

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. 30-025-22163
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. 10
9. Pool name or Wildcat Eunice San Andres SW

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3394' GR
--

**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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator Zia Energy Inc.
3. Address of Operator P.O. Box 2219, Hobbs, NM 88241

4. Well Location Unit Letter <u>E</u> : <u>2310</u> Feet From The <u>North</u> Line and <u>990</u> Feet From The <u>West</u> Line Section <u>16</u> Township <u>22S</u> Range <u>37E</u> NMPM <u>Lea</u> County
---

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
<b>NOTICE OF INTENTION TO:</b>	<b>SUBSEQUENT REPORT OF:</b>
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: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: PB & recomplete <input checked="" 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. Rigged up well servicing unit 11/27/95. Installed BOP. Pressure tested casing down to 6880' with 500# for 30 minutes without loss of pressure.
2. Log from 2500' to 6500' with GR - CNL. Perforated 3786' - 3890' with 15 holes.
3. Stimulated San Andres perfs. using 2000 GA.
4. Ran 3995' - 2 3/8" tubing with 2" X 1 3/4" X 16' pump. Put well on production.

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

SIGNATURE <u>Farris Nelson</u>	TITLE <u>President</u>	DATE <u>1/18/96</u>
TYPE OR PRINT NAME <u>Farris Nelson</u>		TELEPHONE NO. <u>505/393-2937</u>

(This space for State Use)

APPROVED BY <u>GERRY SEXTON</u>	TITLE <u>ADVISOR</u>	DATE <u>FEB 09 1996</u>
CONDITIONS OF APPROVAL, IF ANY:		

7A Lea Andres SW 3 40