



KOCH EXPLORATION COMPANY

August 26, 1996

Mr. William LeMay
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, NM 87505

RECEIVED
AUG 30 1996

OIL CON. DIV.
DIST. 3

Re: Walker 2-A
1665' FSL & 790; FEL Section 10-T31N-R10W, San Juan County NM
API# 30-045-21693

Dear Mr. LeMay:

Administrative approval is requested for downhole commingling the Blanco Mesaverde and the Blanco Pictured Cliffs pools in the subject well. The Walker 2-A is currently producing from the Blanco Mesaverde over the interval 4,456' - 5,461'. Koch proposes to add Pictured Cliffs production over the interval 2,942' - 2,969'.

Until late 1996 the Pictured Cliffs in the SE/4 Section 10-T31N-R10W produced from the Walker 5 located 960' FSL and 1,165 FEL. Approval to P & A this well was received on 1/22/96. This well will be P & A'd during September. Koch proposes to complete the Pictured Cliffs in the Walker 2-A to recover the remaining reserves within this spacing unit. A plot of the Walker 5, Pictured Cliffs production is attached.

Ownership under the South half (S/2) is not common in that NM-014110 covering E/SE/4, W/2SW/4, and SE/4SW/4 is Koch 87.5% and BLM 12.5% and the fee lease covering the W/2SE/4, NE/4SW/4 is owned Koch 87.25%, Dawn Colucci, Nigh Recoverable Trust Agreement, Charles Cecil Johnston Trust, Lowell M. Parrish, Jr., and Estate of Katie Lee Reese, as royalty owners and Amoco Production Company with an overriding royalty interest. All owners have been notified by certified mail as to this application.

All offset operators, Meridian Oil, Inc. and Amoco Production Company, have received written notice of this application.

To comply with the New Mexico Oil Conservation Division rules, Koch is submitting the following attachments for your approval.

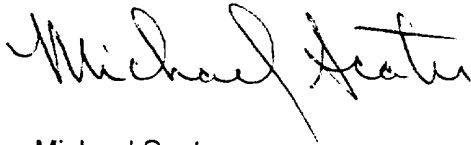
1. Form C-107-A, Application for Downhole Commingling.
2. Forms C-102 for each zone showing its spacing unit and acreage dedication.

✓

3. A production curve showing the Walker 2-A Blanco Mesaverde production.
4. A production curve showing the Walker 3 Pictured Cliffs production.
5. Data to support allocation method.
6. Notification list of offset operators.
7. Notification list of working, overriding and royalty interests.
8. Sundry notice for plugging of the Pictured Cliffs zone in the Walker 3 well.

Should you need additional information, please call me at (316) 828-5595.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Scates". The signature is fluid and cursive, with the first name "Michael" being more prominent than the last name "Scates".

Michael Scates
Administrative Manager

cc: Bureau of Land Management - Farmington, NM
Oil Conservation Division - Aztec, NM

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

811 South First St., Artesia, NM 88210 2835

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410-1693

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429Form C-107-A
New 3-12-96

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Koch Exploration Company

Operator

PO Box 2256 Wichita, KS 67201

Address

46817

Walker 2-A

Sec. 10-T31N-R10W

San Juan

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

OGRID NO. 012807 Property Code 03 API NO. 30-045-21693

Spacing Unit Lease Types: (check 1 or more)

Federal ☒ State ☐ (and/or) Fee ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Pictured Cliffs 72359		Blanco Mesaverde 72319
2. Top and Bottom of Pay Section (Perforations)	2942-2969		4456-5461
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) Est. 350 psia b. (Original) 02/19/76 969 psia	a. b.	a. Est. 350 psia b. 08/08/75 865 psia
6. Oil Gravity (°API) or Gas BTU Content	1120 BTU/cf		46% API 1252 BTU/cf
7. Producing or Shut-In?	New Completion		Producing
Production Marginal? (yes or no)	No		
* If Shut-In, give date and oil/gas/water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data	Date: 10/95 Rates: 237 mcf/d (Walker 3)	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: 4/95 Rates: 1 BC/d 454 mfc/d
8. Fixed Percentage Allocation Formula - % for each zone	Oil: % Gas: %	Oil: % Gas: %	Oil: % Gas: %

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones?

If not, have all working, overriding, and royalty interests been notified by certified mail?
Have all offset operators been given written notice of the proposed downhole commingling?☒ Yes ☐ No
☒ Yes ☐ No
☒ Yes ☐ No11. Will cross-flow occur? ☐ Yes ☒ No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ☐ Yes ☐ No (If No, attach explanation)12. Are all produced fluids from all commingled zones compatible with each other? ☒ Yes ☐ No13. Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☐ Yes ☐ No

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S).

