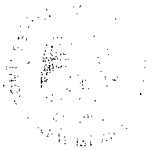


2871



PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

April 11, 2006

Benson-Montin-Greer Drilling Corporation
4900 College Boulevard
Farmington, New Mexico 87402

Attn: Mr. Mike Dimond

Re: 2006 Plan of Development
Canada Ojitos Unit
Rio Arriba County, New Mexico

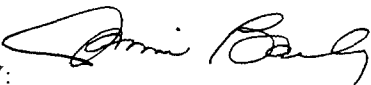
Dear Mr. Dimond:

The Commissioner of Public Lands has, of this date, approved the referenced Plan of Development. Our approval is subject to like approval by all other appropriate agencies. The possibility of drainage by wells outside the unit area, and the need for further development of the unit may exist; therefore, we may contact you at a later date regarding these possibilities.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

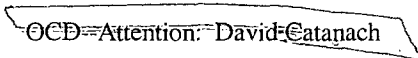
BY: 

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

PL/JB/cpm

Enclosure

xc: Reader File

 OGD Attention: David Catanach

BLM

-State Land Office Beneficiaries -

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital •

BMG

BENSON-MONTIN-GREER DRILLING CORP.

March 15, 2004

U.S. Department of the Interior
Bureau of Land Management
435 Montano NE
Albuquerque, NM 87107-4935
Attention: Mr. Joe Incardine, Chief
Lands and Minerals

RECEIVED

APR 05 2004

OIL CONSERVATION
DIVISION

✓ New Mexico Energy and Minerals Department
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87504
Attention: Mr. Roy E. Johnson
Senior Petroleum Geologist

Re: CANADA OJITOS UNIT
RIO ARRIBA COUNTY, NEW MEXICO:
2004 PLAN OF DEVELOPMENT

Gentlemen:

Set out below are Report of Operations for 2003 and Plan of Development for 2004 for the Canada Ojitos Unit.

Report of Operations for 2003

No new wells drilled in 2003. The #31 (N-31) well was recompleted in the Mesa Verde formation in 2003.

There have been no changes to the participating area or Exhibits A and B.

Well status as of December 31, 2003

A list of wells and their status is shown on Schedule I attached.

Production Summary for 2003

Graph showing unit oil production is attached.

Plan of Development for 2004

No new wells are scheduled to be drilled in 2004; however several locations are being studied for possible workovers.

Status and Accounting of Acquisition of Extraneous Gas,
Sales of Produced Gas, CNG Gas Usage and Royalty Issues

Commencing in 1993 volumes of extraneous gas acquired were balanced against unit sales on a BTU basis as opposed to a volume basis (see schedule of acquired gas injected and gas sales) to determine when royalty is due from gas sales. This practice is continuing (per BLM letter of January 31, 1992). Once the outside acquired gas volume (in MMBTU) is offset by sales and royalty is due, the schedule shows for that month the sales volume and that royalty is due on that volume. These volumes are not cumulated. When gas is again acquired from outside sources a new schedule of balancing commences.

Details of accounting for liquid products from the gas processing plant are being handled as described in our 1992 Plan of Development.

In 1992 CNG capability was added to one vehicle and operated on an experimental basis. In 1993 we added two additional vehicles. For operations on the unit this fuel is considered by the BLM to be a lease "use" and can be used royalty-free. When a CNG vehicle leaves the unit and goes to town - even though it may be for unit purposes, royalty is due on that fuel consumption. The BLM's approval of this method of treating CNG is evidenced by letter dated November 19, 1992, copy included in our 1993 Plan of Development. The CNG operation was discontinued a few years ago.

We hereby request your approval of this 2004 Plan of Development for the Canada Ojitos Unit.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY: _____


