

**UNITED STATES
DEPARTMENT OF THE INTERIOR
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) **n7 III**

5. Lease
NMSF-079304

6 If Indian, Allottee or Tribe Name

7. Unit Agreement Name

3 PM 12: 10

1. Oil Well Gas Well Other
GAS WELL

8 Well Name and No
RECEIVED SANCHEZ #8

2 Name of Operator
Caulkins Oil Company

9. API Well No.
210 FARMINGTON NM 30-039-29418-00S1

3 Address of Operator
**(505) 334-4323
1409 W. Aztec Blvd. Ste B7, Aztec, NM 87410**

10. Field and Pool, Exploratory Area
BASIN DAKOTA

4 Location of Well (Footage, Sec, Twp, Rge)
1600' F/N 1600' F/W SEC. 24-26N-6W

11. Country or Parish, State
Rio Arriba Co., New Mexico

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Commingle</u>	<input type="checkbox"/> Dispose Water

17 Describe Proposed or Completed Operations

7-12-07 We intend to recomplete this well in ~~Blanco~~ Blanco Mesa Verde formation then commingle with Basin Dakota by the following procedure:
Rig up.
T. O. H. with 2 3/8" tubing.
T. I. H. with wireline set retrievable bridge plug to 5400'.
Load hole with KCL water.
Perforate Mesa Verde zone, 5299' through 4884'.
Frac Mesa Verde zone with 90,000# 20/40 sand and N2 foam.
Flow well back.
T. I. H., clean out to retrievable bridge plug set at 5400'.
Test Mesa Verde zone.
T. O. H. with retrievable bridge plug.
T. I. H. with 2 3/8" production tubing, clean out to PBSD.
Land tubing on doughnut at approximately 7500'.
Rig down and move.
Estimated starting date, August 1, 2007.

**RCVD JUL 23 '07
OIL CONS. DIV.
DIST. 3**

HOLD OIL FOR C-102 For Blanco-Mesa Verde Pool

SEE ATTACHED FOR CONDITIONS OF APPROVAL

NO DWC ORDER - 7/23/07

NOTE: The format is issued in lieu of U.S. BLM Form 3160-5

18. I HEREBY CERTIFY THE FOREGOING IS TRUE AND CORRECT

SIGNED: Robert L. Verquer TITLE: Superintendent DATE: July 12, 2007
ROBERT L. VERQUER

APPROVED BY: P. J. Umbalaba TITLE: Petr. Eng DATE: 7/19/07
CONDITIONS OF APPROVAL, IF ANY

see attached **NMOCD**

file allocation methodology after appropriate test time.
R

BLM CONDITIONS OF APPROVAL

CASING REPAIR OPERATIONS:

- 1. A properly functioning BOP and related equipment must be installed prior to commencing worker and/or recompletion operations.**
- 2. If this well is in a Seasonal Closure Area or a Specially Designated Area, adhere to the closure requirements and special conditions.**
- 3. If casing repair operations are needed, obtain prior approval from this office before commencing repairs.**

SURFACE USE OPERATIONS:

The following Stipulations will apply to this well unless a particular Surface Managing Agency or private surface owner has supplied to BLM and operator a contradictory environmental stipulation. The failure of operator to comply with these requirements may result in assessments or penalties pursuant to 43 CFR 3163.1 or 3163.2. A copy of these conditions of approval shall be present on location during construction, drilling and reclamation activity.

An agreement between operator and fee landowner will take precedence over BLM surface stipulations unless (in reference to 43 CFR Part 3160) 1) BLM determines that operator's actions will affect adjacent Federal or Indian surface, or 2) operator does not maintain well area and lease premises in a workmanlike manner with due regard for safety, conservation and appearance, or 3) no such agreement exists, or 4) in the event of well abandonment, minimal Federal restoration requirements will be required.

STANDARD STIPULATIONS: All surface areas disturbed during work-over activities and not in use for production activities will be reseeded. This should occur in the first 90 days after completion of work-over activities.

SPECIAL STIPULATIONS:

- 1. Pits will be fenced during work-over operation.**
- 2. All disturbance will be kept on existing pad.**
- 3. All pits will be pulled and closed immediately upon completion of the work-over activities.**
- 4. Pits will be lined with an impervious material at least 12 mils thick.**