

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or deepen an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
Breck Operating Co. c/o Walsh Engineering

3a. Address 3b. Phone No. (include area code)  
7415 E. Main, Farmington, NM, 87402 505-327-4892

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
850' FSL and 1775' FWL, Sec. 27, T27N, R8W

5. Lease Serial No.

NM 03604

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and/or No.

8. Well Name and No.

Marron A #1

9. API Well No.

30-045-06198

10. Field and Pool, or Exploratory Area

South Blanco Pictured Cliffs

11. County or Parish, State

San Juan

12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Surface
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Commingle
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and z Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 Following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operac determined that the site is ready for final inspection.)

Breck Operating proposes to surface commingle the gas production from the Marron A #1 with the Marron A #1J so they can utilize a common compressor.

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

Name (Printed/Typed)

Paul C. Thompson, P.E.

Title

Agent

Signature

*Paul C. Thompson*

Date

June 6, 2001

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

7-9-01

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make 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.

(Instructions on reverse)

NMOC

June 1, 2001

Ms. Lori Wrotenbery  
NM Oil and Gas Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Re: Surface Commingling  
Breck Operating Company  
Marron A #1  
Marron A #1J  
SW/4 Section 27, T27N, R8W

Dear Ms. Wrotenbery,

Breck Operating requests permission to surface commingle the gas production from the above mentioned South Blanco Pictured Cliffs wells.

**1. Proposed System:** The wells are to be commingled upstream from a CPD meter so they can utilize a common compressor. The CPD meter will be on the Marron A #1 location and an allocation meter will be on the Marshall #1J location. The gas flows into El Paso Field Services' gathering system and they will maintain the CPD meter. The wells do not produce any liquid hydrocarbons. The working and revenue interests are common between the two wells. The actual commercial value of the commingled production will not be less than the sum of the values of the production from each well.

**2. Location Map:** Exhibit 1 is a topographic map showing the location of the two wells.

**3. Wells, Locations, and Lease numbers:** Exhibit 2 is a form C-102 for each well. Both wells are on a Federal Mineral leases and on lands administrated by the Bureau of Land Management. The BLM has received a copy of this application.

**4. Schematic Diagram:** Exhibit 3 is a schematic diagram of the proposed facilities.

**5. Fuel Gas:** The compressor will burn approximately 10 MCFD of fuel gas, which will be allocated equally between the wells since the fuel usage is not volume dependent. Neither well has any surface production equipment.

**6. Mechanical Integrity:** The flow line from the Marron A #1J to the compressor will be approximately 600 feet of a 2" poly line with a pressure rating of 250 psig. The pipeline will be tested to the maximum wellhead pressure of either well.

**7. Production – Gravity/BTU:** A table of the wells actual production is attached as Exhibit #4. A gas analysis showing the wells gas gravity and BTU content is shown in Exhibit #5.

**8. Allocation Formula:** The Marron A #1J well will have an allocation meter. The production assigned to this well will be the integrated volume from the allocation meter minus one-half of the compressor fuel gas and one-half of any purge gas. The volume allocated to the Marron A #1 will be the integrated volume from the CPD meter minus the volume allocated to the Marron A #1, plus one half of the compressor fuel gas usage and one-half of any purge gas. 15

**9. Line Purging:** We do not anticipate purging the line very often, but when we do the lost gas will be allocated between the two wells.

**10. Purged Fluids:** We do not anticipate having to purge the system, however any fluids purged will be natural gas, condensate, and produced water. If at all possible, any line purging will be done to the pit.

**11. Meter Calibration:** The allocation and CPD meters will be calibrated once each quarter. El Paso Field Services will maintain and calibrate the CPD meter.

**12. Gas Analysis Schedule:** El Paso will analyze the gas from both wells twice a year.

**13. Effective date:** The pipeline system will be put into service as soon as approval is received.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul C. Thompson", followed by a horizontal line.

