

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. 30-025-22039 |
| 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| 7. Lease Name or Unit Agreement Name Simmons |
| 8. Well No. 2 |
| 9. Pool name or Wildcat San Andres SWD |

| | |
|---|--|
| 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 type="checkbox"/> OTHER <input checked="" type="checkbox"/> Salt Water Disposal | |
| 2. Name of Operator Zia Energy Inc. | |
| 3. Address of Operator P.O. Box 2510, Hobbs, NM 88241-2510 | |
| 4. Well Location Unit Letter <u>G</u> : <u>2310</u> Feet From The <u>North</u> Line and <u>1980</u> Feet From The <u>East</u> Line Section <u>5</u> Township <u>22 South</u> Range <u>37 East</u> NMJM Lea County | |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3424' 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"/> | REMEDIAL WORK <input checked="" 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: <input 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.

- Received Amended Administrative Order SWD-431. Copy enclosed.
- Unseated packed, pulled tubing, removed damaged joint.
- Perforated interval 4922' to 4944' with 88 shots. Reperforated interval 4902' to 4910' with 32 shots.
- Replaced old packer with new packer. Trip in hole with plastic coated tubing and packer. Spotted packer at 4800'. Pumped 415 barrels of packer fluid down casing until we had packer fluid returned through tubing.
- Pulled one joint of tubing and set packer 4761'. Pressured up to 300# on casing and held for 15 minutes. Chart enclosed.
- Will acidize all perforations with 5,000 gallons of acid when needed.

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

SIGNATURE Farris Nelson TITLE President DATE 5/12/01

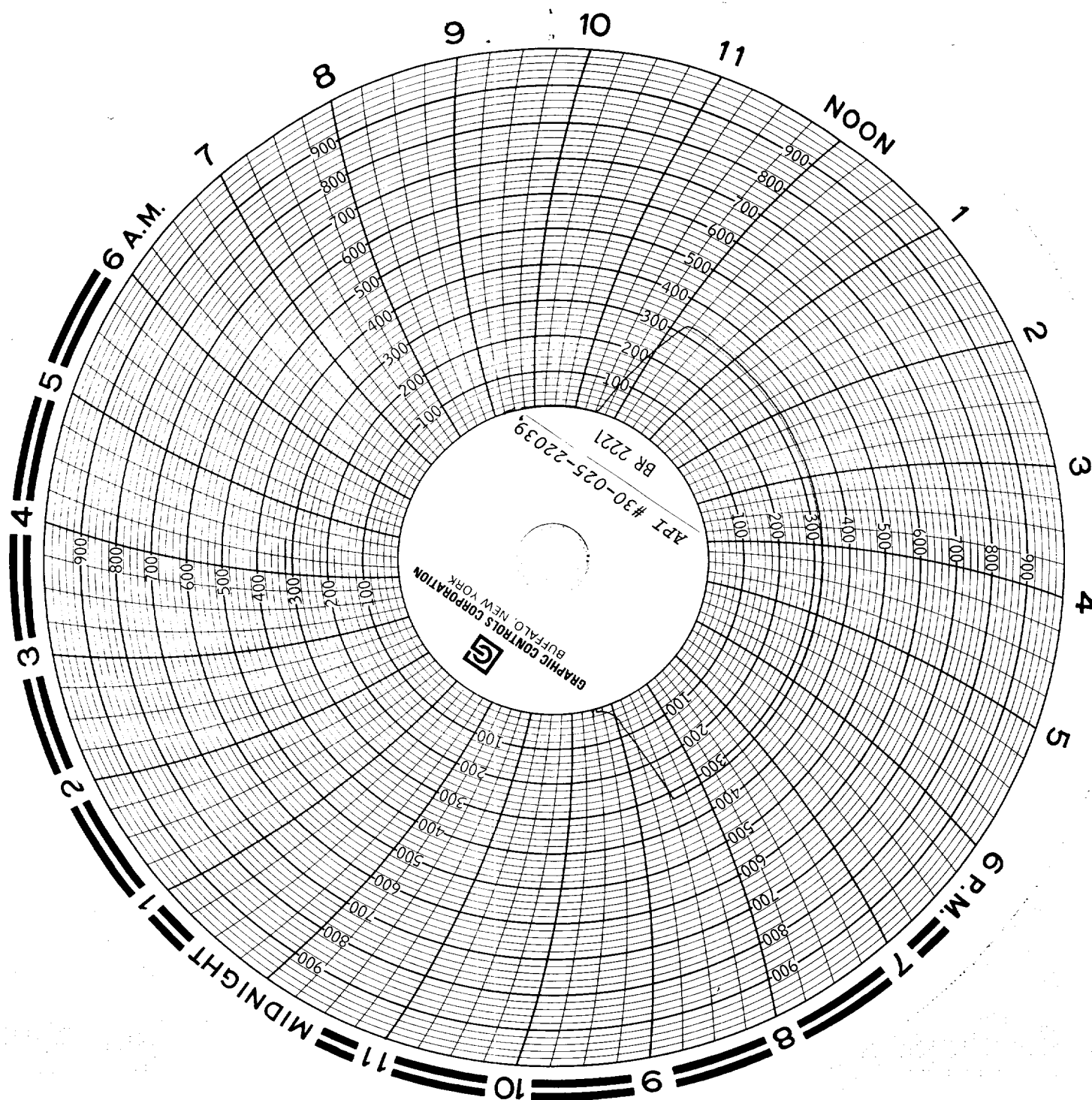
TYPE OR PRINT NAME Farris Nelson 505/393-2937 TELEPHONE NO.

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

SCS





Zia Energy, Inc.
Simmons #2
API #30-025-22039
IS mtr. MIT

Pressure casing to 330 PSI
Pressure casing to 330 PSI
George C. Jacobs
Chaparral #330
5-12-01

Zia Energy
Simmons #2 - GUD.