16. 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 all offset operators.
- * Notification list of working, overriding, and royalty interests for uncommon interest cases.
- * Any additional statements, data, or documents required to support commingling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Michael Scates TITLE Administrative Mgr. DATE 8/23/96TYPE OR PRINT NAME Michael Scates TELEPHONE NO. (316) 828-5595

Exhibit #1

District I
PO Box 1900, Hobbs, NM 88241-1900
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-216930		Pool Code	Pool Name Blanco Pictured Cliffs/Blanco Mesaverde
Property Code	Property Name Walker		Well Number 2-A
GRID No. 012801	Operator Name Koch Exploration Company		Elevation 6132

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
P	10	31N	10W		1165	South	790	East	S.J.

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedication Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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

16					17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Michael Scates</i> Signature Michael Scates Printed Name Administrative Manager Title 8/23/96 Date
					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 belief. January 11, 1975 Date of Survey Signature and Seal of Professional Surveyer: On File 1463 Certificate Number

10

1090' 2

93.6'

2-A

790'

1165'

NE MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

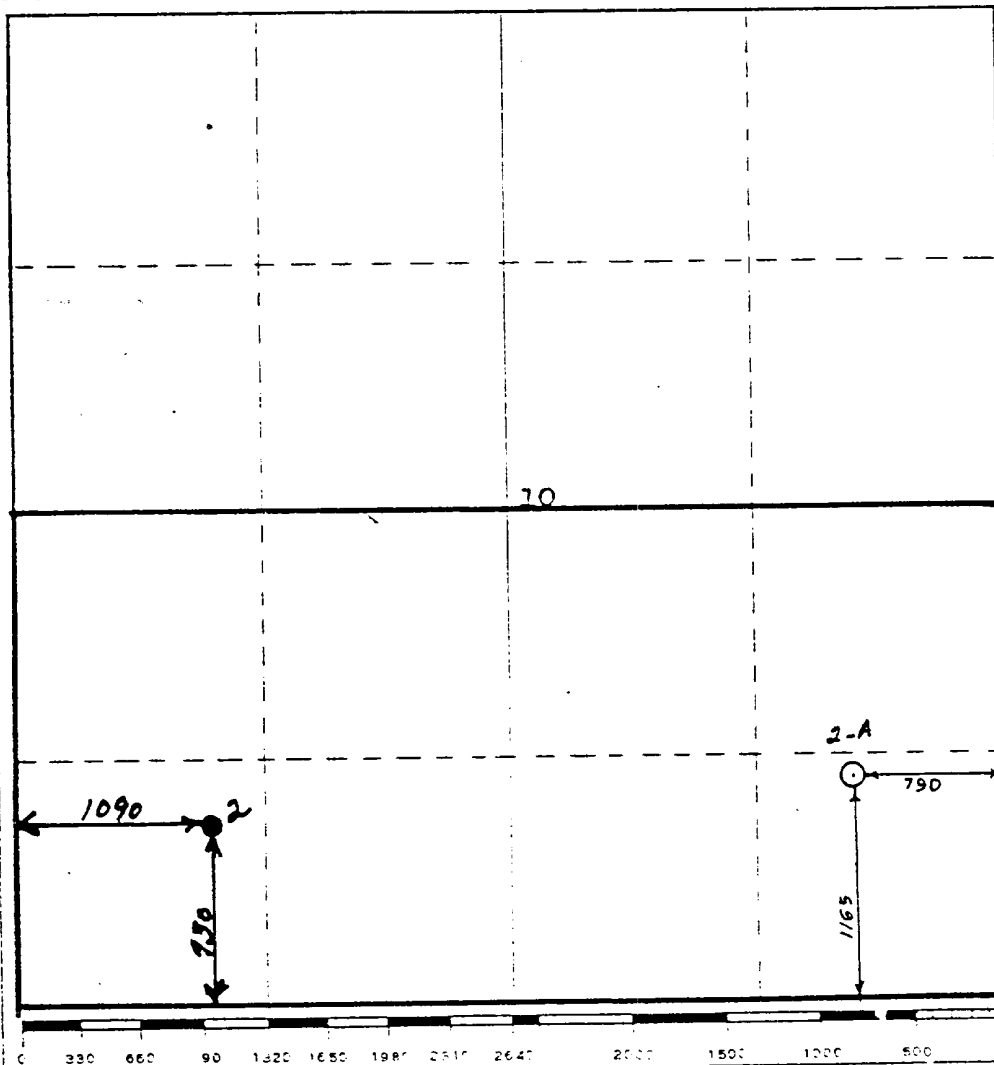
Operator KOCH EXPLORATION COMPANY		Lease WALKER		Well No. 2 - A
Unit Letter P	Section 10	Township 31 N	Range 10 W	County San Juan County
Actual Footage Location of Well: 1165 feet from the South line and 790 feet from the East line				
Ground Level Elev. 6132	Producing Formation		Foot	Estimated Acreage: Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name _____

Position _____

Company _____

Date _____

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.