Paul C. Thompson, P.E.  
Agent for Breck Operating

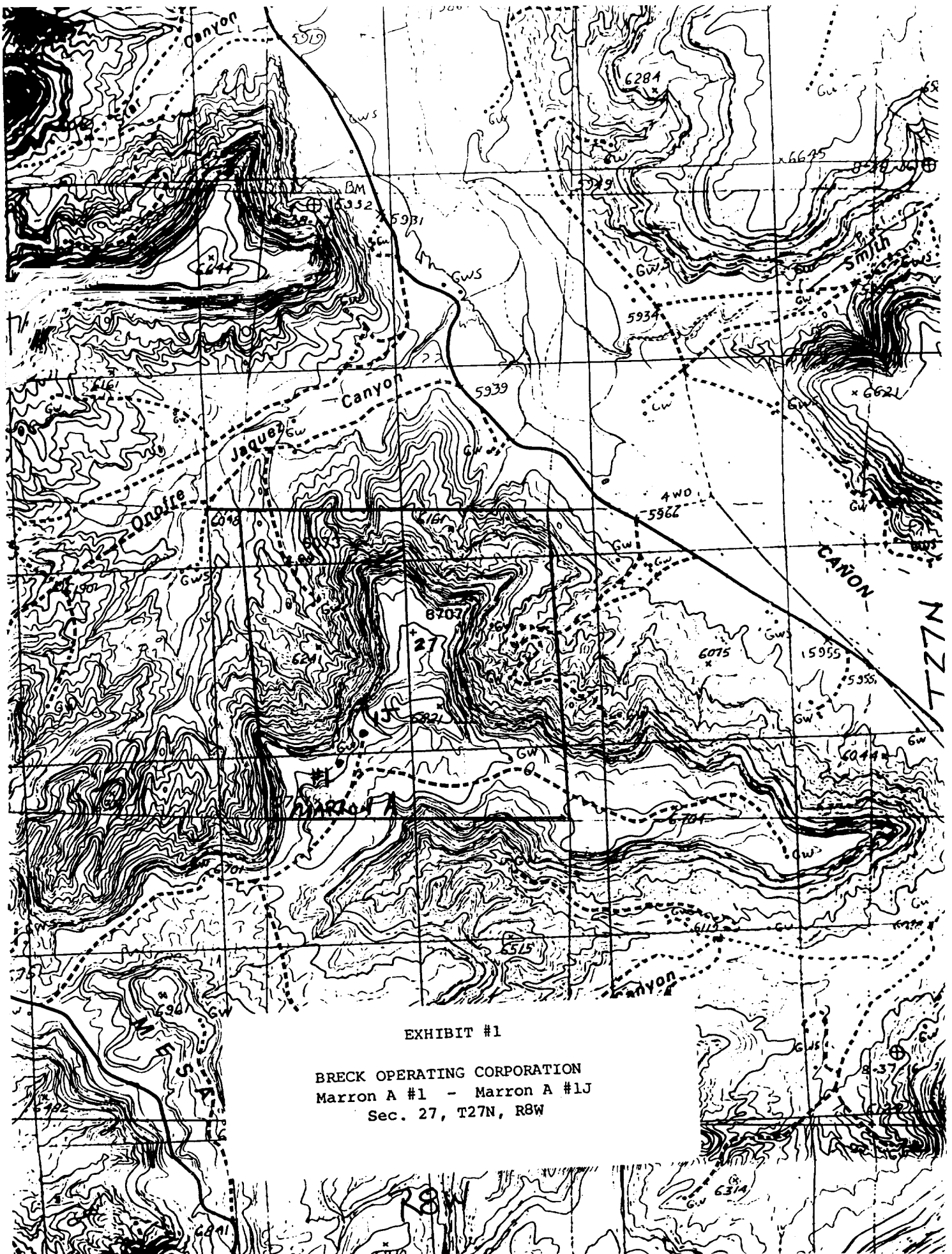


EXHIBIT #1

BRECK OPERATING CORPORATION  
Marron A #1 - Marron A #1J  
Sec. 27, T27N, R8W

District I

1625 N. French Dr., Hobbs, NM 88240

District II

811 South First, 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 & Natural Resources Department

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

Form C-102  
Revised August 15, 2000

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-04506198		Pool Code 72439	Pool Name So. Blanco Pictured Cliffs
Property Code	Property Name Marron A		Well Number 1
OGRID No. 002799	Operator Name BRECK OPERATING CORPORATION		Elevation 6745' GR

