

BUREAU OF LAND MANAGEMENT

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-032573-b	
2. NAME OF OPERATOR Zia Energy Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR P.O. Box 2219, Hobbs, NM 88241		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 1980' FSL & 1780' FEL		8. FARM OR LEASE NAME Elliott "B"	
14. PERMIT NO.		9. WELL NO. 7	
15. ELEVATIONS (Show whether OF, AT, OR, etc.) 3443' GR		10. FIELD AND POOL, OR WILDCAT Blinebry	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 6-22S-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:

TEST WATER SHUT-OFF ☐FRACTURE TREAT ☐SHOOT OR ACIDIZE ☐REPAIR WELL ☐(Other) ☐PULL OR ALTER CASING ☐MULTIPLE COMPLETE ☐ABANDON* ☐CHANGE PLANS ☐Surface Commingle ☒

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐FRACTURE TREATMENT ☐SHOOTING OR ACIDIZING ☐(Other) ☐REPAIRING WELL ☐ALTERING CASING ☐ABANDONMENT* ☐

(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.)

It is intended to surface commingle production from the subject well, currently producing blinebry, into a common tank battery facility on the same lease. The other wells produce from the Penrose Skelly. Production from each zone will be allocated based on periodic well test from 3 phase separation as per commingling order PC-948.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

SIGNED

Scott Nelson

TITLE

Engineer

DATE

10/14/97

(This space for Federal or State office use)

(ORIG. SGD.)

XIS C. SWOBODA

PETROLEUM ENGINEER

APPROVED BY

TITLE

DATE

DEC 31 1997

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side