Form 3160-5	UNITED STATES				FORM APPROVED	
(June 1990) DEPARTMENT OF					Budget Bureau No. 1004-0135	
	BUREAU OF LAND MANA	AGEMENT	•		Expires: March 31, 1993	
SUN	DRY NOTICES AND REPO	RTS ON WEI	19 1 511 6 55	5.	Lease Designation and Serial No.	
Do not use this for	m for proposals to drill or to deeper	or reentry to a	Legion Pil 2: 53	6.	NMSF-078464	
Us	e "APPLICATION FOR PERMIT"	for such proposa	77 28 29 30 37	0.	If Indian, Allottee or Tribe Name	
	SUBMIT 5 COPIES		to S			
1. Type of Well Oil Well	Gas		MI SOUTH	7.	If Unit or CA, Agreement Designation	
	X Well	Other	ON 3			
<ol> <li>Name of Operator</li> <li>GREYSTONE §</li> </ol>	ENERGY INC		, Or Oly ( )	8.	Well Name and No.	
Address and Telep			101		WILLIAMS #1	
	Y 64, FARMINGTON, NM 87	401 Phor	ne: (5 <del>85) 532</del> -8056	9.	API Well No. 30-045-10590	
	ootage, Sec., T., R., M., or Survey Description)			10.	Field and Pool, Or Exploratory Area	
1550' FNL & 79					BASIN DAKOTA/BLANCO MESAVERDI	
SEC. 24, T34N,	R13W		11	County or Parish, State		
31				1		
12. CHECK AP	PROPRIATE ROY(s) TO IN	DICATE NAT			SAN JUAN, NEW MEXICO	
TYPE OF C	PROPRIATE BOX(s) TO IN	DICATE NAT	URE OF NOTICE, RE	PORT,	OR OTHER DATA	
	UBMISSION		<del></del>	TYPE	OF ACTION	
Notice	of Intent		Abandonment			
		<u> </u>			Change of Plans	
X Subsequent Report			Recompletion	<u> </u>	New Construction	
			Plugging Back	L	Non-Routine Fracturing	
		<u> </u>	Casing Repair		Water Shut-Off	
Final Abandonment Notice			Altering Casing		Conversion to Injection	
		X	Other COMMINGLE		Dispose Water	
				(Note:	Report results of multiple completion on Well	
13. Describe Proposed or Co	empleted Operations (Clearly state all portion	tinent details and sine and		Comple	Completion or Recompletion Beautiful Completion Beautiful Completion or Recompletion Beautiful Completion Beautiful Co	
give subsurface location	s and measured and true vertical depths for	all markers and zone	pertinent dates, including estimates pertinent to this work.)*	ed date of s	tarting any proposed work. If well is directional drilled,	
Packer remo	oved and new 2-3/8" J-55 tub	ning set @ 67'	21' w/ 2-3/8" sooting n	innla 4 :	A a # h a H	
	2 0.0 0 00 100	mig set to or a	zi w/ z-5/6 sealing n	ippie 1	t oπ bottom @ 6688'.	
Commingle	accomplished 5/9/01.					
14. I hereby certify that t	he foregoing is frue and correct	<del></del>				
Signed	All Lines	_ Title _PROD	UCTION TECHNICIAN	Date	July 12, 2001	
(This space for Fede	ral or State office use)					
Approved by	·	Title		Date	JUL 2 - 201	
Conditions of Approv	al, if any:			-		
					MV	
					Landard Control	
Fitle 18 U.S.C. Section 100 raudulent statements or re	O1, makes it a crime for any person epresentations as to any matter with	knowingly and w	ilfully to make any departm	ent or ag	ency of the United States any false, fictious or	
		,				

\*See Instruction on Reverse Side



## United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Farmington Field Office 1235 La Plata Highway, Suite A Farmington, New Mexico 87401

N REPLY REFER TO: NMNM-059848 et al. 3162.7 (07100)

Brian Ary Greystone Energy Inc. 9155 E. Nichols Ave. Suite 350 Englewood, Co. 80112 RECEIVED

May 1, 2001

RE: Acceptance of Commingling, Allocation Factors or Methods

Dear Mr Ary:

We have received your Applications for Downhole Commingling along with allocation factors or a method of allocation. After review, we hereby accept your method of allocation and-or allocation factors listed

below. The effective date is the date that downhole commingling actually occurs

Well Name Lease number	Location	API#	Allocation	Allocation
Fromman #   R NM-059848	A sec 11, T31N, R13W	30045-26113	Messverdes 62% gas 43% oil	Dekota 38% gas 57% oil
Williams #1 SF-078464	H sec 24, T31N, R13W	30045-10590	Mesaverde 32% gas 0% oil	Dakota 68% gas 100 % vil
Payre #2F. SI-U78463	E sec 35, T31N, R13W	30045-25882	Gallup 16% gas 27% oil	Dekota 84% gas 73% oil
Gross #IE NM-021123	1 sec 7, T3N, R12W	30045-23615	Mesaverde 48% gas 72% oil	Dakota 52% gas 28% off
Sierr #1M SF-078707	N sec 13, T31N, R13W	30045-24320	Mesaverde 43% gas 55% oil	Dekota 57% gas 45% oil
Amsiein #1 SF-078243 review later & set fixed allocation	K sec 18, T31N, R12W	30045-10725	Mesaverde Subtraction Method	Dakota Production Forecast
Champlin #1 SE-079527A	M sec 35, T27N, R4W	30039-06784	Messiverde Subtraction Method	Dakota & Pictured Cliffs Production Forecast
Champlin #8 Nr-074327A	J sec 25, T27N, R4W	30039-06895	Mesaverde Subtraction Method	Dakota & Pictured Cliffs Production Forecast

If you have any questions, please contact Joe Hewitt at (505) 599-6365 or email joe\_hewitt@hlm.gov.

Sincerely,

You Hewitt

Joe Hewitt

Geologist, Petroleum Management Team

cc: NMOCD, Santa Fe, NM NMOCD, Aztec, NM