 Submit 3 Copies To Appropriate District Office 	State of New Me	-	Form C-103				
District I	Energy, Minerals and Nati	ıral Resources	May 27, 2004 WELL API NO.				
1625 N. French Dr., Hobbs, NM 88240 District II	OIL CONSERVATION	DIVISION	30-045-33655				
1301 W. Grand Ave., Artesia, NM 88210 District III	1220 South St. Fra		5. Indicate Type of Lease				
1000 Rio Brazos Rd., Aztec, NM 87410	Santa Fe, NM 8		STATE FEE S				
District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	Sama Pe, INIVI 6	7303	6. State Oil & Gas Lease No.				
SUNDRY NOT (DO NOT USE THIS FORM FOR PROPO DIFFERENT RESERVOIR. USE "APPL	7. Lease Name or Unit Agreement Name LEORA WALLACE						
PROPOSALS.) 1. Type of Well: Oil Well	8. Well Number #1E						
2. Name of Operator Thompson Engineering & Prod. C	orn		9. OGRID Number 37581				
3. Address of Operator	orp.		10. Pool name or Wildcat				
7415 East Main Street, Farmingto	n, NM 87402		Basin Dakota				
4. Well Location							
Unit Letter D: 695'	feet from the NORTH line and	d 1180' feet from	n the West line				
Section 14 Township			unty San Juan				
	5796' GL	P, RKB, RT, GR, etc.,					
Pit or Below-grade Tank Application	or Closure 🗌						
Pit type Depth to Groundwater	Distance from nearest fresh water well	Distance fr	om nearest surface water				
Pit Liner Thickness: mi	Below-Grade Tank: Volume b	bls; Construction M	Material				
12. Check	Appropriate Box to Indicate N	Nature of Notice,	Report or Other Data				
NOTICE OF II	NTENTION TO:	SUB	SEQUENT REPORT OF:				
PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING							
	TEMPORARILY ABANDON						
PULL OR ALTER CASING	MULTIPLE COMPL	CASING/CEMEN	I JOB [
OTHER:		OTHER:					
			d give pertinent dates, including estimated date tach wellbore diagram of proposed completion				
or recompletion.	ork). SEE ROLE 1103. For Multip	ne Completions. At	nach wehoore diagram of proposed completion				
On 06/1 3 /06 the above well v	vas fraced per the attached trea	atment reports.	SUN 2008 RECEIVED ON TOTAL ONET 8				
I hereby certify that the information grade tank has been/will be constructed or	above is true and complete to the broken according to NMOCD guidelines	oest of my knowledg ⊠, a general permit □	ge and belief. I further certify that any pit or belowor an (attached) alternative OCD-approved plan .				
SIGNATURE Taul C.	Thomps TITLE	Engineer/ Owner	DATE 06/19/06				
Type or print name Paul C. Thom For State Use Only	pson, P.E. E-mail address:	paul@walsheng.net	Telephone No. 505-327-4892				
101 State Ost Only	//	0 1 A B B C 1 A A A A A A A A A A A A A A A A A A	RICT#3 DATE JUN 1 9 2005				
APPROVED BY: And & Conditions of Approval (if any):	TITLE	UPERVISOR DIST	RICT#3 DATE JUN 1 5 2000				

WALSH ENGINEERING & PRODUCTION CORPORATION

FRACTURE TREATMENT REPORT

	i nompson	Engineering		well name:		Leora vvai	iace #1E		
Date:	13-Jun-06								
Field:	Basin Dako	ta	Location:	14/30N/12W	County:	San Juan	State:	NM	
Stimulatio	n Company	: Key Pumping S	Service	Supervisor:		Paul Thon	npson		
Stage #:	1/2 Dakot	and Weatherford	Wireline						
Sand on	location:	Design:	40,000 & 5,000	Weight ticke	t: 120,420#	& 11,340#	Size/type:	20/40 Brady	& 20/40 SLC
Fluid on	location :	No. of Tanks:	6	Strap:	20	Amount:	2400	_Usable:	2160
Perforat	ions:		2770 70 0 2700		Total Holes	80			
		Depth:	6772-76 & 6739 - 44 at 1 6703- 6726' at 3 spf	spr			-	PBTD:	6810' Loggers
		Shots per foot:		•	EHD:	0.34"	-		
Breakdo	wn:	Acid:	500 gal of 15% HCl						
			300 gar or 1376 (10)	•			broke at 325	•	
		Balls:	None	•			dropped 300	•	
		Pressure:	1850	Rate:	4.7		t hit formation	1.	
Stimulat	tion:								
	ana chieran yaya	ATP:	2900 psi	AIR:	20 BPM				TERRET SPHEIS, SZSTYRE PETASISEZNE
		MTP:	3500 psi	MIR:	39.5 BPM		-		
				Sand Stage	Pressure	Rate	ВНТР	*	
				pad	3000	39.3	483	0	
	ISIP:	2470		0.5 ppg	2850	18.2	. 551	9	
	5 min:	1940	•	1 ppg	2590	16.4	542	4	
	10 min:	1877	_	3 ppg					
	15 min:	1773	-	3 ppg SLC					
	Job Compl	ete at:	1415 hrs.	Date:	6/13/2006	Start flo	w back:	20 30 Hrs	
				·		_		with 600 psi	
	Total Fluid	Pumped:	1076 bbls					-	
	Total Sand	Pumped:	40,000 #	Total Sand o					
	Total Nitro	gen Pumped:	None			•			

