

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

RECEIVED BLM

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.

RECEIVED AUG - 8 1994

SUBMIT IN TRIPlicate

5. Lease Designation and Serial No. NM 18328
6. If Indian, Allottee or Tribe Name
7. If Unit or CA, Agreement Designation
8. Well Name and No. Schalk 29-4 #1
9. API Well No.
10. Field and Pool, or Exploratory Area Blanco Mesa Verde
11. County or Parish, State Rio Arriba County, New Mexico

1. Type of Well Oil Well Gas Well Other
2. Name of Operator JOHN E. SCHALK
3. Address and Telephone No. P.O. Box 25825 / Albuquerque, NM 87125 / (505) 881-6649
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 890' FSL & 865' FWL Section 32, T-29N, R-4W

OIL CON. DIV. DIST. 3

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

Table with 2 columns: TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Abandonment, Recompletion, Plugging Back, Casing Repair, Altering Casing, Other, Change of Plans, New Construction, Non-Routine Fracturing, Water Shut-Off, Conversion to Injection, Dispose Water.

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.)*

After a detailed review and analysis of this well we have determined that additional production may be obtained. We intend to set a packer at 5,500' and swab the well back in. The production of water, which has always been a limiting factor for this well, will be dealt with by installing an evaporator on location, with any tank(s) that might be required to store the water on location until evaporation has taken place. Any tank(s) would be above ground, steel tanks. It is estimated that the well will produce at least 10 barrels of water per day.

It is our intention to have the above discribed work completed by October 1, 1994 and to have the well back on line shortly thereafter.

THIS APPROVAL EXPIRES DEC 31 1994

14. I hereby certify that the foregoing is true and correct. Signature, Title Agent, Date 7/31/94

Approved by, Conditions of approval, if any: Title, Date APPROVED AUG 05 1994

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.