Albert R. Greer, President

ARG/tlp

Enclosures

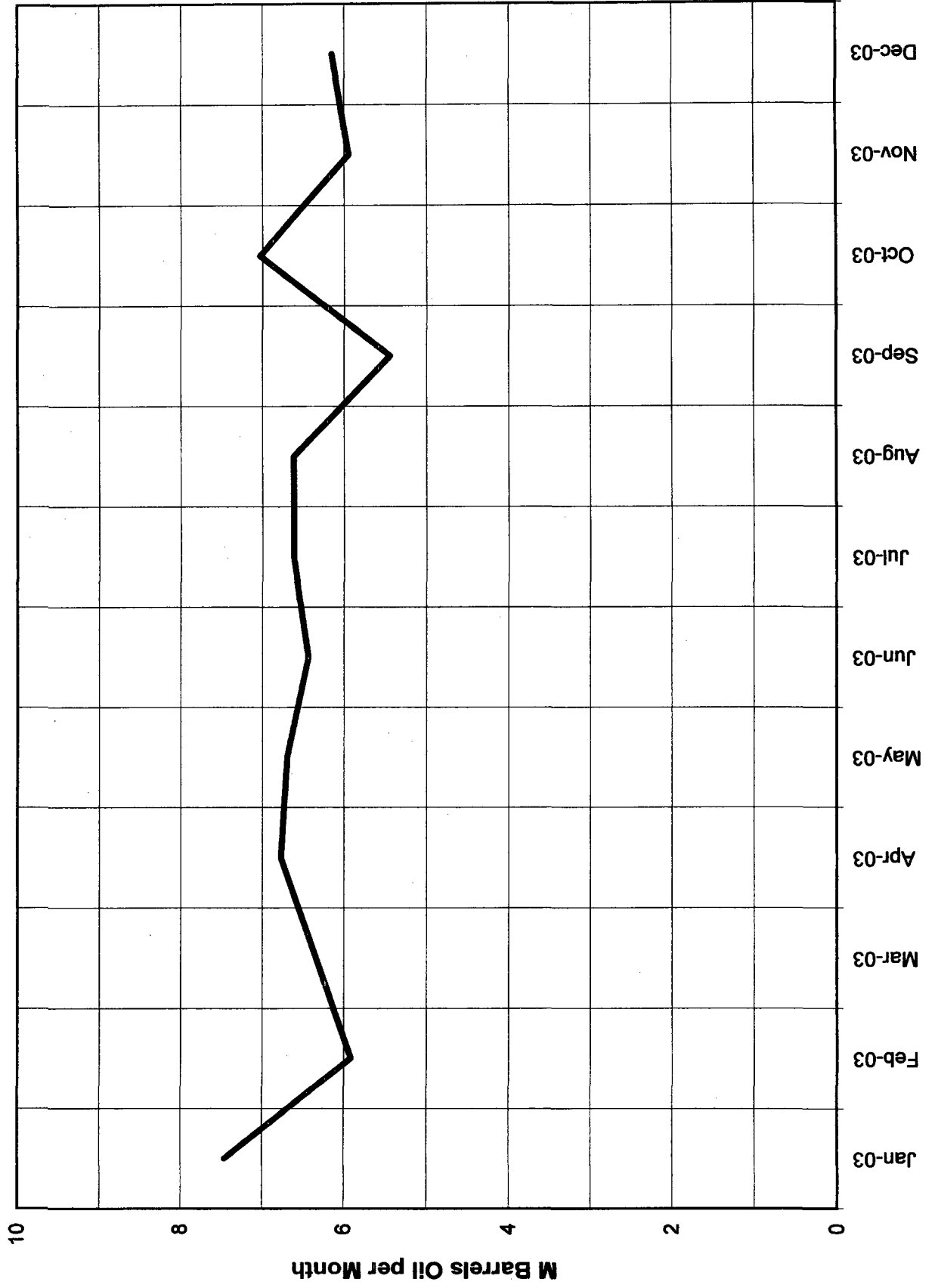
cc: Working Interest Owners

SCHEDULE I
STATUS OF CANADA OJITOS UNIT WELLS
ALL IN RIO ARriba COUNTY, NEW MEXICO

Well Name	Footage Section - Twp - Range	Latitude/ Longitude	Elevation	Status
COU #1 (O-9)	1080' FSL, 1920' FEL SWSE-9-26N-1W	N36.29.707 W106.56.711	7750 GR	Producing
COU #2 (K-13)	1785' FSL, 2120' FWL NESW-13-25N-1W	N36.23.691 W106.53.735	7088 GR	Observation
COU #3 (A-14)	1125' FNL, 450' FWL NENE-14-25N-1W	N36.24.125 W106.54.255	7130 DF	Observation
COU #4 (P-11)	1020' FSL, 800' FEL SESE-11-25N-1W	N36.24.472 W106.54.339	7214 GR	Seasonal Producer
COU #5 (B-18)	835' FNL, 1495' FEL NWNE-18-25N-1E		7203 DF	Gas Injection
COU #6 (L-11)	1908' FSL, 523' FWL NWSW-11-25N-1W	N36.24.614 W106.55.149	7220 GR	Seasonal Producer
COU #7 (A-23)	680' FNL, 620' FEL NENE-23-25N-1W		7141 GR	Producing
COU #8 (A-16)	850' FNL, 1030' FEL NENE-16-25N-1W	N36.24.159 W106.56.561	7532 KB	Producing
COU #9 (C-2)	1280' FNL, 1610' FWL NENW-2-25N-1W	N36.27.161 W106.56.141	7278 GR	Producing
COU #10 (O-33)	175' FSL, 2090' FEL SWSE-33-26N-1W	N36.26.070 W106.56.745	7533 GR	Producing
COU #11 (E-10)	2145' FNL, 825' FWL SWNW-10-25N-1W	N36.24.810 W106.56.158	7329 GR	Producing
COU #12 (A-22)	525' FNL, 825' FEL NENE-22-25N-1W	N36.23.359 W106.55.432	7343 GR	Seasonal Producer
COU #13 (L-27)	1415' FSL, 740' FWL NWSW-27-26N-1W	N36.27.161 W106.56.141	7463 KB	Producing
COU #14 (C-34)	595' FNL, 2145' FWL NENW-34-25N-1W	N36.21.603 W106.55.897	7427 KB	Seasonal Producer
COU #16 (L-3)	1791' FSL, 523' FWL NWSW-3-24N-1W	N36.20.268 W106.56.215	7549 KB	Temporarily Abandoned
COU #17 (G-1)	1980' FNL, 1880' FEL SWNE-1-24N-1E		7140 GR	Gas Injection
COU #18 (C-5)	900' FNL, 1700' FWL NENW-5-25N-1E		7482 KB	Gas Injection
COU #19 (A-14)	495' FNL, 495' FEL NENE-14-24N-1W		7096 GR	Gas Injection
COU #21 (G-32)	1800' FNL, 1675' FEL SWNE-32-26N-1W	N36.26.575 W106.57.734	7560 GR	Producing
COU #22 (F-20)	1700' FNL, 1790' FWL SESW-20-26N-1W	N36.28.370 W106.58.095	7724 GR	Producing
COU #23 (N-22)	1302' FSL, 1413' FWL SWSW-22-26N-1W	N36.28.015 W106.56.067	7494 KB	Producing
COU #24 (J-8)	1650' FSL, 1650' FEL NWSE-8-25N-1W	N36.24.586 W106.57.739	7437 GR	Temporarily Abandoned
COU #25 (B-32)	231' FNL, 2218' FEL NWNE-32-25N-1W	N36.21.647 W106.57.873	7599 GR	Producing

