

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. 30-025-34043
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. 3
9. Pool name or Wildcat

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 type="checkbox"/> Temporarily Abandoned	
2. Name of Operator Zia Energy Inc.	
3. Address of Operator P.O. Box 2219, Hobbs, NM 88241	
4. Well Location Unit Letter 6 : 1650 Feet From The North Line and 1650 Feet From The East Line Section 5 Township 22S Range 37E NMPM Lea County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3452' KB 3438' GL	

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: Temporarily abandon 1 year <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. Pumped 35 sxs (100') c1"H" cement plug on bottom from 7600' to 7500'.
2. Pumped 35 sxs (100') c1"H" cement plug at top of Abo from 6700' to 6600'
3. Pumped 35 sxs (100') c1"H" cement plug at top of Glorietta from 5200' to 5100'.
4. Pumped 35 sxs (100') c1"H" cement plug in San Andres from 4350' to 4250'.
5. Pumped 35 sxs (100') c1"H" plug across 8 5/8" shoe from 3270' to 3170'.
6. Zia Energy, Inc. requests an approval for temporary abandonment for one year to allow for oil and gas lease negotiations and study for the deeper rights. Attached is an approved copy of the C-103 filed by Home-Stake Royalty Corporation. It should be noted that new 8 5/8" 32# J-55 casing was set at 3220' and cemented with 1195 sxs of cement and that 214 sxs were circulated to pits. Casing was tested to 1000 psi - ok. Open hole cement plugs were set as directed by OCD. There should be no question concerning the integrity of the 8 5/8" casing for this short period.

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 12/19/97  
TYPE OR PRINT NAME Farris Nelson TELEPHONE NO. 505/393-2937

(This space for State Use)

ORIGINAL SIGNED BY  
GARY WINK  
FIELD REP. II

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

02 1333

dp