Jan. 11, 1975

Signature _____

James P. Leese

Registered Professional Engineer
No. 1463

James P. Leese
1463

Certificate No. _____

Lease Name: WALKER 2-A
Field Name: BLANCO/MESA VERDE FIELD

Well Code: KYC 105CND07B30
Operator: KOCH

State: NM
County: SAN JUAN

Location: T31N R10W 10
Report Date: JUL 10, 1996

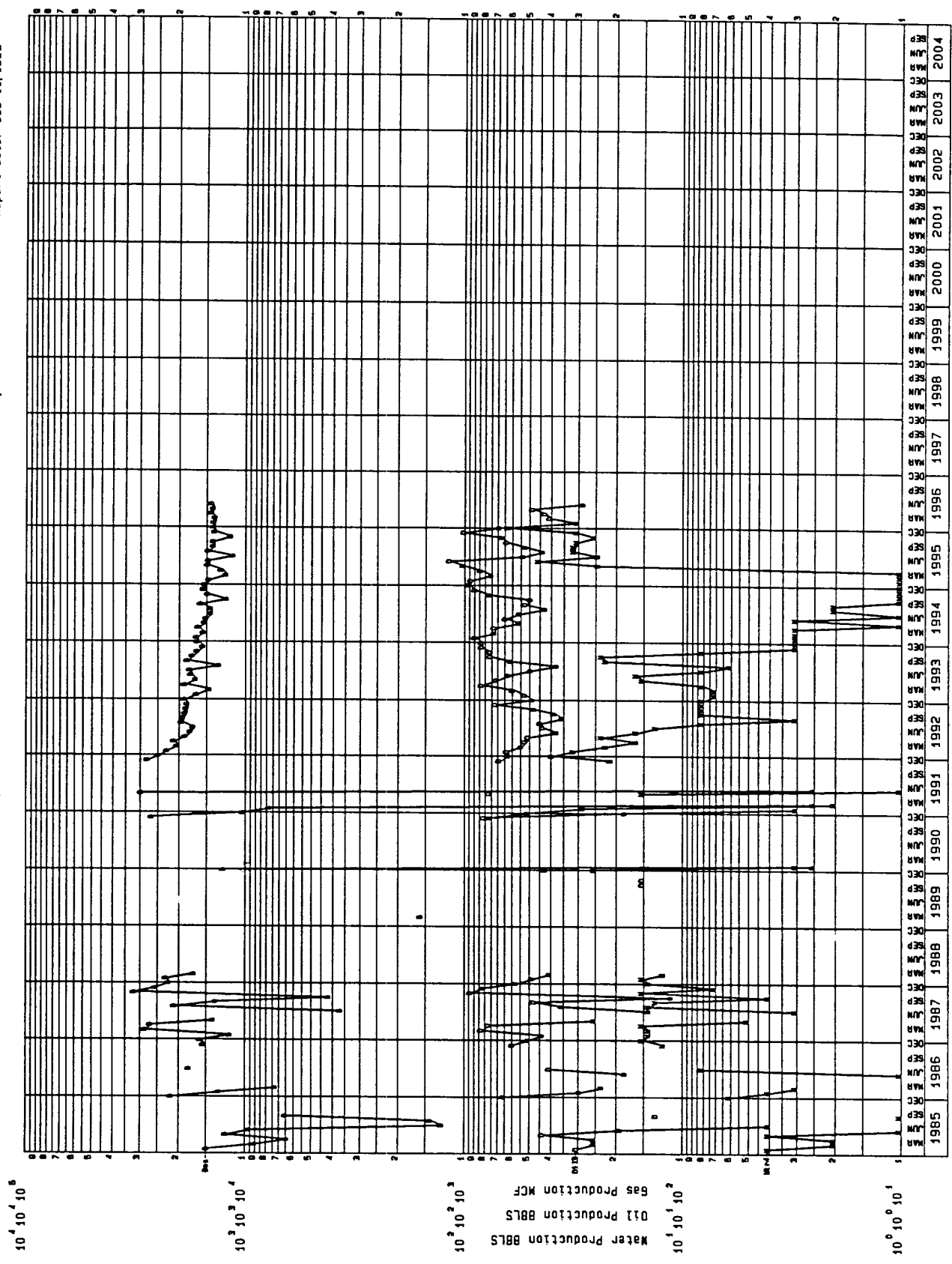


Exhibit #3

Run Date: 8/26/96

WELL IDENT: KXC 105CNO7830

WELL NAME: WALKER 2-A

MON DAYS

ON

PROD

GAS

CUMM

YEAR

1975

JAN

FEB

MAR

APR

MAY

JUN

JUL

AUG

SEP

OCT

NOV

DEC

TOT

114456

22715

51355

40386

114456

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

HISTORY DETAIL FOR ANALYSIS

STATE: NM

LOCATION

LOC OTHER:

OIL

PROD

CUMM

YEAR

1979

JAN

FEB

MAR

APR

MAY

JUN

JUL

AUG

SEP

OCT

NOV

DEC

TOT

27666

25487

26149

26632

7047

26156

28018

24264

18119

21763

26364

24921

282586

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

242

GAS REPORTED AS MCF

PRIME ZONE: 00105C

UPPER/LOWER: 0

GAS

PROD

CUMM

YEAR

1983

JAN

FEB

MAR

APR

MAY

JUN

JUL

AUG

SEP

OCT

NOV

DEC

TOT

15104

9951

15885

13296

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

2186498

Page: 1

WTR

PROD

CUMM

YEAR

1983

JAN

FEB

MAR

APR

MAY

JUN

JUL

AUG

SEP

OCT

NOV

DEC

TOT

36

29

47

42

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

4787

Location: T31N R10W 10
Report Date: JUL 10, 1996

State: NM
County: SAN JUAN

Well Code: KYC 552 NM07B40
Operator: KOCH

Lease Name: WALKER 3
Field Name: BLANCO/MESA VERDE FIELD

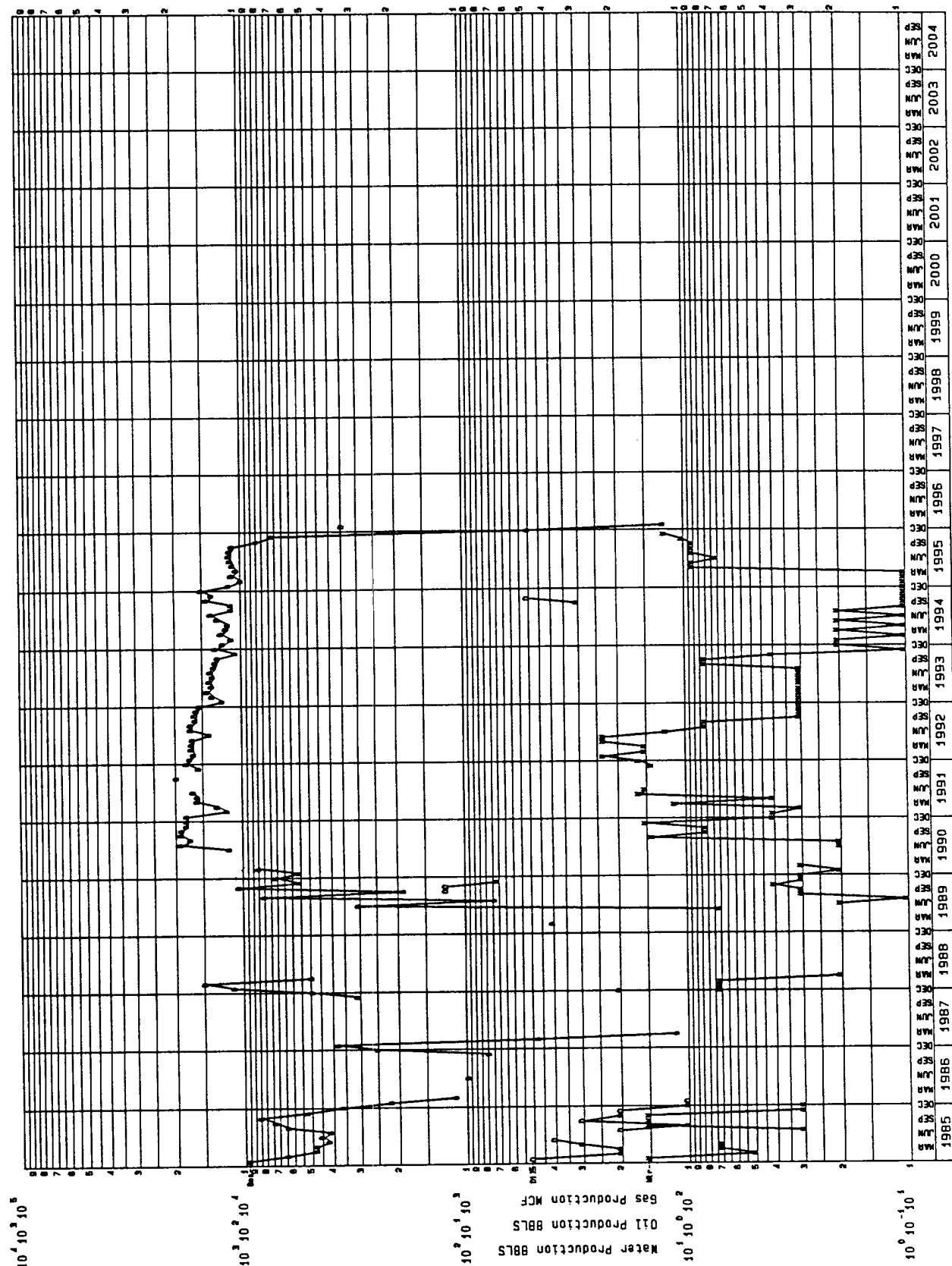
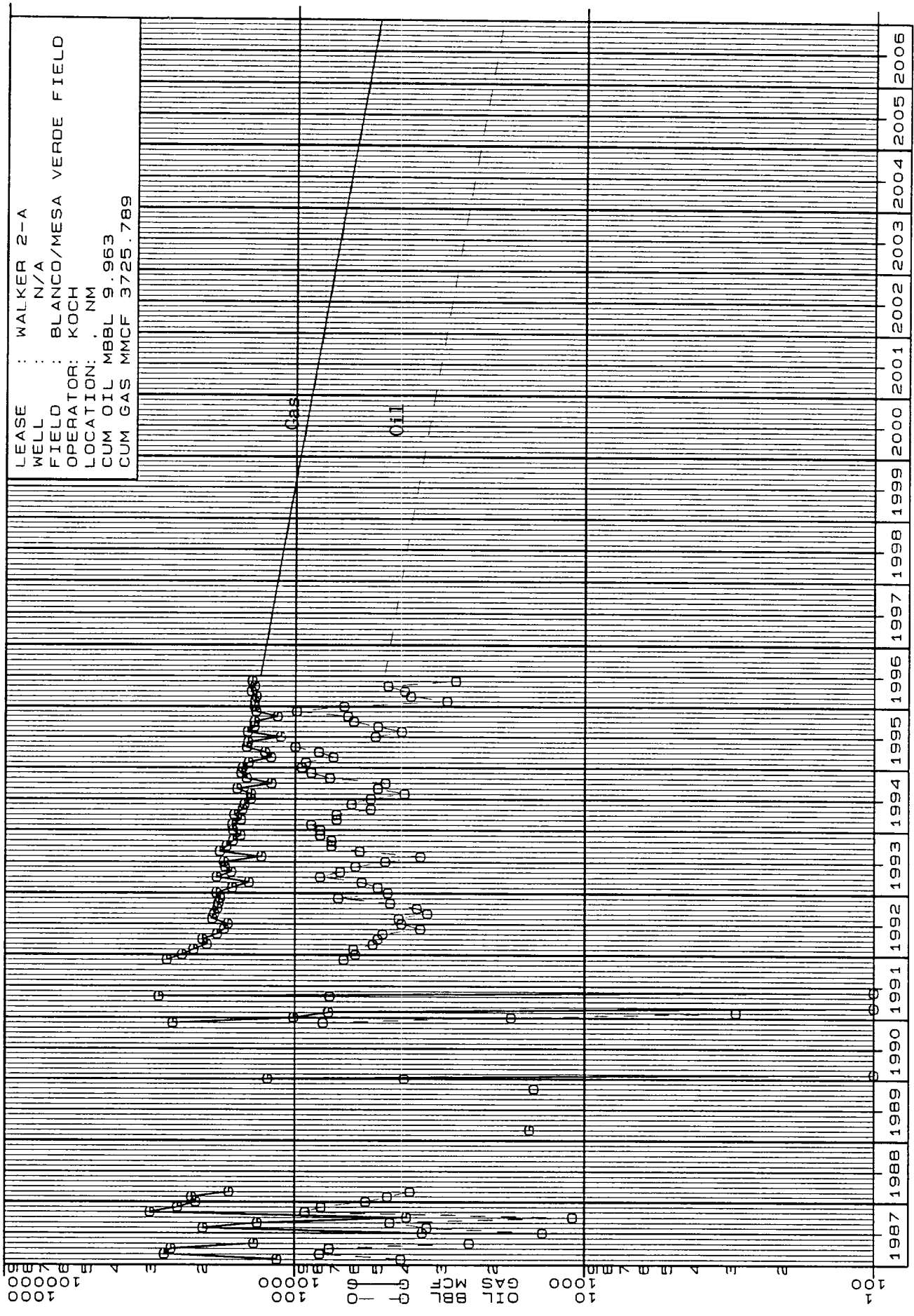


Exhibit #4

WELL IDENT: KXC 552 NW07840																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
WELL NAME: WALKER 3																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
PRIME ZONE: 00552																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
UPPER/LOWER: 0 0 0 0																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
OPERATOR: KOCH																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
FIELD NAME: BLANCO/MESA VERDE FIELD																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
STATE: NM																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
LOCATION T3IN R10W 10																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
LOC OTHER:																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
YEAR 1988				YEAR 1989				YEAR 1990				YEAR 1991				YEAR 1992				YEAR 1993				YEAR 1994				YEAR 1995				YEAR 1996																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
MON	DAYS	ON	PROD	CUM	GAS	PROD	CUM	OIL	CUM	WTR	PROD	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	WTR	PROD	CUM	OIL	CUM	



TEXAS COMPUTER WORKS, INC.

