

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

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

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

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-025-10326
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-3480
7. Lease Name or Unit Agreement Name Cole State
8. Well No. 6
9. Pool name or Wildcat Eumont YSRQ

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 <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER	2. Name of Operator Zia Energy Inc.
3. Address of Operator P.O. Box 2219, Hobbs, NM 88241	4. Well Location Unit Letter <u>B</u> : <u>660</u> Feet From The <u>North</u> Line and <u>1980</u> Feet From The <u>East</u> Line Section <u>16</u> Township <u>22S</u> Range <u>37E</u> NMPM Lea County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) <u>3417 DF</u>	

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"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <u>Repair casing leak</u> <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <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.

1. Isolate casing leak with bridge plug and packer.
 2. Cement squeeze leaks, drill out and test to 500 psi.
 3. Return well to production.
- If casing is beyond repair the well bore will be plugged and abandoned as follows:
1. Set CIBP at 3400' and dump 35' of class 'c' cement on plug.
 2. Load hole with 10# brine and gel.
 3. Spot surface plug, install dry hole marker and clean location.
- No casing will be pulled.

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 8/12/97
TYPE OR PRINT NAME Scott Nelson TELEPHONE NO. 505/393-2937

(This space for State Use)
ORIGINAL STAMPED BY CHRIS WILLIAMS
DISTRICT I SUPERVISOR

APPROVED BY _____ TITLE _____ DATE AUG 18 1997

CONDITIONS OF APPROVAL, IF ANY: Submit full plugging procedure on this well before P&A started and notify OCO when plugging to take place.