Well Name	Footage Section - Twp - Range	Latitude/ Longitude	Elevation	Status
COU #26 (K-31)	1650' FSL, 1650' FWL NESW-31-25N-1W	N36.21.104 W106.59.220	7437 GR	Temporarily Abandoned
COU #27 (K-8)	1680' FSL, 2166' FEL NWSE-8-24N-1W	N36.19.383 W106.57.862	7517 GR	Producing
COU #28 (B-29)	393' FNL, 2367' FEL NWNE-29-25N-1W	N36.22.494 W106.57.843	7496 GR	Producing
COU #29 (E-6)	1850' FSL, 870' FWL SWNW-6-25N-1W	N36.25.756 W106.59.382	7493 GR	Producing
COU #30 (F-30)	1755' FNL, 2418' FWL SENW-30-25N-1W	N36.22.276 W106.59.050	7671 GR	Producing
COU #31 (N-31)	900' FSL, 1650' FWL SESW-31-26N-1W	N36.26.215 W106.59.258	7569 GR	Producing in Mesa Verde formation
COU #32 (J-6)	1650' FSL, 1650' FEL NWSE-6-25N-1W	N36.25.508 W106.58.861	7444 GR	Producing
COU #33 (F-18)	2310' FWL, 2265' FNL SWNW-18-25N-1W	N36.23.930 W106.59.152	7617 GR	Producing
COU #34 (F-19)	1340' FNL, 1903' FWL SWNW-19-25N-1W	N36.23.201 W106.59.181	7652 GR	Producing
COU #35 (D-17)	1200' FNL, 300' FWL NWNW-17-25N-1W	N36.24.121 W106.58.415	7465 GR	Temporarily Abandoned
COU #36 (A-20)	1200' FNL, 415' FEL NENE-20-25N-1W	N36.23.218 W106.57.540	7432 GR	Producing
COU #37 (G-5)	1700' FNL, 2310' FEL SWNE-5-24N-1W	N36.20.578 W106.57.920	7551 GR	Producing
COU #38 (F-7)	1650' FNL, 2310' FEL SENW-7-25N-1W	N36.24.907 W106.59.095	7444 GR	Producing
COU #43 (H-8)	1632' FNL, 1189' FEL SENE-8-26N-1W	N36.20.100 W106.57.644	7785 GR	Recovering load oil
COU #44 (B-22)	227' FNL, 2800' FWL NWNE-22-26N-1W	N36.28.624 W106.55.759	7575 GR	Recovering load oil
COU #45 (N-28)	500' FSL, 2200' FWL SESW-28-25N-1W	N36.21.794 W106.56.956	7532 GR	Recovering load oil

