5 Lease UNITED STATES NMNM-03553 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** 9. API Well No. BREECH "D" 140-M 2. Name of Operator: 070 FARM INGTON N 30-039-23085-00C1 **Caulkins Oil Company** 3. Address of Operator: 10. Field and Pool, Exploratory Area (505) 334-4323 DAKOTA, MESA VERDE 1409 W. Aztec Blvd. Ste B7, Aztec, NM 87410 4. Location of Well (Footage, Sec., Twp., Rge.) 11. Country or Parish, State 880' F/N 1028' F/W SEC. 11-26N-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 [X] Notice of Intent [] Abandonment [] Change of Plans [X] Recompletion [] New Construction [] Subsequent Report [] Plugging Back | Non-Routine Fracturing [] Water Shut-Off [] Casing Repair [] Final Abandonment Notice [] Conversion to Injection [] Altering Casing [X] Other <u>Downhole Commingle</u>] Dispose Water 17. Describe Proposed or Completed Operations: We request approval to recomplete this well in the South Blanco Tocito formation by the following procedure: 5-13-05 Rig up. T. O. H. with 2 3/8" tubing from 7491'. Run wireline set retrievable bridge plug to 7000'. Run gas spectrum log through Tocito & Gallup formations, 6950' to 6500". Perforate Tocito zone, 6822' to 6808'. T. I. H. with 2 7/8" tubing with fullbore packer to approximately 6000'. Frac Tocito zone with 20,000# 20/40 sand and N2 foam. Flow well back to clean up and test. T. O. H. laying down 2 7/8" tubing with packer. T. I. H. with 2 3/8" tubing with retrieving head. T. O. H. with retrievable bridge plug from 7000' T. I. H. with 2 3/8" production tubing. Clean out to PBTD with air foam unit. Land tubing on doughnut at approximately 7490'. Commingled Dakota - Tocito - Mesa Verde D1+C3491 Rig down and move. 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: May 13, 2005 ROBERT L. VERQUER APPROVED BY: CONDITIONS OF APPROVAL, IF ANY

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-107A Revised May 15, 2000

District II

District III
1000 Rio Brazos Road, Az

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

APPLICATION TYPE 11 E

APPLICATION FOR DOWNHOLE COMMINGLIN

	Sir	igle Wel
	Establish Pre-Approv	ed Pool
	EXISTING WEI	LBORE
G	X Yes	No

					<u> </u>				
Caulkins Oil Company Operator		140 Add	9 W. Aztec, Blvd., Sur	ite B7, Az	tec NM 8741	0			
BREECH "D"	140-M		SEC. 11-26N-6W			Rio Arriba			
Lease	Well No.		Section-Township-Range	V Foder	nl State	County			
OGRID No. 003824 Property Co	de <u>2438</u> API	No. <u>30-039-</u>	23083 Lease Type	reder	alState	Fee			
DATA ELEMENT	UPPER 2	ZONE	INTERMEDIATE	ZONE	LOV	VER ZONE			
Pool Name	Mesa V	erde	South Blanco Toci	ito	В	asin Dakota			
Pool Code	7231	9	06460			71599			
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5120' - 5	5478'	6822' – 6808'		73	300' - 7538'			
Method of Production (Flowing or Artificial Lift)	Flowi	ng	Flowing			Flowing			
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)									
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1243	3	Estimated: 1286			1243			
Producing, Shut-In or New Zone	Produc	ing	New Zone		1	Producing			
Date and Oil/Gas/Water Rates of Last Production.	Date: 12 mont	h average	Date: Estimated		Date: 12 m	onth average			
(Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Rate: Gas 10 MCF/D	Oil Water .115 .014 Bbl Bbl	Rate: Gas Oil 250 2.5 MCF/D Bbl	Water .6 Bbl	Rate: Gas 82 MCF/	Oil Water .408 .063 /D Bbl Bbl			
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting date or explanation will be required.)	ł	ras 2 0/	Oil Gas	<i>5</i> 2	Oil	Gas			
	4 %	3 %	83 %	73 %	13	<u>% 24 %</u>			
Are all working, royalty and overriding	rovalty interests ide	ADDITION entical in all cor			٧a	o Y No			
If not, have all working, royalty and over	erriding royalty inte	rest owners bee	n notified by certified ma	il?	Ye	s _ X _ No s No			
Are all produced fluids from all commit	ngled zones compat	ible with each o	ther?		Ye	s_X_No			
Will commingling decrease the value of	f production?				Ye	s No <u>X</u>			
If this well is on, or communitized with or the United States Bureau of Land Ma				c Lands	Ye	s No			
NMOCD Reference Case No. applicabl	e to this well: DHC	C-1868-A, DHC	-2069-A, DHC – 3187, D	HC-2248, I	DHC-2102				
Attachments: C-102 for each zone to be commingled showing its spacing unit and acreage dedication. Production curve for each zone for at least one year. (If not available, attach explanation.) For zones with no production history, estimated production rates and supporting data. Data to support allocation method or formula. Notification list of working, royalty and overriding royalty interests for uncommon interest cases. Any additional statements, data or documents required to support commingling.									
•		PRE-APPRO	VED POOLS						
If application is	to establish Pre-App	proved Pools, th	e following additional inf	formation w	/ill be required:				
List of other orders approving downhole List of all operators within the proposed Proof that all operators within the proposed Bottomhole pressure data.	Pre-Approved Poo	ols	• •	ation.					
I hereby certify that the information	above is true and	complete to t	he best of my knowled	ge and bel	ief.				
SIGNATURE Rolest 2 72 TYPE OR PRINT NAME ROL	on L. Verquer	TELEPH	TITLE <u>Superint</u> ONE NO. <u>(505) 334-</u>	endent 4323	_ DATE <u>Ju</u>	ine 15, 2005			