Exhibit #4

LEASE NAME: WALKER 2-A
WELL NAME: N/A
FIELD: BLANCO/MESA VERDE FIELD
CNTY/ST: NM
OPERATOR: KOCH
FORMATION:

DATE: 07-26-1996
TIME: 14:28:26
FILE: WALK2AMV

PROD. START: 0 / 1975
PROJ. START: 9 / 1996

PRODUCTION FORECAST REPORT (HISTORY ENDS 5/1996)

***** 8/8TH PRODUCTION *****					***** NET PRODUCTION *****				
MTH/YR	OIL	GAS	CUM OIL	CUM GAS	OIL	GAS	CUM OIL	CUM GAS	RATIO
-----	BBL-----	MCF-----	MB-----	MMF-----	BBL-----	MCF-----	MB-----	MMF-----	-----
PRIOR			9.956	3764.997			8.897	3212.491	3
9/96	48.4	12878.8	10.005	3777.876	48.4	12878.8	8.946	3225.370	4
10/96	48.1	12784.5	10.053	3790.660	48.1	12784.5	8.994	3238.154	4
11/96	47.7	12690.8	10.101	3803.351	47.7	12690.8	9.042	3250.845	4
12/96	47.4	12597.9	10.148	3815.949	47.4	12597.9	9.089	3263.443	4
S. TOT.	191.6	50952.0			191.6	50952.0			4
1/97	47.0	12505.7	10.195	3828.455	47.0	12505.7	9.136	3275.949	4
2/97	46.7	12414.1	10.242	3840.869	46.7	12414.1	9.183	3288.363	4
3/97	46.3	12323.2	10.288	3853.192	46.3	12323.2	9.229	3300.686	4
4/97	46.0	12232.9	10.334	3865.425	46.0	12232.9	9.275	3312.919	4
5/97	45.7	12143.4	10.380	3877.568	45.7	12143.4	9.321	3325.062	4
6/97	45.3	12054.4	10.425	3889.623	45.3	12054.4	9.366	3337.117	4
7/97	45.0	11966.1	10.470	3901.589	45.0	11966.1	9.411	3349.083	4
8/97	44.7	11878.5	10.515	3913.467	44.7	11878.5	9.456	3360.961	4
9/97	44.3	11791.5	10.559	3925.259	44.3	11791.5	9.500	3372.753	4
10/97	44.0	11705.2	10.603	3936.964	44.0	11705.2	9.544	3384.458	4
11/97	43.7	11619.5	10.647	3948.583	43.7	11619.5	9.588	3396.077	4
12/97	43.4	11534.4	10.690	3960.118	43.4	11534.4	9.631	3407.612	4
S. TOT.	542.1	144168.9			542.1	144168.9			4
1/98	43.1	11449.9	10.733	3971.568	43.1	11449.9	9.674	3419.062	4
2/98	42.7	11366.1	10.776	3982.934	42.7	11366.1	9.717	3430.427	4
3/98	42.4	11282.8	10.818	3994.217	42.4	11282.8	9.759	3441.710	4
4/98	42.1	11200.2	10.860	4005.417	42.1	11200.2	9.801	3452.911	4
5/98	41.8	11118.2	10.902	4016.535	41.8	11118.2	9.843	3464.029	4
6/98	41.5	11036.8	10.944	4027.572	41.5	11036.8	9.885	3475.066	4
7/98	41.2	10956.0	10.985	4038.528	41.2	10956.0	9.926	3486.022	4
8/98	40.9	10875.7	11.026	4049.404	40.9	10875.7	9.967	3496.897	4
9/98	40.6	10796.1	11.066	4060.200	40.6	10796.1	10.007	3507.694	4
10/98	40.3	10717.0	11.107	4070.917	40.3	10717.0	10.048	3518.411	4
11/98	40.0	10638.6	11.147	4081.555	40.0	10638.6	10.088	3529.049	4
12/98	39.7	10560.6	11.186	4092.116	39.7	10560.6	10.127	3539.610	4
S. TOT.	496.3	131998.0			496.3	131998.0			4