Canada Ojitos Unit 2003 Production



GP160

COMP ID : BMGI

Balance of Outside Acquired Gas Report

01/04

PAGE : 1

RUN : 03/11/04

Date	-----Pressure Base @ 15.025-----				-----Pressure Base @ 14.73-----				-----MMBTU Equivalents-----			
	Acquired	Sales	Net	Balance	Acquired	Sales	Net	Balance	Acquired	Sales	Net	Balance
04/92	30666	0	30666	30666	31280	0	31280	31280	35726	0	35726	35726
05/92	28489	0	28489	59155	29060	0	29060	60340	33646	0	33646	69371
06/92	26528	0	26528	85683	27059	0	27059	87399	31144	0	31144	100515
07/92	33331	0	33331	119014	33999	0	33999	121398	38931	0	38931	139446
08/92	41209	0	41209	160223	42034	0	42034	163432	48421	0	48421	187866
09/92	42081	0	42081	202304	42924	0	42924	206356	49529	0	49529	237396
10/92	22528	0	22528	224832	22979	0	22979	229335	26313	0	26313	263708
11/92	0	0	0	224832	0	0	0	229335	0	0	0	263708
12/92	0	243758	-243758	-18926	0	248640	-248640	-19305	0	325469	-325469	-61761
01/93	0	0	0	0	0	0	0	0	0	0	0	0
02/93	0	110741	-110741	-110741	0	112959	-112959	-112959	0	147863	-147863	-147863
03/93	0	0	0	0	0	0	0	0	0	0	0	0
04/93	49196	0	49196	49196	50181	0	50181	50181	57953	0	57953	57953
05/93	49599	0	49599	98795	50592	0	50592	100773	58428	0	58428	116381
06/93	47084	0	47084	145879	48027	0	48027	148800	55653	0	55653	172034
07/93	44603	0	44603	190482	45496	0	45496	194296	52542	0	52542	224576
08/93	41334	0	41334	231816	42162	0	42162	236458	48605	0	48605	273181
09/93	38646	0	38646	270462	39420	0	39420	275878	45316	0	45316	318497
10/93	6226	0	6226	276688	6351	0	6351	282229	7315	0	7315	325812
11/93	0	0	0	276688	0	0	0	282229	0	0	0	325812
12/93	0	96788	-96788	179900	0	98726	-98726	183503	0	129233	-129233	196579
01/94	0	99268	-99268	80632	0	101256	-101256	82247	0	121203	-121203	75376
02/94	0	83332	-83332	-2700	0	85001	-85001	-2754	0	101746	-101746	-26370
03/94	0	39110	-39110	-39110	0	39893	-39893	-39893	0	47752	-47752	-47752
04/94	0	0	0	0	0	0	0	0	0	0	0	0
05/94	0	0	0	0	0	0	0	0	0	0	0	0
06/94	0	0	0	0	0	0	0	0	0	0	0	0
07/94	0	0	0	0	0	0	0	0	0	0	0	0
08/94	0	0	0	0	0	0	0	0	0	0	0	0
09/94	0	0	0	0	0	0	0	0	0	0	0	0
10/94	0	0	0	0	0	0	0	0	0	0	0	0
11/94	0	0	0	0	0	0	0	0	0	0	0	0
12/94	0	92859	-92859	-92859	0	94719	-94719	-94719	0	113378	-113378	-113378
01/95	0	95012	-95012	-95012	0	96915	-96915	-96915	0	116007	-116007	-116007
02/95	0	64384	-64384	-64384	0	65673	-65673	-65673	0	77363	-77363	-77363
03/95	0	0	0	0	0	0	0	0	0	0	0	0
04/95	0	0	0	0	0	0	0	0	0	0	0	0
05/95	0	0	0	0	0	0	0	0	0	0	0	0
06/95	0	0	0	0	0	0	0	0	0	0	0	0
07/95	0	0	0	0	0	0	0	0	0	0	0	0
08/95	0	0	0	0	0	0	0	0	0	0	0	0
09/95	0	0	0	0	0	0	0	0	0	0	0	0
10/95	0	0	0	0	0	0	0	0	0	0	0	0
11/95	0	0	0	0	0	0	0	0	0	0	0	0
12/95	6080	13909	-7829	-7829	6202	14188	-7986	-7986	7024	16067	-9044	-9044
01/96	8622	96596	-87974	-87974	8795	98531	-89736	-89736	9967	111665	-101698	-101698
02/96	7303	74947	-67644	-67644	7449	76448	-68999	-68999	8463	86860	-78397	-78397
03/96	8854	0	8854	8854	9031	0	9031	9031	10220	0	10220	10220

