

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPL
(Other instructions
verse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

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-" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. LC-061446	
2. NAME OF OPERATOR Zia Energy Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR P.O. Box 2510, Hobbs, NM 88241-2510		7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 2086' FNL & 776' FWL		8. FARM OR LEASE NAME Penrose	
14. PERMIT NO.		9. WELL NO. 2	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 3424' KB		10. FIELD AND POOL, OR WILDCAT Eunice San Andres SW	
		11. SEC. T., R., M., OR BLK. AND SURVEY OR AREA 9-22S-37E	
		12. COUNTY OR PARISH Lea	13. STATE NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input checked="" type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	
(Other) <input type="checkbox"/>		(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

12/14/00 RUPU, POH with production equipment. Set CIBP @ 4950' and dump 35' cement: Perfrate @ 3798' - 3896'.

12/15/00 Acidize the interval 3888-96' with 2000 gals. of 15% NEFE. Could not get RBP to move hole. Push down to 4600'. POH

12/16/00 RIH with a pkr. and a RBP, set between intervals and tested. Tried to move pkr. up hole and it was stuck - beat hole 25'. Chemical cut tubing @ 3815'.

12/17/00 RIH with production equipment and set above fish. Put on pump.

12/28/00 RUPU, TOH with prod. equip. install BOP.

12/29/00 RIH with a cutrite shoe and wash pipe.

12/30/00 Tagged fish @ 3811' and started milling on slips. Cut top slips. POH. Caught fish. POH with pkr.

1/2/01 RIH and set pkr. @ 3695'. Acidized the interval 3798'-3834' with 3000 gals of 15% NEFE. POH with packer. GIH with retrieving head for RBP. POH with RBP. GIH with retrieving head for 2nd RBP. SION.

1/3/01 Latch on to RBP. Would not go up hole, only down. Moved down 4683'. Release and POH. GIH with SN to 4118'.

1/4/01 RIH with rods and pump. Put on production.

18. I hereby certify that the foregoing is true and correct

SIGNED Scott Nelson TITLE Engineer DATE 2/7/01

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

2A Paddock