UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Sundry Notices and Reports on Wells

RECEIVED

OCT 11 2011

Farmington Field Office
Bureau of Land Management

1. Type of Well Gas X	**5. Lease Number** USA NM 4457
	6. If Indian, All. or Tribe Name
2. Name of Operator Schalk Development Company	**7. Unit Agreement Name**
3. Address & Phone No. of Operator P.O. Box 25825, Albuquerque, NM 87125	**8. Well Name & Number** Schalk 57 #2
	9. API Well No. 30-039-21024
Location of Well, Footage, Sec., T, R, M 935' FNL & 985' FEL, Section 12, T-30-N, R-5-W,	**10. Field and Pool** Blanco MV
	11. County & State Rio Arriba County, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission

X Notice of Intent

____ Subsequent Report

____ Final Abandonment

Type of Action

___ Abandonment
___ Recompletion
___ Plugging Back
___ Casing Repair
___ Altering Casing
_X_ Other – Production test

___ Change of Plans
___ New Construction
___ Non-Routine Fracturing
___ Water Shut off
___ Conversion to Injection

RCVD OCT 25 '11

OIL CONS. DIV.

DIST. 3

13. Describe Proposed or Completed Operations

Operator request permission to test the Mesaverde zone in this well to determine if commercial production rates can be realized.

A recent attempt to repair the tubing found the packer stuck; we successfully cut and fished the tubing from 3100'. We observed the tubing to have heavy scale starting at 800'. After a casing scraper run, a RBP was set at 5543' (101' above the top perforation). Then we found the casing leaks above 4900'. From the RBP to 4948' the casing did tested to 600 PSI. We propose to set an isolation packer at 5000' and swab the well to determine if an economic production can be obtained. As you know this well is in the big game closure area until April 1, 2012. Plans to repair or the plug this well will be submitted by June 1, 2012.

14. I hereby certify that the foregoing is true and correct.

Signed _Jack Evans_ Title _Production Superintendent_ Date _October 8, 2011_

(This space for Federal or State Office use)
APPROVED BY _Original Signed Stephen Mason_ Title _____ Date _OCT 18 2011_
CONDITION OF APPROVAL, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOCD
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