Date	-----Pressure Base @ 15.025-----				-----Pressure Base @ 14.73-----				-----MMBTU Equivalents-----			
	Acquired	Sales	Net	Balance	Acquired	Sales	Net	Balance	Acquired	Sales	Net	Balance
04/96	29022	0	29022	37876	29603	0	29603	38634	34002	0	34002	44222
05/96	31466	0	31466	69342	32096	0	32096	70730	36969	0	36969	81192
06/96	29893	0	29893	99235	30492	0	30492	101222	35029	0	35029	116220
07/96	31657	0	31657	130892	32291	0	32291	133513	37099	0	37099	153319
08/96	31505	0	31505	162397	32136	0	32136	165649	37151	0	37151	190470
09/96	28562	0	28562	190959	29134	0	29134	194783	33580	0	33580	224050
10/96	26100	22890	3210	194169	26623	23348	3275	198058	30673	26902	3771	227821
11/96	25083	56796	-31713	162456	25585	57933	-32348	165710	29207	66131	-36924	190897
12/96	22466	78618	-56152	106304	22916	80192	-57276	108434	26025	91075	-65050	125847
01/97	21159	74956	-53797	52507	21583	76457	-54874	53560	24836	87979	-63143	62704
02/97	23127	76849	-53722	-1215	23590	78388	-54798	-1238	26913	89433	-62520	184
03/97	24150	55816	-31666	-31666	24634	56934	-32300	-32300	28193	65161	-36968	-36784
04/97	22339	58034	-35695	-35695	22786	59196	-36410	-36410	26137	67898	-41761	-41761
05/97	22564	21153	1411	1411	23016	21577	1439	1439	26621	24956	1665	1665
06/97	22824	0	22824	24235	23281	0	23281	24720	26903	0	26903	28568
07/97	25177	0	25177	49412	25681	0	25681	50401	29714	0	29714	58282
08/97	24417	0	24417	73829	24906	0	24906	75307	28778	0	28778	87060
09/97	22916	0	22916	96745	23375	0	23375	98682	27160	0	27160	114220
10/97	20752	0	20752	117497	21168	0	21168	119850	24425	0	24425	138645
11/97	16520	70530	-54010	63487	16851	71943	-55092	64758	19287	82345	-63058	75587
12/97	15963	91712	-75749	-12262	16283	93549	-77266	-12508	18664	107235	-88571	-12984
01/98	19830	92947	-73117	-73117	20227	94808	-74581	-74581	23203	108850	-85647	-85647
02/98	21203	84524	-63321	-63321	21628	86217	-64589	-64589	25003	99667	-74664	-74664
03/98	23677	76291	-52614	-52614	24151	77819	-53668	-53668	27918	89959	-62041	-62041
04/98	23994	78879	-54885	-54885	24475	80459	-55984	-55984	28361	93236	-64875	-64875
05/98	24987	35839	-10852	-10852	25487	36557	-11070	-11070	29750	42669	-12920	-12920
06/98	23697	47932	-24235	-24235	24172	48892	-24720	-24720	28050	56739	-28689	-28689
07/98	23281	0	23281	23281	23747	0	23747	23747	27756	0	27756	27756
08/98	22731	0	22731	46012	23186	0	23186	46933	26952	0	26952	54708
09/98	23579	0	23579	69591	24051	0	24051	70984	27778	0	27778	82486
10/98	27139	0	27139	96730	27683	0	27683	98667	31978	0	31978	114464
11/98	26957	57796	-30839	65891	27497	58953	-31456	67211	31863	68315	-36452	78012
12/98	25299	64370	-39071	26820	25806	65659	-39853	27358	30111	76618	-46507	31505
01/99	23891	70219	-46328	-19508	24369	71625	-47256	-19898	28301	83186	-54884	-23379
02/99	21961	70741	-48780	-48780	22401	72158	-49757	-49757	25989	83717	-57729	-57729
03/99	25458	66907	-41449	-41449	25968	68247	-42279	-42279	30076	79044	-48968	-48968
04/99	23997	58556	-34559	-34559	24478	59729	-35251	-35251	28528	69614	-41086	-41086
05/99	24168	28751	-4583	-4583	24652	29327	-4675	-4675	28770	34227	-5458	-5458
06/99	25025	22060	2965	2965	25526	22502	3024	3024	29790	26262	3528	3528
07/99	24831	2732	22099	25064	25328	2787	22541	25565	29415	3236	26179	29707
08/99	23489	0	23489	48553	23959	0	23959	49524	27924	0	27924	57630
09/99	21255	13558	7697	56250	21681	13830	7851	57375	25285	16129	9156	66786
10/99	23238	72125	-48887	7363	23703	73569	-49866	7509	27309	84759	-57450	9336
11/99	24200	83427	-59227	-51864	24685	85098	-60413	-52904	28682	98884	-70202	-60866
12/99	20253	84625	-64372	-64372	20659	86320	-65661	-65661	23913	99915	-76002	-76002
01/00	32276	80216	-47940	-47940	32922	81822	-48900	-48900	37999	94440	-56441	-56441
02/00	34689	75900	-41211	-41211	35384	77420	-42036	-42036	40694	89033	-48339	-48339
03/00	37563	54004	-16441	-16441	38315	55086	-16771	-16771	44088	63387	-19299	-19299

