Submit 3 Copies To Appropriate District Office	State of New Mexico Energy, Minerals and Natural Resources			Form C-103 Revised June 10, 2003			
District I 1625 N. French Dr., Hobbs, NM 88240	Eliergy, Millerais and Na	iturai Resources/	WELL API NO.				
District II 1301 W. Grand Ave., Artesia, NM 88210	OIL CONSERVATIO		30-045-32011 5. Indicate Type of Lease				
District III 1000 Rio Brazos Rd., Aztec, NM 87410	1220 South St. Fr Santa Fe, NM		STATE FEE 🔀				
District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	6. State Oil & Ga	s Lease No.					
SUNDRY NOTI	7. Lease Name or Unit Agreement Name						
DIFFERENT RESERVOIR. USE "APPLICE PROPOSALS.)	Hidden Assets						
1. Type of Well:			8. Well Number				
Oil Well Gas Well 🔀	Other		#1				
2. Name of Operator			9. OGRID Numb	er			
Manana Gas, Inc. 3. Address of Operator			13931 10. Pool name or Wildcat				
c/o/ Walsh Engineering, 7415 E. M	ain St., Farmington, NM 87402		Basin Fruitland C				
4. Well Location							
Unit LetterD:	1008'feet from the _North_	line and81	7'feet from t	heWestline			
Section 23	Township 30N	Range 12W	NMPM San J	Juan County			
	11. Elevation (Show whether D 5515' GR	OR, RKB, RT, GR, etc.)				
	Appropriate Box to Indicate		•				
NOTICE OF IN		N	SEQUENT RE				
PERFORM REMEDIAL WORK	PLUG AND ABANDON	REMEDIAL WOR	K 📙	ALTERING CASING			
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DR	ILLING OPNS.	PLUG AND ABANDONMENT			
PULL OR ALTER CASING	MULTIPLE COMPLETION	CASING TEST AND CEMENT JOB	ND				
OTHER:		OTHER: Comple	tion	×			
	eleted operations. (Clearly state a ork). SEE RULE 1103. For Mult						
The Fruitland Coal was compl	eted in this well according	to the attached trea	atment report	347000			
F				456			
			וטל 🐉 אַ	V 2004			
				2004 S			
			E OT SO	Wis. DIV			
				T. 3			
			(C)				
				61.81 12.00			
I hereby certify that the information	above is true and complete to the	best of my knowledg	ge and belief.				
SIGNATURE Taul C. Th	TITLE	Agent		DATE_May 21, 2004			
Type or print name Paul C. Thom	pson, P.E. E-mail address:	paul@walsheng.net	Telephor	ne No. (505) 327-4892			
(This space for State use)							
APPPROVED BY	TITLE	PUTY OIL & GAS INS	TECTOR, DIST. 499	_DATEUN - 4 2004			
Conditions of approval, if any:	IIILE		····	_DAIL <u>LUU4</u>			

FRACTURE TREATMENT REPORT

Operator: Manana Gas, Inc.			Well Name);	Hidden Assets #1				
Date:	18-May-04				:	•			
Field:	Aztec PC &	Basin Fruitland (Coal Location	23/30N/12W	County:	San Juan	State:	NM	
Stimulatio	on Company	: Halliburton		Supervisor	r:	Paul Thorr	npson		
					-				
Stage #:	1/2	Pictured Cliffs							
Sand on	location:	Design:	50,000#	Weight ticl	ket:125,620#	#	Size/type:	20/40 Brady	/
Fluid on	location :	No. of Tanks:	5	– Strap:	20	Amount:	2000	Usable:	1800
		NO. OI TAIIRS.		Strap.		- Amount.	2000		1000
Perforat	ions:								
		Depth:	1757-1766 (27 holes 1757 - 1767 (30 hole		Total Holes	5 : 57	•	PBTD:	1919' KB Loggers
		Shots per foot:	3 spf	-	EHD:	0.34"			Loggers
Breakdo	own:								
	***************************************	Acid:	None	_	000000000 00 00 00 00 00000	000000000000000000000000000000000000000		******************************	eknewhend eeu brij declik dan is in v
		Balls:	None						
		Pressure:		_ Rate:	:	_			
Stimulat	lion:								
		ATP:		AID					
		AIF:		– AIR:			-		
		MTP:		- MIR:			•		
				Sand Stage	Pressure	Rate	ВНТР		
				pad					
	ISIP:		•	0.5 ppg					
	5 min:		•	Pad					
	10 min:		•	1 ppg					
	15 min:		•	2 ppg					
				3 ppg					
				4 ppg 5 ppg					
	Job Compl	lete at:	hrs.	Date:		Start flo	w back:		
	Total Fluid	Pumped:		_					
	Total Sand	Pumped:		_Total Sand	i on Formati	ion:			
	Total Nitro	gen Pumped:		<u> </u>					_
						_			

Notes:

. Could not break down PC at 4000 psi. Suspected closed valve. Replaced Halliburton 4" valve. Still could not break down the PC at 3750 psi. Re-perforated the PC from 1757' – 1767' with 3 spf for a total of 30 (0.34") holes. Rigged up Halliburton but still could not break down the PC with 3750 psi – pressure did not bleed off. Abandoned the PC and set a CIBP at 1750' KB.

FRACTURE TREATMENT REPORT

Operator: Manana Gas, Inc.			Well Name	:	Hidden Assets #1				
Date:	18-May-04								
Field:		Basin Fruitland (Coal Location:	23/30N/12W	County:	San Juan		NM	
Stimulatio	on Compan	y: Halliburton		Supervisor	-	Paul Thorr	npson		
Stage #:	2/2	Fruitland Coal							
Sand on	Sand on location: Design: 125,000#		Weight ticket:125,690#			Size/type:	20/40 Brady		
Fluid on	location :	No. of Tanks:	5	Strap:	20	Amount:	2000	Usable:	1800
Perforat	ions:	Depth:	1717 - 1741	•	Total Holes	: 72	-	PBTD:	1750' KB
		Shots per foot:	3 spf		EHD:	0.34"	_		CIBE
Breakdo	own:	Acid:	None	-					
		Balls:	None	_			Daniel at 42	94:	
		Pressure:		Rate:		•	Break at 12	o i psi	
Stimulat	tion:								
		ATP:	1350 psi	AIR:	20.0 BPM		_		
		MTP:	1430 psi	MIR:	20.3 BPM		_		
				Sand Stage	Pressure	Rate	внтр		
				pad	1292	20.3	3 195	7	
	ISIP	1196	_	1 ppg	1396	20.0	211	4	
	5 min	: 1032		2 ppg	1416	20.1	218	0	
	10 min	913	_	3 ppg	1428	19.9	223	7	
	15 min	: 848	•	4 ppg	1295	5 20.2	2 216	2	
			•	5 ppg	1277	20.4	217	0	
Job Complete at: 1530 hrs.		Date:	5/18/2004	Start flo	w back:	0730 hrs 5/1 Well had no			
	Total Fluid	d Pumped:	1423 bbls	-					•
	Total Sand	d Pumped:	125,000#	_Total Sand	l on Formati	on:	125,000	#	_
	Total Nitro	ogen Pumped:				_			

Notes:

All frac fluid was Aztec City water with 2% KCl and biocide and contained 20#/1000 gal guar gel, crosslinker, surfactant, enzyme and encapsulated breakers. All sand was coated with Sand Wedge. The frac gradient based on the ISIP was 1.1 psi/ft. The Nolte plot was slightly positive throughout most of the job but was slightly negative during the 5 ppg stage.