

**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)

5. Lease

NMNM-0355T

NMSF 079186

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

1. Oil Well Gas Well Other
GAS WELL

8. Well Name and No.

BREECH "E" 50-E

2. Name of Operator:

Caulkins Oil Company

9. API Well No.

30-039-22908-00C1

3. Address of Operator:

(505) 334-4323

1409 W. Aztec Blvd. Ste B7, Aztec, NM 87410

10. Field and Pool, Exploratory Area

DAKOTA, MESA VERDE

4. Location of Well (Footage, Sec., Twp., Rge.)

990' F/N 1120' F/W

SEC. 5-26N-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

Notice of Intent

Abandonment

Change of Plans

Subsequent Report

Recompletion

New Construction

Final Abandonment Notice

Plugging Back

Non-Routine Fracturing

Casing Repair

Water Shut-Off

Altering Casing

Conversion to Injection

Other + *DHC*

Dispose Water

17. Describe Proposed or Completed Operations:

12-1-03 We request approval to recomplate this well in the South Blanco Tocito formation by the following procedure:

Rig up.

T. O. H. laying down 2 1/16" tubing.

Run wireline set retrievable bridge plug to 6900'.

Run gas spectrum log from 6890' to 6200'.

Perforate Tocito zone, 6796' - 6783', with 4 shots per foot.

T. I. H. with 2 7/8" tubing and fullbore packer to 6400'.

Frac Tocito with 20,000# 20/40 sand and N2 foam.

Flow back well to clean up and test Tocito.

T. O. H. laying down 2 7/8" tubing with packer.

T. I. H. with new 2 3/8" tubing with retrieving head.

T. O. H. with retrievable bridge plug from 6900'.

(continued on page 2)



CONDITIONS OF APPROVAL

Adhere to previously issued stipulations.

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

SF order pending

18. I HEREBY CERTIFY THE FOREGOING IS TRUE AND CORRECT

SIGNED: *Robert L. Verquer*
ROBERT L. VERQUER

TITLE: Superintendent DATE: December 1, 2003

APPROVED BY: *Jim Lovato*
CONDITIONS OF APPROVAL, IF ANY

TITLE: *Petr. Eng* DATE: *1/15/04*

Caulkins Oil Company
BLM Sundry Notice
Breech "E" 50-E
December 1, 2003
Page 2

T. I. H. with 2 3/8" production tubing.

Clean out to PBTD at 7475' with air foam unit

Land tubing on doughnut at approximately 7400'.

Rig down and move.

Estimated starting date, January 12, 2004.

No new surface will be disturbed, location area will be cleaned up following operations.

NMOCD C-102 attached for Tocito.

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
 1220 South St. Francis Drive
 Santa Fe, NM 87504

Form C-102
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office

State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-22908		² Pool Code 06460	³ Pool Name SOUTH BLANCO TOCITO
⁴ Property Code 2459	⁵ Property Name BREECH "E"		⁶ Well Number 50-E
⁷ OGRID No. 003824	⁸ Operator Name Caulkins Oil Company		⁹ Elevation 6572 GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	5	26N	6W		990'	North	1120'	West	Rio Arriba

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 80	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	Breech "E" 50	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and</i>
		Signature: <i>Robert L. Verquer</i> Printed Name: Robert L. Verquer Title: Superintendent Date: December 1, 2003
		¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by my supervision, and that the same is true and correct to the best of my knowledge and belief.</i>
		Date of Survey: Signature and Seal of Professional Surveyor: Certificate Number:

District I
1623 N. French Drive, Hobbs, NM 88240

District II
1901 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87411

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

MINERAL RESOURCES

Oil Conservation Division

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APM I
NATV AMM COORD
SOLID MNT TEAM
PETRO MNT TEAM

APPLICATION FOR DOWNHOLE COMMINGLING

O & G MNT TEAM
OIL TEAM LEADERS
LAND RESOURCES ENVIRONMENT
FILES

RECEIVED

2004 JAN 12 AM 11

APPLICATION TYPE
Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

Operator Caulkins Oil Company Address 409 W. Aztec Blvd., Suite B7, Aztec, NM 87410
Lease BREECH "E" Well No. 50-E Unit Letter-Section-Township-Range UNIT D - SEC. 5-26N-6W County Rio Arriba