GP160
COMP ID : BMGI

Balance of Outside Acquired Gas Report
01/04

PAGE : 3
RUN : 03/11/04

Date	-----Pressure Base @ 15.025-----				-----Pressure Base @ 14.73 -----				-----MMBTU Equivalents -----			
	Acquired	Sales	Net	Balance	Acquired	Sales	Net	Balance	Acquired	Sales	Net	Balance
04/00	34090	52857	-18767	-18767	34773	53916	-19143	-19143	40117	62202	-22085	-22085
05/00	33371	33669	-298	-298	34039	34343	-304	-304	39151	39502	-351	-351
06/00	29082	31077	-1995	-1995	29664	31699	-2035	-2035	34198	36543	-2346	-2346
07/00	24867	44656	-19789	-19789	25365	45550	-20185	-20185	29537	53043	-23506	-23506
08/00	24029	47781	-23752	-23752	24510	48738	-24228	-24228	28566	57940	-29374	-29374
12/00	83892	49425	34467	34467	85572	50415	35157	35157	98724	58164	40561	40561
01/01	16469	64827	-48358	-13891	16799	66125	-49326	-14169	19575	77056	-57481	-16920
02/01	14842	55995	-41153	-41153	15139	57116	-41977	-41977	17690	66741	-49050	-49050
03/01	20592	60174	-39582	-39582	21004	61379	-40375	-40375	24494	71574	-47080	-47080
04/01	21622	23648	-2026	-2026	22055	24122	-2067	-2067	25650	28053	-2403	-2403
05/01	21430	48351	-26921	-26921	21859	49319	-27460	-27460	25461	57442	-31981	-31981
06/01	20250	55401	-35151	-35151	20656	56511	-35855	-35855	24098	65925	-41828	-41828
07/01	20086	50983	-30897	-30897	20488	52004	-31516	-31516	23850	60538	-36688	-36688
08/01	21111	48828	-27717	-27717	21534	49806	-28272	-28272	25316	58557	-33240	-33240
09/01	18089	54793	-36704	-36704	18451	55890	-37439	-37439	21383	64771	-43388	-43388
10/01	18589	55494	-36905	-36905	18961	56605	-37644	-37644	22069	65883	-43814	-43814
11/01	21542	57950	-36408	-36408	21973	59111	-37138	-37138	25633	68952	-43320	-43320
12/01	19637	57091	-37454	-37454	20030	58234	-38204	-38204	23180	67389	-44209	-44209
01/02	15582	53818	-38236	-38236	15894	54896	-39002	-39002	18312	63251	-44939	-44939
02/02	12515	34454	-21939	-21939	12766	35144	-22378	-22378	14704	40479	-25775	-25775
03/02	14465	41255	-26790	-26790	14755	42081	-27326	-27326	17021	48545	-31524	-31524
04/02	16867	26715	-9848	-9848	17205	27250	-10045	-10045	19974	31637	-11663	-11663
05/02	18238	26993	-8755	-8755	18603	27534	-8931	-8931	21716	32140	-10424	-10424
06/02	18523	18449	74	74	18894	18818	76	76	22309	22221	88	88
07/02	21001	25324	-4323	-4249	21422	25831	-4409	-4333	24796	29900	-5104	-5015
08/02	19659	46541	-26882	-26882	20053	47473	-27420	-27420	23188	54898	-31710	-31710
09/02	19651	34302	-14651	-14651	20045	34989	-14944	-14944	22996	40139	-17144	-17144
10/02	20684	32218	-11534	-11534	21098	32863	-11765	-11765	24186	37671	-13485	-13485
11/02	19855	28553	-8698	-8698	20253	29125	-8872	-8872	23246	33429	-10183	-10183
12/02	16407	35333	-18926	-18926	16736	36041	-19305	-19305	19109	41151	-22042	-22042
01/03	19071	38174	-19103	-19103	19453	38939	-19486	-19486	22218	44476	-22258	-22258
02/03	17920	33016	-15096	-15096	18279	33677	-15398	-15398	20796	38315	-17518	-17518
03/03	19818	34461	-14643	-14643	20215	35151	-14936	-14936	23217	40371	-17154	-17154
04/03	24664	35308	-10644	-10644	25158	36015	-10857	-10857	29141	41716	-12576	-12576
05/03	23206	39606	-16400	-16400	23671	40399	-16728	-16728	27518	46968	-19450	-19450
06/03	18305	34596	-16291	-16291	18672	35289	-16617	-16617	21765	41136	-19372	-19372
07/03	17345	36575	-19230	-19230	17692	37307	-19615	-19615	20835	43933	-23098	-23098
08/03	17601	20522	-2921	-2921	17953	20933	-2980	-2980	20778	24226	-3448	-3448
09/03	17763	27091	-9328	-9328	18119	27634	-9515	-9515	20738	31629	-10891	-10891
10/03	18723	18248	475	475	19098	18613	485	485	21979	21422	557	557
11/03	16455	30259	-13804	-13329	16785	30865	-14080	-13595	19277	35448	-16171	-15615
12/03	16649	26095	-9446	-9446	16982	26618	-9636	-9636	19394	30400	-11006	-11006



PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

January 5, 2004

Benson-Montin-Greer Drilling Corporation
4900 College Boulevard
Farmington, New Mexico 87402

Attn: Mr. Albert R. Greer

Re: 2003 Plan of Development
Canada Ojitos Unit
Rio Arriba County, New Mexico

RECEIVED

JAN 9 2004

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Dear Mr. Greer:

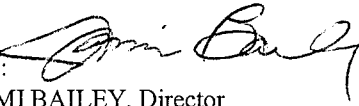
The Commissioner of Public Lands has, of this date, approved the above-captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the unit area and the need for further development of the unit may exist. You may be contacted at a later date regarding these possibilities.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

PL/JB/cpm

Enclosure

xc: Reader File

OCD--Attention: David Catanach

BLM

RECEIVED

JUL 06 2004

OIL CONSERVATION
DIVISION



PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
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Fax (505) 827-5766

www.nmstatelands.org

June 30, 2004

Benson-Montin-Greer Drilling Corporation
4900 College Boulevard
Farmington, New Mexico 87402

Attn: Mr. Albert R. Greer

Re: 2004 Plan of Development
Canada Ojitos Unit
Rio Arriba County, New Mexico

Dear Mr. Greer:

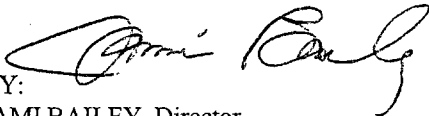
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Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

PL/JB/cpm

Enclosure

xc: Reader File

OCD--Attention: David Catanach

BLM



PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands
310 OLD SANTA FE TRAIL
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SANTA FE, NEW MEXICO 87504-1148