<sup>10</sup> Surface Location

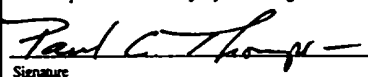
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	27	27N	8W		850	South	1775	West	San Juan

<sup>11</sup> Bottom Hole Location If Different From Surface

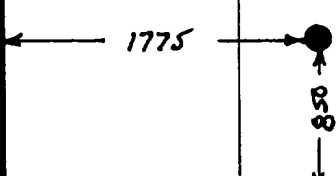
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill Y	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

16				<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.   Signature Paul C. Thompson Printed Name Agent Title 6/5/01 Date
				<sup>18</sup> 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 belief.  DRUG ON FILE Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number

NM 03 604



District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, 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 & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 15, 2000  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies  
☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-045-21371		<sup>1</sup> Pool Code 72439	<sup>1</sup> Pool Name So. Blanco Pictured Cliffs
<sup>1</sup> Property Code	<sup>1</sup> Property Name Marron A		<sup>1</sup> Well Number 1J
<sup>1</sup> OGRID No. 002799	<sup>1</sup> Operator Name BRECK OPERATING CORPORATION		<sup>1</sup> Elevation 6715' GR

**<sup>10</sup> Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	27	27N	8W		1450	South	1850	West	San Juan

**<sup>11</sup> Bottom Hole Location If Different From Surface**

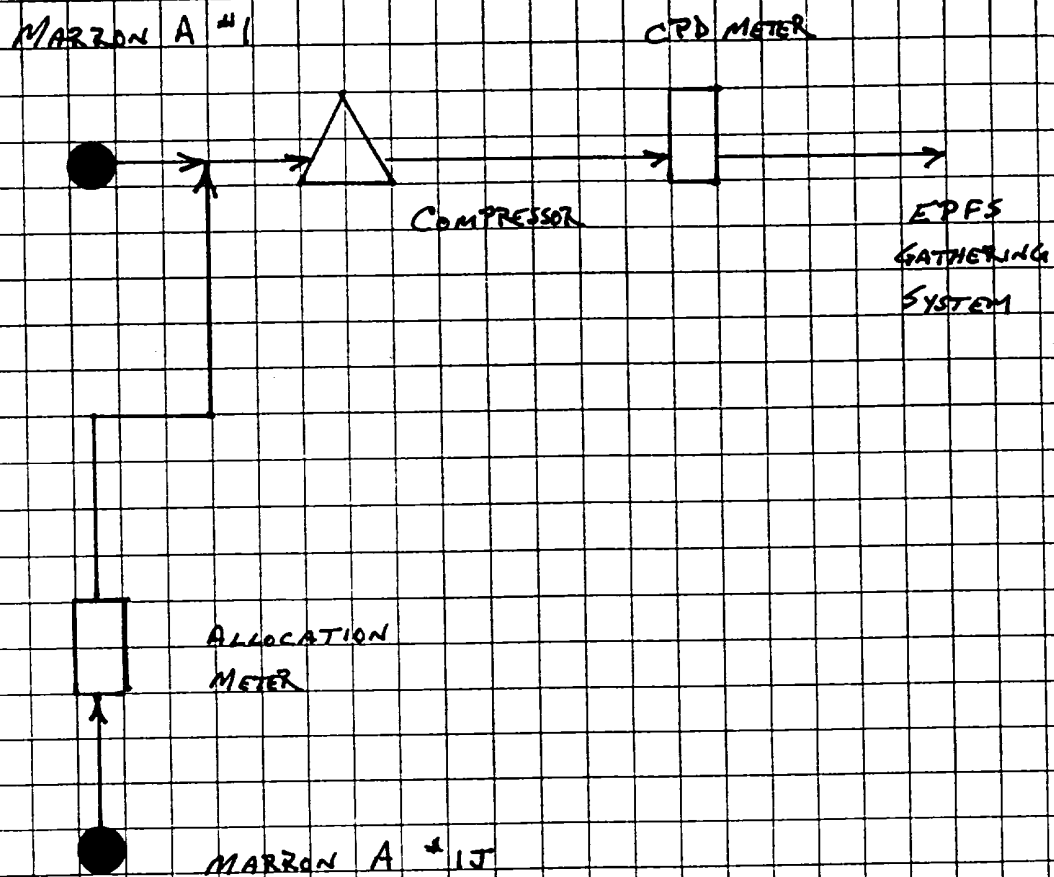
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill Y	<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.					