LEASE NAME: WALKER 2-A
WELL NAME: N/A
FIELD: BLANCO/MESA VERDE FIELD
CNTY/ST: , NM
OPERATOR: KOCH
FORMATION:

DATE: 07-26-1996
TIME: 14:28:26
FILE: WALK2AMV

PROD. START: 0 / 1975
PROJ. START: 9 / 1996

PRODUCTION FORECAST REPORT (HISTORY ENDS 5/1996)

MTH/YR	***** 8/8TH PRODUCTION *****				***** NET PRODUCTION *****				RATIO
	OIL BBL-----	GAS MCF-----	CUM OIL MB-----	CUM GAS MMF-----	OIL BBL-----	GAS MCF-----	CUM OIL MB-----	CUM GAS MMF-----	
1/99	39.4	10483.3	11.226	4102.599	39.4	10483.3	10.167	3550.093	4
2/99	39.1	10406.5	11.265	4113.006	39.1	10406.5	10.206	3560.500	4
3/99	38.8	10330.3	11.304	4123.336	38.8	10330.3	10.245	3570.830	4
4/99	38.6	10254.7	11.342	4133.591	38.6	10254.7	10.283	3581.085	4
5/99	38.3	10179.6	11.381	4143.771	38.3	10179.6	10.322	3591.264	4
6/99	38.0	10105.1	11.419	4153.876	38.0	10105.1	10.360	3601.369	4
7/99	37.7	10031.0	11.456	4163.907	37.7	10031.0	10.397	3611.400	4
8/99	37.4	9957.6	11.494	4173.865	37.4	9957.6	10.435	3621.358	4
9/99	37.2	9884.7	11.531	4183.750	37.2	9884.7	10.472	3631.243	4
10/99	36.9	9812.3	11.568	4193.562	36.9	9812.3	10.509	3641.055	4
11/99	36.6	9740.4	11.604	4203.302	36.6	9740.4	10.545	3650.795	4
12/99	36.4	9669.1	11.641	4212.971	36.4	9669.1	10.582	3660.465	4
S. TOT.	454.4	120854.7			454.4	120854.7			4
1/ 0	36.1	9598.3	11.677	4222.569	36.1	9598.3	10.618	3670.063	4
2/ 0	35.8	9528.0	11.713	4232.097	35.8	9528.0	10.654	3679.591	4
3/ 0	35.6	9458.3	11.748	4241.555	35.6	9458.3	10.689	3689.049	4
4/ 0	35.3	9389.0	11.784	4250.944	35.3	9389.0	10.725	3698.438	4
5/ 0	35.0	9320.3	11.819	4260.265	35.0	9320.3	10.760	3707.759	4
6/ 0	34.8	9251.9	11.853	4269.517	34.8	9251.9	10.794	3717.010	4
7/ 0	34.5	9184.3	11.888	4278.701	34.5	9184.3	10.829	3726.195	4
8/ 0	34.3	9116.9	11.922	4287.817	34.3	9116.9	10.863	3735.312	4
9/ 0	34.0	9050.3	11.956	4296.868	34.0	9050.3	10.897	3744.362	4
10/ 0	33.8	8983.9	11.990	4305.852	33.8	8983.9	10.931	3753.346	4
11/ 0	33.5	8918.1	12.024	4314.770	33.5	8918.1	10.965	3762.264	4
12/ 0	33.3	8852.8	12.057	4323.623	33.3	8852.8	10.998	3771.117	4
S. TOT.	416.1	110652.0			416.1	110652.0			4
1/ 1	33.0	8788.0	12.090	4332.411	33.0	8788.0	11.031	3779.905	4
2/ 1	32.8	8723.7	12.123	4341.134	32.8	8723.7	11.064	3788.629	4
3/ 1	32.6	8659.8	12.155	4349.794	32.6	8659.8	11.096	3797.288	4
4/ 1	32.3	8596.4	12.188	4358.390	32.3	8596.4	11.129	3805.885	4
5/ 1	32.1	8533.4	12.220	4366.923	32.1	8533.4	11.161	3814.418	4
6/ 1	31.9	8470.9	12.252	4375.394	31.9	8470.9	11.193	3822.889	4
7/ 1	31.6	8408.9	12.283	4383.803	31.6	8408.9	11.224	3831.298	4
8/ 1	31.4	8347.3	12.315	4392.150	31.4	8347.3	11.256	3839.646	4
9/ 1	31.2	8286.2	12.346	4400.436	31.2	8286.2	11.287	3847.932	4
10/ 1	30.9	8225.5	12.377	4408.662	30.9	8225.5	11.318	3856.157	4
11/ 1	30.7	8165.3	12.407	4416.827	30.7	8165.3	11.348	3864.323	4
12/ 1	30.5	8105.5	12.438	4424.932	30.5	8105.5	11.379	3872.428	4
S. TOT.	380.9	101310.8			380.9	101310.8			4