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Phone (505) 827-5760

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www.nmstatelands.org

April 11, 2005

Benson-Montin-Greer Drilling Corporation
4900 College Boulevard
Farmington, New Mexico 87402

Attn: Mr. Steve Owen

Re: 2005 Plan of Development
Canada Ojitos Unit
Rio Arriba County, New Mexico

Dear Mr. Owen:

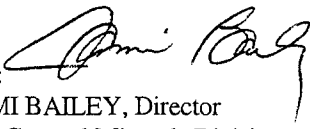
The Commissioner of Public Lands has, of this date, approved the above-captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the unit area and the need for further development of the unit may exist. You may be contacted at a later date regarding these possibilities.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY: 
JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

PL/JB/cpm

Enclosure

xc: Reader File

OCD--Attention: David Catanach

BLM

2005 APR 15 AM 11 35

-State Land Office Beneficiaries -

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State

March 14, 2006

U.S. Department of the Interior
Bureau of Land Management
1235 La Plata Highway, Suite A
Farmington, Nm 87401

New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87504
Attention: Will Jones
Senior Petroleum Geologist

New Mexico Commissioner of Public Land
State Land Office
Attn: Ms. Jami Bailey, Director
Oil, Gas and Minerals Division
P.O. Box 1148
Santa Fe, NM 87504-1148

2006 MAR 29 AM 11 46

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NM
2006 PLAN OF DEVELOPMENT

Gentlemen:

Set out below is Summary of Operations for 2005 and Operator's Plan of Development for 2006.

1. Summary of 2005 Operations:
 - No new wells were drilled.
 - The No. 2 (K-13) was returned to production.
 - The No. 3 (A-14) was returned to production.
 - The No. 4 (P-11) was returned to production.
 - The No. 6 (L-11) was produced year around.
 - The No. 8 (A-16) was plugged and abandoned in March 2006.
 - The No. 11 (E-10) pump was changed and tubing stripped of paraffin.
 - The No. 13 (L-27) was re-worked and placed on pumping unit.
 - The No. 14 (C-34) was reworked and placed on pumping unit.
 - The No. 23 (N-22) was re-worked and placed on pumping unit.
 - The No. 25 (B-32) was acidized for scale and the pump changed.
 - The No. 26 (K-31) was returned to production with a pumping unit.

The No. 29 (E-6) was re-worked and placed on pumping unit.
The No. 30 (F-30) pump was changed.
The #35 (D-17) was returned to production.
The gas plant was dismantled and removed.
There have been no changes to the participating area or Exhibits A and B.

2. A list of all wells and their status is shown on the attached Schedule I.
3. Schedule II, 2005 production statistics and companion graph is attached.
4. Plan of Development for 2006

Pumping units will be set on the No.12 (A-22), the No. 31 (N-31), the No.33 (F-18), and two other wells not yet determined.

The No. 24. (J-8) will be plugged and abandoned.

Gas injection will be discontinued and the four injection wells returned to production.

Gas uplift will be discontinued.

Compression facilities will be sized down and replaced with more efficient equipment.

The permitting process will be started for two additional Mancos wells.

Permitting of six PC wells will continue and drilling begun pending rig availability and owner approvals.

We request your approval of this 2006 Plan of Development for the Canada Ojitos Unit.

