

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

2040 South Pacheco
Santa Fe, NM 87505

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.
30-025-10322

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.
B-3480

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)

7. Lease Name or Unit Agreement Name

Cole State

1. Type of Well:
OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. Name of Operator
Zia Energy, Inc.

8. Well No.
2

3. Address of Operator
PO Box 2510, Hobbs, NM 88241

9. Pool name or Wildcat
Penrose Skelly Grayburg

4. Well Location
Unit Letter D | 660 Feet From The North Line and 660 Feet From The West Line
Section 16 Township 22S Rang. 37E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3395' GR

11. 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 checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. 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.

8/17/98 Tag CIBP @ 3490', circulate 10# brine with 25 lb gel/bbl, spot 25 sxs Class 'C' from 3490-3244'.

8/18 Perforate @ 1190'. Could not pump in. Gary Wink approved spotting 25 sxs from 1240-994'.

Pump 40 sxs from 411' to surface.

Cut off wellhead 3' below surface, weld on cap and dry hole marker.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Scott Nelson TITLE Engineer DATE 9/1/98

TYPE OR PRINT NAME Scott Nelson 393-2937 TELEPHONE NO.

(This space for State Use)

APPROVED BY Larry W. Hill TITLE Oil & Gas Inspector DATE OCT 06 1998

CONDITIONS OF APPROVAL IF ANY:

IS CW

gic
Lp