5. Lease UNITED STATES NMSF-079186 DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT** 6. If Indian, Allottee or Tribe Name SUNDRY NOTICES AND REPORTS ON WELLS 7. Unit Agreement Name (Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals) 8. Well Name and No. 1. Oil Well [] Gas Well [] Other [] **GAS WELL BREECH "E" 850** 2. Name of Operator: 9. API Well No. 30-039-27676-00S1 Caulkins Oil Company 10. Field and Pool, Exploratory Area 3. Address of Operator: (505) 334-4323 **BASIN DAKOTA** 1409 W. Aztec Blvd. Ste B7, Aztec, NM 87410 4. Location of Well (Footage, Sec., Twp., Rge.) 11. Country or Parish, State 705' F/N 2270' F/W SEC. 5-26N-6W Rio Arriba Co., New Mexico 12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION [] Notice of Intent [] Abandonment [] Change of Plans [] New Construction []Recompletion [] Non-Routine Fracturing [X] Subsequent Report [] Plugging Back [X] Water Shut-Off [] Casing Repair [] Final Abandonment Notice [] Altering Casing [] Conversion to Injection [] Dispose Water] Other 17. Describe Proposed or Completed Operations: 7-16-04 Rigged up. T. I. H. with new 2 3/8" tubing and 4 3/4" bit. 7-19-04 Drilled out DV tool at 3645'. Continued in hole. Drilled out DV tool at 5643'. 070 FARMINGTON NM Continued in hole. Cleaned out to 7614'. 7-20-04 Rolled hole with KCL water. Pressure tested casing to 4000#. Held OK. Spot acid over perforation interval. T. O. H. with tubing. Rigged up Bluejet. Run Gamma Ray log, TD to 4600'. Perforated Dakota zone, 7522' - 7304' with 30 select fire shots. Rig down perforators. (continued on page 2) NOTE: The format is issued in lieu of U.S. BLM Form 3160-5 18. I HEREBY CERTIFY THE FOREGOING IS TRUE AND CORRECT TITLE: Superintendent DATE: August 26, 2004 ROBERT L. VERQUER ACCEPTED FOR RECORD DATE: APPROVED BY: TITLE: SEP 0 1 2004 CONDITIONS OF APPROVAL, IF ANY FARMINGTUM FIELD OFFICE MMOCD

Caulkins Oil Company BLM Sundry Notice Breech "E" 850 August 26, 2004 Page 2

7-21-04 Frac'd Dakota zone with 160,480# 20/40 sand and 17,538 s/mcf N_2 foam.

7-22-04 1750# on wellhead.

Flowed back through choke nipples for 6 hours.

Killed well.

T. I. H. with tubing.

Tagged fill at 7489'.

7-23-04 Cleaned out hole to 7617' with air foam unit.

Landed tubing on doughnut at 7521'.

Rigged down and moved.