

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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 and Natural Resources

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

Form C-103
Revised June 10, 2003

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG UP TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM 6-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-045-32012
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Manana Gas, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator c/o Walsh Engineering, 7415 E. Main St., Farmington, NM 87402		7. Lease Name or Unit Agreement Name Crooked Seams
4. Well Location Unit Letter <u>P</u> : <u>716'</u> feet from the <u>South</u> line and <u>1225'</u> feet from the <u>East</u> line Section <u>14</u> Township <u>30N</u> Range <u>12W</u> NMPM San Juan County		8. Well Number #1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5529' GR		9. OGRID Number 13931
		10. Pool name or Wildcat Basin Fruitland Coal / Aztec PC

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: Completion <input checked="" type="checkbox"/>

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

The Aztec Pictured Cliffs and the Fruitland Coal pools were completed in this well according to the attached treatment reports.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Paul C. Thompson TITLE Agent DATE May 31, 2004

Type or print name Paul C. Thompson, P.E. E-mail address: paul@walsheng.net Telephone No. (505) 327-4892
(This space for State use)

APPROVED BY Chal R TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE JUN - 4 2004
Conditions of approval, if any:

FRACTURE TREATMENT REPORT

Operator: Manana Gas, Inc. Well Name: Crooked Seams #1
Date: 21-May-04
Field: Aztec PC & Basin Fruitland Coal Location: 14/30N/12W County: San Juan State: NM
Stimulation Company: Halliburton Supervisor: Paul Thompson

Stage #: 1/2 Pictured Cliffs

Sand on location: Design: 50,000# Weight ticket: 125,160# Size/type: 20/40 Brady

Fluid on location : No. of Tanks: 5 Strap: 20 Amount: 2000 Usable: 1800

Perforations:
Depth: 1820' - 1831' Total Holes: 33 PBTD: 1985' KB
Shots per foot: 3 spf EHD: 0.34" Loggers

Breakdown:
Acid: None
Balls: None Break at 2978 psi.
Pressure: Rate:

Stimulation:
ATP: 780 psi AIR: 16 BPM
MTP: 3007 psi MIR: 20.1 BPM

	Sand Stage	Pressure	Rate	BHTP
ISIP: 640	pad	1079	20.1	1681
5 min: 654	1 ppg	803	15.1	1530
10 min: 634	2 ppg	772	15.1	1562
15 min: 612	3 ppg	749	15.1	1594
	4 ppg	701	15.1	1574
	5 ppg	670	15.1	1575

Job Complete at: 1115 hrs. Date: 5/21/2004 Start flow back: CIBP
Total Fluid Pumped: 629 bbls
Total Sand Pumped: 50,000 Total Sand on Formation: 50,000
Total Nitrogen Pumped: NA

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 0.79 psi/ft. Dropped the rate from 20 to 15 BPM during the 1 ppg stage due to a declining Nolte plot. The Nolte plot was fairly steady through the rest of the job.

FRACTURE TREATMENT REPORT

Operator: Manana Gas, Inc. Well Name: Crooked Seams #1
Date: 21-May-04
Field: Aztec PC & Basin Fruitland Coal Location: 14/30N/12W County: San Juan State: NM
Stimulation Company: Halliburton Supervisor: Paul Thompson

Stage #: 2/2 Fruitland Coal

Sand on location: Design: 75,000 Weight ticket: 125,690# Size/type: 20/40 Brady

Fluid on location : No. of Tanks: 5 Strap: 12' 7" Amount: 1271 Usable: 1071

Perforations:
Depth: 1773' - 1798' Total Holes: 75 PBD: 1810' KB
Shots per foot: 3 spf EHD: 0.34" CIBP

Breakdown:
Acid: None
Balls: None
Pressure: Rate:

Stimulation:
ATP: 1000 psi AIR: 20.0 BPM
MTP: 1096 psi MIR: 20.0 BPM

	Sand Stage	Pressure	Rate	BHTP
ISIP: 708	pad	1052	20.1	1703
5 min: 639	1 ppg	1096	20.0	1798
10 min: 599	2 ppg	1072	20.0	1835
15 min: 560	3 ppg	948	20.0	1777
	4 ppg	880	20.0	1736
	5 ppg	854	20.0	1743

Job Complete at: 1345 hrs. Date: 5/21/2004 Start flow back: 1600 hrs.
Total Fluid Pumped: 863 bbls Well had no pressure.
Total Sand Pumped: 75,000# Total Sand on Formation: 75,000#
Total Nitrogen 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 0.83 psi/ft. The Nolte plot was slightly negative starting at the 3 ppg stage.