mesa Well Service workover rig and reverse equipment. TIH w/ fishing tools ad clean out old perf gun and CIBP at 5550'. Continue to clean out and drill out cement retainer at 6155'. Clean out to 6394'. TOH and LD tools. Acidize Tubb perms 6195-6394' w/ 3000 gal 15% NEFE acid. Swab back load and evaluate. RIH w/ production 2 7/8" tbg to 6356'. SN @ 6320' Run rods and pump. Place well back on production 4/12/04.

DOWNHOLE COMMINGLE: Tubb (6195--6394'), Blinebry (5630--5870'), & Grayburg (5890--6084')  
 Downhole order submitted to allow downhole commingling under OCD blanket order covering above reservoirs.

NEW CURRENT PRODUCTION---Downhole Commingled Tubb, Blinebry & Grayburg.



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 4/22/04

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

(This space for State use)

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE DEC 06 2004

Conditions of approval, if any:

DEC 24 2014