FOR BREECH D 140-M

DAKOTA

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
05/04	3,173	13	2	31	97.	0.419
06/04	2,884	10	2	29	94	0.345
07/04	3,016	14	2	31	92	0.452
08/04	2,970	11	2	31	90	0.355
09/04	2,630	11	2	30	82	0.367
10/04	3,065	13	2	31	94	0.419
11/04	2,830	14	2	30	89	0.467
12/04	2,470	12	2	31	74	0.387
01/05	2,603	19	3	31	79	0.613
02/05	1,640	. 8	1	28	53	0.286
03/05	2,269	15	2	31	68	0.484
04/05	2,446	9	1	30	76	0.300
	31,996	149	23		82	0.408

MESA VERDE

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
05/04	454	4	1	31	12	0.129
06/04	414	3	0	29	12	0.103
07/04	435	3	0	31	11	0.097
08/04	429	4	1	31	11.	0.129
09/04	385	3	0	30	10	0.100
10/04	441	3	0	31	12	0.097
11/04	410	4	1	30	11	0.133
12/04	367	3	0	31	9	0.097
01/05	384	6	1	31	10	0.194
02/05	259	2	0	28	7	0.071
03/05	342	4	1	31	8	0.129
04/05	362	3	0	30	9	0.100
	4,682	42	5		10	0.115

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102

PO Box 1980, Hobbs, NM 88241-1980

District 11

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

Revised October 18, 1994

Instructions on back Submit to Appropriate District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Drive Santa Fe, NM 87504

State Lease - 4 Copies

Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-23085	² Pool Code				
30-039-23085	72319	VEKUE			
⁴ Property Code	⁵ Pro	' Well Number			
2458	BRE	140-M			
OGRID No.	⁴ Ope	' Elevation			
003824	Caulkins	6597 GR			

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	11	26N	6W		880'	North	1028'	West	Rio Arriba

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
		ļ							
12 Dedicated Acres	13 Joint o	r Infill 14 C	onsolidation	Code 15 Or	der No.				
320									
f .		- 1							

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

880'		©	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief
1028		Breech "D" 140	Signature Printed Name Robert L. Verquer Title Superintendent Date May 20, 2005
			18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. Date of Survey
			Signature and Seal of Professional Surveyor:

State of New Mexico

Form C-102

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Energy, Minerals & Natural Resources Department

Revised October 18, 1994 Instructions on back Submit to Appropriate District Office

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OIL CONSERVATION DIVISION

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District III

1220 South St. Francis Drive 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87504

Fee Lease - 3 Copies

2040 South Pacheco, Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-23085	² Pool Code 06460	O Pool Name SOUTH BLANCO TOCITO		
⁴ Property Code 2458	Property Name BREECH "	i i		
OGRID No.	' Operator Nar Caulkins Oil Co	11 11 11		

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	11	26N	6W		880'	North	1028'	West	Rio Arriba
II Demonstrate Vesseller IC Different Prove Conference									

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 80	¹³ Joint o	r Infill ¹⁴ C	onsolidation	Code 15 Or	der No.		<u> </u>		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A

	NON-STAIN	DARD UNIT HAS BEE	MATROVEDBIII	IL DIAIDION
880' 1028'			⊚ Breech "D" 140	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief
				Signature Printed Name Robert L. Verquer Title Superintendent Date May 20, 2005
				18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief: Date of Survey
				Signature and Seal of Professional Surveyor: Certificate Number

State of New Mexico

Form C-102

PO Box 1980, Hobbs, NM 88241-1980

Energy, Minerals & Natural Resources Department

Revised October 18, 1994 Instructions on back

District II 811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION 1220 South St. Francis Drive

Submit to Appropriate District Office

District III

AMENDED	REPORT

State Lease - 4 Copies 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87504 Fee Lease - 3 Copies District IV 2040 South Pacheco, Santa Fe, NM 87505 WELL LOCATION AND ACREAGE DEDICATION PLAT ¹ API Number ² Pool Code 30-039-23085 71599 **BASIN DAKOTA** ⁴ Property Code Well Number 5 Property Name 2458 BREECH "D" 140-M OGRID No. ⁸ Operator Name ' Elevation 003824 **Caulkins Oil Company** 6597 GR ¹⁰ Surface Location Feet from the North/South line UL or lot no. Section Township Range Lot Idn Feet from the East/West line County D 11 26N 6W 880' North 1028' West Rio Arriba ¹¹ Bottom Hole Location If Different From Surface UL or lot no. Section Lot Idn Feet from the North/South line Feet from the East/West line Township Range County 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No. 320 NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION 17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and 8803 complete to the best of my knowledge and belief 1028 Breech "D" 140 Signature Printed Name Robert L. Verquer Title Superintendent Date May 20, 2005 ¹⁸SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. Date of Survey Signature and Seal of Professional Surveyor: Certificate Number