OGRID No. 003824 Property Code 2459 API No. 30-039-22908 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Mesa Verde	South Blanco Tocito	Basin Dakota
Pool Code	72319	06460	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4573' - 5426'	6783' - 6796'	7262' - 7452'
Method of Production (Flowing or Artificial Lift)	Flowing	Flowing	Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	N/A	N/A	N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1173	Estimated 1280	1173
Producing, Shut-In or New Zone	Producing	Shut-in	Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 12 month average Rate: Gas 24 MCF/D, Oil .181 Bbl, Water .97 Bbl	Date: Estimated Rate: Gas 160 MCF/D, Oil 1.5 Bbl, Water .6 Bbl	Date: 12 month average Rate: Gas 110 MCF/D, Oil .239 Bbl, Water .58 Bbl
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Gas 8 %, Oil 9 %	Gas 55 %, Oil 78 %	Gas 37 %, Oil 13 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No
Are all produced fluids from all commingled zones compatible with each other? Yes No
Will commingling decrease the value of production? Yes No
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes No

NMOCD Reference Case No. applicable to this well: DHC-3187, DHC-659B, HCH-2102

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Robert L. Verquer TITLE Superintendent DATE December 19, 2003
TYPE OR PRINT NAME Robert L. Verquer TELEPHONE NO. (505)-334-4323

District I

PO Box 1980, Hobbs, NM 88241-1980
District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2640 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-22908		² Pool Code 06460	³ Pool Name SOUTH BLANCO TOCITO
⁴ Property Code 2459	⁵ Property Name BREECH "E"		⁶ Well Number 50-E
⁷ OGRID No. 003824	⁸ Operator Name Caulkins Oil Company		⁹ Elevation 6572 GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	5	26N	6W		990'	North	1120'	West	Rio Arriba

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 80	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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	<p>Breech "E" 50 ⊙</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and</p> <p><i>Robert L. Verquer</i> Signature</p> <p>Printed Name Robert L. Verquer</p> <p>Title Superintendent</p> <p>Date December 1, 2003</p>
		<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

District I :
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-22908		² Pool Code 71599	³ Pool Name BASIN DAKOTA
⁴ Property Code 2459	⁵ Property Name BREECH "E"		⁶ Well Number 50-E
⁷ OGRID No. 003824	⁸ Operator Name Caulkins Oil Company		⁹ Elevation 6572 GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	5	36N	6W		990'	North	1120'	West	Rio Arriba

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UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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¹⁶ 				¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief		
				Signature <i>Robert L. Verquer</i> Printed Name Robert L. Verquer Title Superintendent Date July 7, 1998		
				¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.		
				Date of Survey Signature and Seal of Professional Surveyor: Certificate Number		

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-22908		² Pool Code 72319		³ Pool Name MESA VERDE	
⁴ Property Code 2459		⁵ Property Name BREECH "E"			⁶ Well Number 50-E
⁷ OGRID No. 003824		⁸ Operator Name Caulkins Oil Company			⁹ Elevation 6572 GR


¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹⁶ 990' 1120'				¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief	
				Signature 	
				Printed Name Robert L. Verquer	
				Title Superintendent	
			Date July 7, 1998		
			¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.		
			Date of Survey		
			Signature and Seal of Professional Surveyor:		
			Certificate Number		

**LAST 12-MONTHS PRODUCTION
FOR
BREECH E 50-E**

DAKOTA

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
06/02	3,329	8	1	29	115	0.276
07/02	3,495	7	1	31	113	0.226
08/02	3,491	8	1	31	113	0.258
09/02	3,309	10	2	30	110	0.333
10/02	3,461	8	1	31	112	0.258
11/02	3,163	7	1	30	105	0.233
12/02	3,211	10	2	31	104	0.323
01/03	3,174	9	1	31	102	0.290
02/03	2,343	5	1	26	90	0.192
03/03	1,514	3	0	16	95	0.188
09/03	2,933	3	0	24	122	0.125
10/03	4,170	5	1	31	135	0.161
	37,593	83	12		110	0.239

MESA VERDE

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
06/02	727	7	1	29	25	0.241
07/02	765	5	1	31	25	0.161
08/02	764	6	1	31	25	0.194
09/02	725	7	1	30	24	0.233
10/02	758	6	1	31	24	0.194
11/02	695	6	1	30	23	0.200
12/02	706	7	1	31	23	0.226
01/03	699	7	1	31	23	0.226
02/03	521	4	1	26	20	0.154
03/03	335	2	0	16	21	0.125
09/03	638	2	0	24	27	0.083
10/03	903	4	1	31	29	0.129
	8,236	63	10		24	0.181

CAULKINS OIL COMPANY

1409 W. AZTEC BLVD., SUITE B7

AZTEC, NEW MEXICO 87410

PH. 505-334-4323

FAX 505-334-9622

December 19, 2003

The following is a list of all the offset operators to Caulkins Oil Company well Breech "E" 50-E, section 5, township 26N, range 6W.

