

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

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|---|
| WELL API NO. 30-039-29586 |
| 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 EL POSO |
| 8. Well Number #4 |
| 9. OGRID Number 226829 |
| 10. Pool name or Wildcat WILDCAT <i>Greenhorn</i> |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 7196' GL |

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 Gas Well Other

2. Name of Operator
BLUE DOLPHIN PRODUCTION, LLC

3. Address of Operator
609 S. KELLY SUITE F-1 EDMOND, OK. 73003

4. Well Location
 Unit Letter C : 530 feet from the NORTH line and 1765 feet from the WEST line
 Section 14 Township 28N Range 1E NMPM County RIO ARRIBA

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

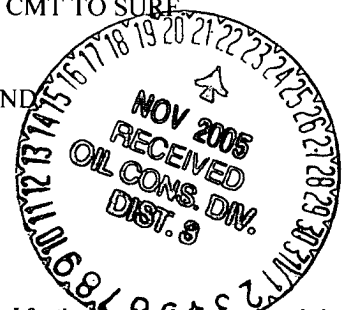
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

| | | | |
|--|---|---|--|
| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input checked="" type="checkbox"/> | X |
| OTHER: <input type="checkbox"/> | | OTHER: <input type="checkbox"/> | |

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

REPORT OF DRILLING---CASING & CEMENT---TESTING

- 8-13-05 DRILL 12-1/4" SURFACE HOLE TO 185'.
 RUN SURF. CSG 8-5/8" 24# J-55 TO 178'. CMT w/ 140 SX CLS "B" 15.6 PPG. CIRC 3 BBL CMT TO SURFACE.
- 8-15-05 NUBOP & TEST. DRILL OUT SURF. w/ 7-7/8" BIT & CONT. DRLG.
- 8-18-05 TD WELL @ 1709'. RUN OPEN HOLE LOGS. GR-CAL-FDC-CNL-IES-MICROLOG.
 RUN 5-1/2" 15.5# J-55 CSG TO 1704'. FLOAT @ 1664'.
 CMT w/ 90 SX CLS "B" 11.4 PPG LEAD & 100 SX CLS "B" 13.5 PPG TAIL. CIRC 4 BBL CMT TO SURF.
- 9-08-05 RUN CBL & SHOW CMT TO SURFACE & GOOD CMT BOND TD TO SURF.
 PERFORATE 1520' TO 1540'.
- 9-10-05 FRAC INTERVAL 1520'-1540' w/ 40 M GAL X-LINK GEL WATER & 50 M LB. 20/40 SAND
- 9-17-05 CLEAN OUT WELL.
- 9-21-05 LAND TBG @ 1592'.
- 9-23-05 RUN RODS & PUMP.
- 10-28-05 24 HR. PROD TEST. 20 BO 0 BW 0 MCF.



I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that a pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines X, a general permit or an (attached) alternative OCD-approved plan

SIGNATURE *Bradley W. Salzman* TITLE AGENT _____ DATE 11-22-05

Type or print name BRADLEY W. SALZMAN E-mail address: brads@titusconsulting.net Telephone No. 505-486-1701

For State Use Only

APPROVED BY: *H. Villanueva* TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE NOV 22 2005
 Conditions of Approval (if any): _____