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

<p><sup>16</sup></p>	<p><b><sup>17</sup> OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Paul C. Thompson</i> Signature Paul C. Thompson Printed Name Agent Title 6/5/01 Date</p>
	<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b> 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 belief.</p> <p>Orig. on File Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number</p>

# EXHIBIT #3

## BRECK OPERATING CORPORATION SURFACE GAMINGING APPLICATION



## Production Report

<b>Lease Name:</b>	<b>MARRON A</b>	<b>Well Number:</b>	<b>1</b>
<b>Lease Number:</b>	2224	<b>Cum Oil:</b>	
<b>Operator Name:</b>	BRECK OPERATING CORPORAT	<b>Cum Gas:</b>	589,365
<b>State:</b>	NEW MEXICO	<b>Cum Water:</b>	
<b>County:</b>	SAN JUAN	<b>First Production Date:</b>	SEP 1956
<b>Field:</b>	BLANCO SOUTH	<b>Last Production Date:</b>	DEC 2000
<b>Sec Twn Rng:</b>	27 27N 8W	<b>Spot:</b>	NW SE SW
<b>Latitude/Longitude:</b>		<b>Lat/Long Source:</b>	
<b>Regulatory #:</b>	2224	<b>Completion Date:</b>	
<b>API:</b>	30045061980000	<b>Total Depth:</b>	2910
<b>Production ID:</b>	2300430450619872439	<b>Upper Perforation:</b>	2808
<b>Reservoir Name:</b>	PICTURED CLIFFS	<b>Lower Perforation:</b>	2865
<b>Prod Zone:</b>	PICTURED CLIFFS	<b>Gas Gravity:</b>	
<b>Prod Zone Code:</b>	604PCCF	<b>Oil Gravity:</b>	
<b>Basin Name:</b>	SAN JUAN BASIN	<b>Temp Gradient:</b>	
<b>Gas Gatherer:</b>	ELPS	<b>N Factor:</b>	
<b>Liquid Gatherer:</b>		<b>GOR:</b>	
<b>Status:</b>	ACTIVE	<b>GAS</b>	

Annual Production		(31 years)
Year	Oil BBLS	Gas MCF

## Beginning

Cum:	385,425
1970	20,274
1971	17,643
1972	18,073
1973	16,198
1974	13,647
1975	3,171
1976	11,430
1977	9,643
1978	8,380
1979	7,727
1980	6,845
1981	6,703
1982	5,372
1983	4,763
1984	6,433
1985	5,132
1986	1,540
1987	1,697
1988	1,061
1989	3,482
1990	3,454
1991	1,091
1992	1,879
1993	2,794



1994	4,015
1995	4,431
1996	4,708
1997	3,945
1998	3,381
1999	2,352
2000	1,876
Totals:	589,365

Monthly Production (Most recent 48 of 372 months)							
Date MO/YR	Oil BBLS	Gas MCF	Water BBLS	Cond Yld BBLS/MCF	% Water	# of Wells	Days on
<hr/>							
DEC 1996		313				1	20
Totals:							
1996		4,708					
JAN 1997		373				1	24
FEB 1997		242				1	18
MAR 1997		252				1	19
APR 1997		378				1	20
MAY 1997		412				1	30
JUN 1997		250				1	18
JUL 1997		282				1	16
AUG 1997		307				1	19
SEP 1997		328				1	19
OCT 1997		356				1	20
NOV 1997		403				1	22
DEC 1997		362				1	21
Totals:							
1997		3,945					
JAN 1998		378				1	22
FEB 1998		317				1	20
MAR 1998		462				1	29
APR 1998		362				1	27
MAY 1998		277				1	27
JUN 1998		307				1	27
JUL 1998		289				1	25
AUG 1998		121				1	23
SEP 1998		151				1	16
OCT 1998		285				1	24
NOV 1998		177				1	16
DEC 1998		255				1	26
Totals:							
1998		3,381					
JAN 1999		373				1	28
FEB 1999		191				1	23
MAR 1999		175				1	28
APR 1999		89				1	16
MAY 1999		227				1	27
JUN 1999		328				1	25
JUL 1999		168				1	19
AUG 1999		135				1	21
SEP 1999		192				1	30