Sincerely,



Mike Dimond
President

SCHEDULE I
STATUS OF CANADA OJITOS UNIT WELLS
ALL IN RIO ARriba COUNTY, NEW MEXICO

Well Name	Footage Section - Twp - Range	Latitude/ Longitude	Elevation	Status
COU #1 (O-9)	1080' FSL, 1920' FEL SWSE-9-26N-1W	N36.29.707 W106.56.711	7750 GR	Producing
COU #2 (K-13)	1785' FSL, 2120' FWL NESW-13-25N-1W	N36.23.691 W106.53.735	7088 GR	Producing
COU #3 (A-14)	1125' FNL, 450' FWL NENE-14-25N-1W	N36.24.125 W106.54.255	7130 DF	Producing
COU #4 (P-11)	1020' FSL, 800' FEL SESE-11-25N-1W	N36.24.472 W106.54.339	7214 GR	Producing
COU #5 (B-18)	835' FNL, 1495' FEL NENE-18-25N-1E		7203 DF	Gas Injection
COU #6 (L-11)	1908' FSL, 523' FWL NWSW-11-25N-1W	N36.24.614 W106.55.149	7220 GR	Producing
COU #7 (A-23)	680' FNL, 620' FEL NENE-23-25N-1W		7141 GR	Producing
COU #8 (A-16)	850' FNL, 1030' FEL NENE-16-25N-1W	N36.24.159 W106.56.561	7532 KB	Plugged & Abandoned
COU #9 (C-2)	1280' FNL, 1610' FWL NENW-2-25N-1W	N36.27.161 W106.56.141	7278 GR	Shut In
COU #10 (O-33)	175' FSL, 2090' FEL SWSE-33-26N-1W	N36.26.070 W106.56.745	7533 GR	Producing
COU #11 (E-10)	2145' FNL, 825' FWL SWNW-10-25N-1W	N36.24.810 W106.56.158	7329 GR	Producing
COU #12 (A-22)	525' FNL, 825' FEL NENE-22-25N-1W	N36.23.359 W106.55.432	7343 GR	Producing
COU #13 (L-27)	1415' FSL, 740' FWL NWSW-27-26N-1W	N36.27.161 W106.56.141	7463 KB	Producing
COU #14 (C-34)	595' FNL, 2145' FWL NENW-34-25N-1W	N36.21.603 W106.55.897	7427 KB	Producing
COU #16 (L-3)	1791' FSL, 523' FWL NWSW-3-24N-1W	N36.20.268 W106.56.215	7549 KB	Temporarily Abandoned
COU #17 (G-1)	1980' FNL, 1880' FEL SWNE-1-24N-1E		7140 GR	Gas Injection
COU #18 (C-5)	900' FNL, 1700' FWL NENW-5-25N-1E		7482 KB	Gas Injection
COU #19 (A-14)	495' FNL, 495' FEL NENE-14-24N-1W		7096 GR	Gas Injection
COU #21 (G-32)	1800' FNL, 1675' FEL SWNE-32-26N-1W	N36.26.575 W106.57.734	7560 GR	Producing
COU #22 (F-20)	1700' FNL, 1790' FWL SESW-20-26N-1W	N36.28.370 W106.58.095	7724 GR	Producing
COU #23 (N-22)	1302' FSL, 1413' FWL SWSW-22-26N-1W	N36.28.015 W106.56.067	7494 KB	Producing
COU #24 (J-8)	1650' FSL, 1650' FEL NWSE-8-25N-1W	N36.24.586 W106.57.739	7437 GR	Temporarily Abandoned
COU #25 (B-32)	231' FNL, 2218' FEL NENE-32-25N-1W	N36.21.647 W106.57.873	7599 GR	Producing

Well Name	Footage Section - Twp - Range	Latitude/ Longitude	Elevation	Status
COU #26 (K-31)	1650' FSL, 1650' FWL NESW-31-25N-1W	N36.21.104 W106.59.220	7437 GR	Producing
COU #27 (K-8)	1680' FSL, 2166' FEL NWSE-8-24N-1W	N36.19.383 W106.57.862	7517 GR	Producing
COU #28 (B-29)	393' FNL, 2367' FEL NWNE-29-25N-1W	N36.22.494 W106.57.843	7496 GR	Producing
COU #29 (E-6)	1850' FSL, 870' FWL SWNW-6-25N-1W	N36.25.756 W106.59.382	7493 GR	Producing
COU #30 (F-30)	1755' FNL, 2418' FWL SENW-30-25N-1W	N36.22.276 W106.59.050	7671 GR	Producing
COU #31 (N-31)	900' FSL, 1650' FWL SESW-31-26N-1W	N36.26.215 W106.59.258	7569 GR	Shut In
COU #32 (J-6)	1650' FSL, 1650' FEL NWSE-6-25N-1W	N36.25.508 W106.58.861	7444 GR	Shut In
COU #33 (F-18)	2310' FWL, 2265' FNL SWNW-18-25N-1W	N36.23.930 W106.59.152	7617 GR	Producing
COU #34 (F-19)	1340' FNL, 1903' FWL SWNW-19-25N-1W	N36.23.201 W106.59.181	7652 GR	Producing
COU #35 (D-17)	1200' FNL, 300' FWL NWNW-17-25N-1W	N36.24.121 W106.58.415	7465 GR	Producing
COU #36 (A-20)	1200' FNL, 415' FEL NENE-20-25N-1W	N36.23.218 W106.57.540	7432 GR	Producing
COU #37 (G-5)	1700' FNL, 2310' FEL SWNE-5-24N-1W	N36.20.578 W106.57.920	7551 GR	Producing
COU #38 (F-7)	1650' FNL, 2310' FEL SENW-7-25N-1W	N36.24.907 W106.59.095	7444 GR	Producing
COU #43 (H-8)	1632' FNL, 1189' FEL SENE-8-26N-1W	N36.20.100 W106.57.644	7785 GR	Recovering load oil
COU #44 (B-22)	227' FNL, 2800' FWL NWNE-22-26N-1W	N36.28.624 W106.55.759	7575 GR	Recovering load oil
COU #45 (N-28)	500' FSL, 2200' FWL SESW-28-25N-1W	N36.21.794 W106.56.956	7532 GR	Recovering load oil

**SCHEDULE II
CANADA OJITOS UNIT
2005 PRODUCTION STATISTICS**

	OIL (BOPM)	GAS (MCF/M)	WATER (BWPM)	GAS INJECTION* (MCF/M)
January	6363	97234	166	11433
February	4501	80682	94	15878
March	6437	88254	81	11529
April	5940	86052	61	19178
May	7595	82203	383	27786
June	8013	79635	450	29397
July	8243	79996	177	31223
August	7698	76807	214	31001
September	8187	72245	44	29180
October	8338	74090	150	27033
November	7348	72733	620	15218
December	8334	62522	0	0
Totals	86997	952453	2440	248856

CANADA OJITOS UNIT 2005 PRODUCTION

