JOE
LLEDGE

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OIL and GAS PROPERTY MANAGEMENT

September 12, 1995

Coleman Oil and Gas
Mr. Cris Coleman
Drawer 3337
Farmington, New Mexico 87499

9-11-95:

I waited on the BLM to show at Counselors Trading Post until 10:15 AM. None showed. Rig up deadweights on bradenhead of the Alamos Canyon #1, located in Sec. 15, T.21N, R.6W of Sandoval County, New Mexico at 11:00 AM. Bradenhead had less than 5 psi. Opened valve and bradenhead flowed dry gas for 5 seconds and died to nothing. Bradenhead was left open for 3 hours with no changes

The SITP was 407 psig and the SICP was 407 psig. Installed a 2" orifice tester with a 3/8" orifice plate. Flow was recorded with a 0-50 " meter. The results are listed below.

11:00 AM	Open tubing valve 1/4 turn	
12:00 Noon	Flowing Casing Pressure=206 psig	43 MCF/D
1:00 PM	Flowing Casing Pressure=182 psig	38 MCF/D
2:00 PM	Flowing Casing Pressure= 68 psig	36 MCF/D

Well flowed dry gas with the exception of a slight mist at 30 minutes into the test. Valve was opened to 1/2 at 1:30 PM. Test complete.

The well sign has been removed from the location. I was unable to locate it around the well pad.

Joe Elledge

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
BLM
98 OCT 19 PM 1:43
070 FARMINGTON NM

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

RECEIVED
OCT 23 1998
OIL CON. DIV.
DIST. 3

5. Lease Designation and Serial No.: NMNM-36941
6. If Indian, Allottee or Tribe Name:
7. If Unit or CA, Agreement Designation:

1. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other
2. Name of Operator: ENERDYNE CORPORATION
3. Address and Telephone No.: P O BOX 502, ALBUQUERQUE, NM 1-505-332-7871
4. Location of Well (Footage, Sec., T., R., M., or Survey Description): D 1100' FNL & 1120' FWL SECTION 15, T-21-N, R-6-W

8. Well Name and No.: ALAMOS CANYON #1
9. API Well No.: 30-043-20457
10. Field and Pool, or Exploratory Area: RUSTY CHACRA
11. County or Parish, State: SANDOVAL, NM

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 SEE BELOW	☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. 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.)*

IN RESPONSE TO BLM'S LETTER DATED 9-30-98, REGARDING THE EXPIRATION OF LONG TERM SHUT-IN STATUS FOR THE SUBJECT WELL, AS OF 9-1-98, THE FOLLOWING EXPLANATION AND REQUEST IS PRESENTED BY ENERDYNE: THE SUBJECT WELL AND LEASE WERE ACQUIRED BY ENERDYNE APPROXIMATELY 12 MONTHS AGO; DURING THAT TIME, ENERDYNE HAS NOT ADEQUATELY EVALUATED ITS OPTIONS. HOWEVER, WITHIN THE WELL FILE, AN ESTIMATE FOR LAYING A PRODUCTION LINE AND THE RESULTS OF A DELIVERABILITY TEST, FOR THE SUBJECT WELL, WERE FOUND (ATTACHED). BASED ON THE CURRENT PRICE OF GAS, COST TO TIE-IN THE WELL, OPERATIONS AND APPARENT PRODUCTION POTENTIAL OF THE WELL, IT DOES NOT ARREAR THAT THE SUBJECT WELL CAN BE ECONOMICALLY PRODUCED AT THIS TIME. THEREFORE, ENERDYNE RESPECTFULLY REQUESTS THAT THE BLM CONSIDER A SIX MONTH EXTENSION FOR SHUT-IN STATUS FOR THE SUBJECT WELL AS OF 9-1-98. THIS WILL PROVIDE ADEQUATE TIME TO EVALUATED THE PROPERTY AND COMPLY WITH THE BLM'S ORDER.

THIS APPROVAL EXPIRES APR 15 1999

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

Signed [signature] Title PRESIDENT Date 10-16-98

(This space for Federal or State office use)

Approved by Chip Hassaden Title Acting Team Lead Date 10/21/98
Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

*See Instruction on Reverse Side

NMOCD

Nelson Consulting, Inc.
P.O. Box 5556
Farmington, N.M. 87499
505-327-4892

9-2-94

Chris Coleman
Coleman Oil & Gas

Alamos Canyon #1 Sec.15, TWN 21N, RG 6W Sandoval Co., NM

I went an looked over the area for laying a production line for this well. The area is made up of sage brush flats and two track roads leading everywhere. Since the discussion seems to be focused on the laying of a temporary line and testing the well before a permanent ROW and line is laid. It will take approximately 2.3 miles worth of surface line to reach Alamos #5. If the line is done permanently the route should be only 1.3 miles long. It will be a direct route versus following existing two track roads.

Estimated Costs for the project:

12144 ft of 2" poly SDR 11 pipe $. 52 X 12,144 = $6,315.00

Estimate cost for laying the poly pipe and setting facilitates $.75 per foot on surface = $9,108

Estimate Meter run and fittings (New) $3,000

TOTAL COST FOR SURFACE LINE $ 24,252.00

Estimated Cost for a Buried line:
Arch Survey $600

PIPE 6,864 ft. X $.52 = $3,569.00 *

Laying pipe $2.50 per ft X 6,864 = $17,160.00

Meter Run and piping $3,000

Surface Damage $17.50 a Rod $7,280

TOTAL COST $31,609.00

* This cost would already be part of the surface system.
My time would be based on a daily work rate of $300 a day plus $30 a day for vehicle and mileage.
Estimate construction of underground line of 4 days, surface line 2 days, permitting work 2 days.