OCT 1999	201	1	12
NOV 1999	108		
DEC 1999	165	1	8
Totals:			
1999	2,352		
JAN 2000	219	1	22
FEB 2000	283	1	23
MAR 2000	275	1	29
APR 2000	253	1	30
MAY 2000	182	1	17
JUN 2000	115	1	14
JUL 2000	74	1	5
AUG 2000	102	1	26
SEP 2000	163	1	30
OCT 2000	132	1	31
NOV 2000	43	1	3
DEC 2000	35	1	2
Totals:			
2000	1,876		

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## Production Report

<b>Lease Name:</b>	<b>MARRON A</b>	<b>Well Number:</b>	<b>1J</b>
<b>Lease Number:</b>	2224	<b>Cum Oil:</b>	
<b>Operator Name:</b>	BRECK OPERATING CORPORAT	<b>Cum Gas:</b>	227,745
<b>State:</b>	NEW MEXICO	<b>Cum Water:</b>	
<b>County:</b>	SAN JUAN	<b>First Production Date:</b>	AUG 1974
<b>Field:</b>	BLANCO SOUTH	<b>Last Production Date:</b>	FEB 2001
<b>Sec Twn Rng:</b>	27 27N 8W	<b>Spot:</b>	SW NE SW
<b>Latitude/Longitude:</b>		<b>Lat/Long Source:</b>	
<b>Regulatory #:</b>	2224	<b>Completion Date:</b>	
<b>API:</b>	30045213710000	<b>Total Depth:</b>	2888
<b>Production ID:</b>	2300430452137172439	<b>Upper Perforation:</b>	2776
<b>Reservoir Name:</b>	PICTURED CLIFFS	<b>Lower Perforation:</b>	2796
<b>Prod Zone:</b>	PICTURED CLIFFS	<b>Gas Gravity:</b>	
<b>Prod Zone Code:</b>	604PCCF	<b>Oil Gravity:</b>	
<b>Basin Name:</b>	SAN JUAN BASIN	<b>Temp Gradient:</b>	
<b>Gas Gatherer:</b>	ELPS	<b>N Factor:</b>	
<b>Liquid Gatherer:</b>		<b>GOR:</b>	
<b>Status:</b>	ACTIVE	<b>GAS</b>	

Annual Production		(28 years)	
Year	Oil BBLS	Gas MCF	Water BBLS

### Beginning

Cum:	
1974	16,593
1975	32,230
1976	23,363
1977	20,872
1978	15,109
1979	13,256
1980	9,298
1981	11,579
1982	8,446
1983	7,519
1984	8,772
1985	7,329
1986	1,977
1987	2,441
1988	1,117
1989	5,108
1990	3,776
1991	1,487
1992	3,291
1993	5,686
1994	9,475
1995	5,468
1996	4,879
1997	3,303

1999	1,076
2000	2,579
2001	406
Totals:	227,745

Monthly Production (Most recent 48 of 319 months)							
Date MO/YR	Oil BBLs	Gas MCF	Water BBLs	Cond Yld BBLs/MCF	% Water	# of Wells	Days on
FEB 1997		175				1	19
MAR 1997		173				1	24
APR 1997		175				1	21
MAY 1997		183				1	24
JUN 1997		202				1	10
JUL 1997		236				1	17
AUG 1997		308				1	23
SEP 1997		330				1	18
OCT 1997		457				1	22
NOV 1997		447				1	23
DEC 1997		363				1	19
Totals: 1997		3,303					
JAN 1998		173				1	18
FEB 1998		114				1	10
MAR 1998		194				1	18
APR 1998		212				1	24
MAY 1998		90				1	14
JUN 1998		125				1	15
JUL 1998		96				1	13
AUG 1998		60				1	16
SEP 1998		36				1	5
OCT 1998		107				1	10
NOV 1998		49				1	3
DEC 1998		54				1	7
Totals: 1998		1,310					
JAN 1999		63				1	6
FEB 1999		8				1	1
MAR 1999		4				1	1
APR 1999		38				1	6
MAY 1999		100				1	5
JUN 1999		140				1	14
JUL 1999		95				1	14
AUG 1999		105				1	11
SEP 1999		134				1	19
OCT 1999		95				1	14
NOV 1999		148				1	17
DEC 1999		146				1	12
Totals: 1999		1,076					
JAN 2000		247				1	14
FEB 2000		165				1	18

