

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other <input type="checkbox"/>				5. LEASE DESIGNATION AND SERIAL NO. NM 23041	
b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. PERFOR. <input type="checkbox"/> Other <input type="checkbox"/>				6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR SCHALK DEVELOPMENT COMPANY				7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. P.O. Box 25825 Albuquerque, NM 87125 (505)881-6649				8. FARM OR LEASE NAME, WELL NO. SCHALK 41 #2B	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 660' FSL & 1,975' FWL At top prod. interval reported below At total depth				9. API WELL NO. 30-039-26441	
14. PERMIT NO. _____ DATE ISSUED _____				10. FIELD AND POOL, OR WILDCAT Blanco Mesa Verde	
15. DATE SPUDDED 05/17/00				11. SEC. T. R. M. OR BLOCK AND SURVEY OR AREA N Sec. 8, T-25N, R-3W	
16. DATE T.D. REACHED 05/26/00				12. COUNTY OR PARISH Rio Arriba	
17. DATE COMPL. (Ready to prod.) 08/14/00				13. STATE NM	
18. ELEVATIONS (OF RKB, RT, OR, ETC.)* 7,101' GL				19. ELEV. CASINGHEAD 7,101'	
20. TOTAL DEPTH, MD & TVD 6,103'		21. PLUG BACK T.D., MD & TVD 5,980'		22. IF MULTIPLE COMPL., HOW MANY*	
23. INTERVALS DRILLED BY 6,103'		ROTARY TOOLS		CABLE TOOLS	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 5,776' to 5,899' Mesa Verde (Point Lookout)					25. WAS DIRECTIONAL SURVEY MADE Yes
26. TYPE ELECTRIC AND OTHER LOGS RUN Compensated Neutron, Array Induction, Micro Cylindrically Focused Logs and Perforating Depth Control Log					27. WAS WELL CORRED No
28. CASING RECORD (Report all strings set in well)					
CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8" J55	24#	330'	12-1/4"	Surface: 325 sxs C1 B	
4-1/2" J55	10.5#	6,103'	7-7/8"	Surface: 1st stage 505 sx	
(DV tool set @ 3,622')				C1 B; 2nd stage 696 sx	
				C1 B - circulate to surface	
29. LINER RECORD					
SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	
30. TUBING RECORD					
SIZE	DEPTH SET (MD)	PACKER SET (MD)			
2-3/8"	5,856'				
31. PERFORATION RECORD (Interval, size and number)					
5,776'-5,777'; 5,794'-5,800'; 5,824'-5,830'					
5,834'-5,839'; 5,844'-5858'; 5,897'-5,899'					
Total of 68 0.46" holes.					
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.					
DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED			
5,776'-5,899'		48,890 gallons 25# linear gel with 73,248 lbs. 20/40 sand			
33. PRODUCTION					
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)			WELL STATUS (Producing or shut-in)
		Flowing			Shut-in
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.
08/05/00	3	3/4"			207
WATER—BBL.	GAS-OIL RATIO				
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.
126	375			1,659	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)					TEST WITNESSED BY
Vented					Jack Evans
35. LIST OF ATTACHMENTS					
Deviation Record					
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records					
SIGNED		TITLE General Manager		DATE 08/14/00	

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully 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.

Accepted for
Record
9/4/00
[Signature]

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38.

GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Ojo Alamo	3,252'	3,380'				
Kirtland	3,380'	3,518'				
Fruitland	3,518'	3,618'				
Pict. Cliffs	3,618'	5,295'				
Cliffhouse	5,295'	5,402'				
Menefee	5,402'	5,775'				
Point Lookout	5,775'	5,900'+				

SCHALK DEVELOPMENT CO.
P. O. BOX 25825
ALBUQUERQUE, NEW MEXICO 87125

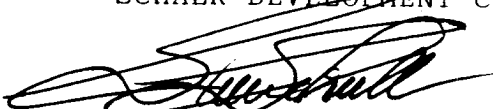
August 14, 2000

Schalk 41 #2B
Sec. 8, T-25N, R-8W
Rio Arriba County, New Mexico

DEVIATION RECORD

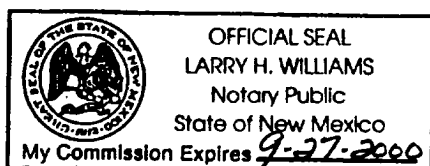
<u>DATE</u>	<u>DEPTH</u>	<u>DEVIATION</u>
5/18/00	310'	1/2
	707'	1/2
5/19/00	1,204'	1
	2,227'	1-1/2
	2,721'	1-1/2
5/20/00	3,216'	1-1/2
5/21/00	3,743'	1-3/4
5/22/00	4,030'	3/4
5/23/00	4,726'	1
5/25/00	5,718'	1-1/4
5/27/00	6,085'	1

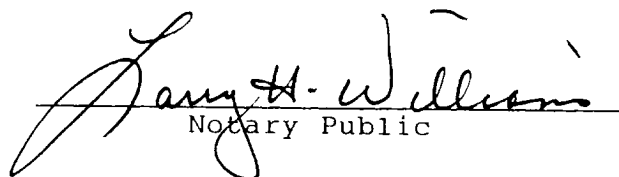
SCHALK DEVELOPMENT COMPANY


Steve Schalk

STATE OF NEW MEXICO
COUNTY OF BERNALILLO

Subscribed and sworn to before me, a Notary Public, this
14th day of August, 2000, by Steve Schalk




Notary Public