Notes:

All frac fluid was Aztec City water with 2% KCl, biocide, and 20#/1000 gal guar gel (AMBorMax 1020), borate crosslinker, surfactant, pH buffers, enzyme and encapsulated breakers. Surface treating pressures increased to 3500 psi during the 1 ppg stage. Flushed the sand and re-started the sand at 0.5 ppg at 18 BPM. Increased the sand to 1 ppg. Treating pressures increased to 3100 psi, then gradually dropped to 2550 psi. Planed to pump 5,000# of SLC at 1.0 ppg but the surface pressures increased rapidly from 2550 to 3100 psi. Flushed the sand to the top perf with linear gel water.

PTCS9 TO 3500 Per PAUL, See EMAIL



FRACTURE TREATMENT REPORT

Operator:	r: Thompson Engineering				Well Name:		Leora Wallace #1E				
Date:	13-Jun-06										
Field:	Basin Dako			Location:	14/30N/12W	County:	San Juan	State:	NM		
Stimulatio	n Company	: Key Pumping S	Service		Supervisor:		Paul Thor	npson			
Stage #:	2/2 Upper [and Weatherford Dakota	l Wireline								
Sand on	on location: Design:		5,000 # 20/40 Brady		Weight ticket:		Size/type:		20/40 Brady & 20/40 SLC		
Fluid on	location :	No. of Tanks:		-	Strap:		Amount:	1300	Usable:	1240	
Perforat	io ns :	Depth:	6622 - 6652			Total Holes	: 90	_	PBTD:	6675' KB	
		Shots per foot:	3 spf			EHD:	0.34"	-		CIBP	
Breakdo	wn:	Acid:	500 gal of 1	5% HCI			Initial welli No obviou	nead pressure	was 370 psi.		
		Balls:	None		-		140 000100	o break			
		Pressure:	1200	0	. Rate:	4.5					
Stimulat	don:	ATP:	2500 ps		AIR:	37.7 BPM		-			
		MTP:	3100 ps	si	MIR:	43 BPM		_			
					Sand Stage	Pressure	Rate	ВНТР		_	
					pad	2820	43	3 4188			
	ISIP:	3150	_		1 ppg	2524	41.1	3702			
	5 min:	1630	_		2 ppg	2295	37.6	3708			
	10 min:	1080	•		3 ppg	2350	37.7	7 3745			
	15 min:	789	•		4 ppg	2268	37.6	3620			
			-		4 ppg SLC	2700	30.4				
Job Complete at:		1800	_hrs.	Date:	6/13/2006	Start flo	w back:	2030 hrs with 600 psi			
	Total Fluid	Pumped:	1170 bbls		•				•		
	Total Sand Pumped: 80,0				Total Sand o	on Formation	n: 90,000			-	
	i otal Nitro	gen Pumped:	None								

Notes:

All frac fluid was Aztec City water with 2% KCl, biocide, and 20#/1000 gal guar gel (AMBorMax 1020), borate crosslinker, surfactant, pH buffers, enzyme and encapsulated breakers. The frac gradient based on the ISIP was 0.77 psi/ft. Decreased the rate during the 1 and 2 ppg stages due to a declining Nolte. Nolte stabilized until the 4 ppg stage then started to decline again. Key lost prime at their blender just as the 4 ppg SLC stage was started. Started pumping again and finished the SLC stage and the flush but at a lower rate and higher surface treating pressure.