APR 2000	278	1	20
MAY 2000	255	1	18
JUN 2000	160	1	13
JUL 2000	146	1	12
AUG 2000	74	1	6
SEP 2000	224	1	20
OCT 2000	137	1	14
NOV 2000	118	1	8
DEC 2000	61	1	3
Totals:			
2000	2,579		
JAN 2001	218	1	8
FEB 2001	188	1	14
Totals:			
2001	406		

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CO.CD 23 EL PASO NATURAL GAS  
CUSTOMER ACCOUNTING SERVICES DEPARTMENT  
VOLUME CALCULATION DIVISION  
POST OFFICE BOX 1492  
EL PASO, TEXAS 79978  
DATE 12/04/98

CHROMATOGRAPHIC GAS ANALYSIS REPORT

MAILEE  
BRECK OPERATING CORPORATION  
P O BOX 911  
BRECKENRIDGE, TX 76024-0911

C:\DATA\M1200306. 12/10/98  
CONTACTS:  
EL PASO FIELD SERVICES  
(713) 757-5953  
EL PASO MAINLINE  
(915) 496-2595

METER NUMBER 71588 MARON A #1  
OPERATOR 0834 BRECK OPERATING CORP  
ANALYSIS DATE 10/08/98 TYPE CODE 2 - ACTUAL  
SAMPLE DATE 10/01/98 H2S GRAINS 0  
EFFECTIVE FOR 6 MONTHS  
EFFECTIVE DATE 11/01/98

COMPONENTS	NORMALIZED MOL %	GPM
CO2	.33	.000
H2S	.00	.000
N2	.67	.000
METHANE	82.14	.000
ETHANE	8.76	2.343
PROpane	4.91	1.353
ISO-BUTANE	.86	.281
NOR4-BUTANE	1.26	.397
ISO-PENTANE	.35	.128
NOR4-PENTANE	.26	.094
HEXANE PLUS	.46	.201

SPECIFIC GRAVITY 100.00  
MIXTURE HEATING VALUE .707  
(BTU @ 14.73 DRY) 1232  
RATIO OF SPECIFIC HEATS .000  
NO TEST SECURED FOR H2S CONTENT 4.797

CO. CD 23 EL PASO NATURAL GAS  
 CUSTOMER ACCOUNTING SERVICES DEPARTMENT  
 VOLUME CALCULATION DIVISION  
 POST OFFICE BOX 1492  
 EL PASO, TEXAS 79978  
 DATE 10/06/98

CHROMATOGRAPHIC GAS ANALYSIS REPORT

CONTACTS:  
 EL PASO FIELD SERVICES  
 (713) 757-5953  
 EL PASO MAINLINE  
 (915) 496-2595

MAILEE  
 18600  
 BRECK OPERATING CORPORATION  
 P O BOX 911  
 BRECKENRIDGE, TX 76024-0911

METER NUMBER 89034 - CLARRON A #1-J  
 OPERATOR 0834 - BRECK OPERATING CORP  
 ANALYSIS DATE SAMPLE DATE  
 EFFECTIVE FOR  
 COMPONENTS MOL % GPM  
 NORMALIZED EFFECTIVE DATE 9/01/98

CO2	.14	.000
H2S	.00	.000
N2	.51	.000
METHANE	87.78	.000
ETHANE	5.74	1.535
PROPANE	3.03	.835
ISO-BUTANE	.68	.222
NORM-BUTANE	.83	.262
ISO-PENTANE	.38	.139
NORM-PENTANE	.27	.098
HEXANE PLUS	.64	.279

SPECIFIC GRAVITY 100.00  
 .668  
 MIXTURE HEATING VALUE 1179  
 (BTU @ 14.73 DRY)  
 RATIO OF SPECIFIC HEATS .000  
 NO TEST SECURED FOR H2S CONTENT