Pure Resources
321 W. Sycamore
Bloomfield, NM 87413

The following is a list of all the overriding royalty interest owners to Caulkins Oil Company well Breech "E" 50-E, section 5, township 26N, range 6W. The overriding royalty interest owners have been notified by certified mail.

Roger B. Nielsen
P. O. Box 793
Mansfield, TX 76063

Mitzi Henderson Easley
1203 Arronimink Circle
Austin, TX 78746

Marcia Berger
c/o Petroleum Asset Mgmt., LLC-Agent
P. O. Box 745
Hobbs, NM 88241

Texas Crude Oil - Joint Venture
c/o Texas Crude Operator, Inc.
P. O. Box 122389
Ft. Worth, TX 76121-2389

GW Holdings, Inc.
P. O. Box 121938
Ft. Worth, TX 76121

Joseph W. Bartlett, Jr.
5117 Lytton Ave.
Las Vegas, NV 89146-1452

XTO Energy, Inc.
135 S. Lasalle St., Dept. 4849
Chicago, IL 60674-4849

Anne K. Thompson
c/o E. M. Birke, Jr.
25240 Lahser Rd., Suite 1A
Southfield, MI 48034

Energen Resources Corp.
605 Richard Arrington Blvd., North
Birmingham, AL 35203-2707

Frank A. Cronican, Sr. & Harriet Bates Cronican
Rev. Trust
Frank B. Jr. & Peter B. Cronican - Trustees
Bank of America, N. A. - Agent
P. O. Box 840738
Dallas, TX 75284-0738

Potenziani Family Partnership
P. O. Box 676370
Rancho Santa Fe, CA 92067-6370

Betsy Henderson Bryant
2201 Brookhollow Dr.
Abilene, TX 79605

WWR Enterprises, Inc.
c/o Petroleum Asset Mgmt., LLC-Agent
P. O. Box 745
Hobbs, NM 88241

Ted Weiner
Oil Properties Trust
P. O. Box 121938
Ft. Worth, TX 76121-1938

Texas Crude Energy, Inc.
P. O. Box 122389
Ft. Worth, TX 76121-2389

Dorothy Bartlett
1147 Running Brook
Shreveport, LA 71118

Accord Du Lac Partnership LLLP
P. O. Box 676281
Rancho Santa Fe, CA 92067-6281

P. T. Bee
6116 N. Central Exprwy-LB17
Suite 200
Dallas, TX 75206

Herbert R. Briggs
c/o Reynolds, Hix & Co., P. A.
6729 Academy Rd, Suite D
Albuquerque, NM 87109

Cyrene L. Inman
Bank of America, N. A. - Agent
P. O. Box 840738
Dallas, TX 75284-0738

Carolyn Nielsen Sedberry
Little Oil & Gas, Inc., Agent
P. O. Box 1258
Farmington, NM 87499

Susan H. Ritter
P. O. Box 162606
Austin, TX 78716

Sarah S. Mims Revocable Trust
Sarah S. Mims & William L Madsen, Co-Trustees
P. O. Box 11846
Carrollton, TX 75011-1846

Henrietta E. Schultz, Trustee
500 N. Akard, Suite 2940
Dallas, TX 75201

George Umbach
Bank of Oklahoma, Agent
ATTN: J. Mark Choplin
P. O. Box 3499
Tulsa, OK 74101

Gladys Bartlett Stevenson
2510 Twisted Oaks
Bryan, TX 77802

Robert Umbach Cancer Foundation
Bank of Oklahoma, Agent
ATTN: J. Mark Choplin
P. O. Box 1588
Tulsa, OK 74101

Pennies From Heaven LLC
Bank of America, N. A., Agent
P. O. Box 840738
Dallas, TX 75284-0738

Production Gathering Co., LP
8080 N. Central Expressway
Suite 1090
Dallas, TX 75206

Margie S. Elkins
IM Property
Bank of America, N. A.
P. O. Box 840738
Dallas, TX 75284-0738

Merrion Oil & Gas
610 Reilly Ave.
Farmington, NM 87401-2634

Gail Smith Keys
IM Property
Bank of America, N. A.
P. O. Box 840738
Dallas, TX 75284-0738