

Submit To Appropriate District Office  
 State Lease - 6 copies  
 Fee Lease - 5 copies  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Avenue, 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-105  
 Revised June 10, 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  FEE

State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:  
 OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_  
 b. Type of Completion:  
 NEW  WORK  DEEPEN  PLUG  DIFF.  
 WELL OVER BACK RESVR.  OTHER

7. Lease Name or Unit Agreement Name  
 Hill

2. Name of Operator  
 Zia Energy, Inc.

8. Well No.  
 1

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

9. Pool name or Wildcat  
 Penrose Skelly Grayburg / Blinebry / Tubb

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

10. Date Spudded 11. Date T.D. Reached 12. Date Compl. (Ready to Prod.) 13. Elevations (DF& RKB, RT, GR, etc.) 14. Elev. Casinghead  
 4/16/2004 3445' GL

15. Total Depth 16. Plug Back T.D. 17. If Multiple Compl. How Many 18. Intervals Rotary Tools Cable Tools  
 6394' Zones? 3 Drilled By

19. Producing Interval(s), of this completion - Top, Bottom, Name  
 3890-3908' Penrose Skelly Grayburg; 5630-5870' Blinebry; 6195-6394' Tubb

20. Was Directional Survey Made  
 22. Was Well Cored

21. Type Electric and Other Logs Run

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	56#	330'	17-1/4"	200 sx circ.	RECEIVED
8-5/8"	32#	2840'	10-3/4"	200 sx	Hubbs
5-1/2"	15.5#	6394'	7-7/8"	600-1000	OCB

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8"	6300'	

26. Perforation record (interval, size, and number)  
 3890-3908' Penrose Skelly Graybury 4 SPF  
 5630-5870' Blinebry  
 6195-6394' Tubb

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.  
 DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED  
 6195-6394' 3000 gal 15% NEFE acid + 50 RCN Ball Sealers

28. PRODUCTION

Date First Production 4/16/2004  
 Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping  
 Well Status (Prod. or Shut-in) Producing

Date of Test 4/30/2004 Hours Tested 24 Choke Size Prod'n For Test Period Oil - Bbl 8.1 Gas - MCF 6.9 Water - Bbl. 5 Gas - Oil Ratio 852

Flow Tubing Press. Casing Pressure 25 Calculated 24-Hour Rate Oil - Bbl. 8.1 Gas - MCF 6.9 Water - Bbl. 5 Oil Gravity - API - (Corr.) 36.8

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold Test Witnessed By

30. List Attachments

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature  Printed Name Don Dotson Title COO  Date 7/29/2004  
 E-mail Address ddotson@plantationpetro.com