LEASE NAME: WALKER 2-A
WELL NAME: N/A
FIELD: BLANCO/MESA VERDE FIELD
CNTY/ST: , NM
OPERATOR: KOCH
FORMATION:

DATE: 07-26-1996
TIME: 14:28:27
FILE: WALK2AMV

PROD. START: 0 / 1975
PROJ. START: 9 / 1996

PRODUCTION FORECAST REPORT

(HISTORY ENDS 5/1996)

MTH/YR	***** 8/8TH PRODUCTION *****				***** NET PRODUCTION *****				RATIO
	OIL BBL-----	GAS MCF-----	CUM OIL MB-----	CUM GAS MMF-----	OIL BBL-----	GAS MCF-----	CUM OIL MB-----	CUM GAS MMF-----	
1/ 2	30.3	8046.1	12.468	4432.978	30.3	8046.1	11.409	3880.474	4
2/ 2	30.0	7987.2	12.498	4440.965	30.0	7987.2	11.439	3888.461	4
3/ 2	29.8	7928.7	12.528	4448.894	29.8	7928.7	11.469	3896.390	4
4/ 2	29.6	7870.7	12.557	4456.765	29.6	7870.7	11.498	3904.261	4
5/ 2	29.4	7813.0	12.587	4464.578	29.4	7813.0	11.528	3912.074	4
6/ 2	29.2	7755.8	12.616	4472.333	29.2	7755.8	11.557	3919.830	4
7/ 2	28.9	7699.0	12.645	4480.033	28.9	7699.0	11.586	3927.529	4
8/ 2	28.7	7642.6	12.674	4487.675	28.7	7642.6	11.615	3935.171	4
9/ 2	28.5	7586.6	12.702	4495.262	28.5	7586.6	11.643	3942.758	4
10/ 2	28.3	7531.1	12.731	4502.793	28.3	7531.1	11.672	3950.289	4
11/ 2	28.1	7475.9	12.759	4510.269	28.1	7475.9	11.700	3957.765	4
12/ 2	27.9	7421.2	12.787	4517.690	27.9	7421.2	11.728	3965.186	4
S. TOT.	348.8	92758.0			348.8	92758.0			4
1/ 3	27.7	7366.9	12.814	4525.057	27.7	7366.9	11.755	3972.553	4
2/ 3	27.5	7312.9	12.842	4532.370	27.5	7312.9	11.783	3979.866	4
3/ 3	27.3	7259.3	12.869	4539.629	27.3	7259.3	11.810	3987.125	4
4/ 3	27.1	7206.3	12.896	4546.835	27.1	7206.3	11.837	3994.331	4
5/ 3	26.9	7153.4	12.923	4553.989	26.9	7153.4	11.864	4001.485	4
6/ 3	26.7	7101.1	12.950	4561.090	26.7	7101.1	11.891	4008.586	4
7/ 3	26.5	7049.1	12.976	4568.139	26.5	7049.1	11.917	4015.635	4
8/ 3	26.3	6997.4	13.003	4575.136	26.3	6997.4	11.944	4022.632	4
9/ 3	26.1	6946.2	13.029	4582.083	26.1	6946.2	11.970	4029.579	4
10/ 3	25.9	6895.3	13.055	4588.978	25.9	6895.3	11.996	4036.474	4
11/ 3	25.7	6844.8	13.080	4595.823	25.7	6844.8	12.021	4043.319	4
12/ 3	25.5	6794.7	13.106	4602.618	25.5	6794.7	12.047	4050.113	4
S. TOT.	319.3	84927.3			319.3	84927.3			4
1/ 4	25.4	6744.9	13.131	4609.363	25.4	6744.9	12.072	4056.858	4
2/ 4	25.2	6695.6	13.156	4616.059	25.2	6695.6	12.097	4063.554	4
3/ 4	25.0	6646.6	13.181	4622.705	25.0	6646.6	12.122	4070.200	4
4/ 4	24.8	6597.8	13.206	4629.303	24.8	6597.8	12.147	4076.798	4
5/ 4	24.6	6549.6	13.231	4635.853	24.6	6549.6	12.172	4083.348	4
6/ 4	24.4	6501.6	13.255	4642.354	24.4	6501.6	12.196	4089.849	4
7/ 4	24.3	6453.9	13.280	4648.908	24.3	6453.9	12.221	4096.303	4
8/ 4	24.1	6406.8	13.304	4655.215	24.1	6406.8	12.245	4102.710	4
9/ 4	23.9	6359.8	13.328	4661.575	23.9	6359.8	12.269	4109.070	4
10/ 4	23.7	6313.2	13.351	4667.988	23.7	6313.2	12.292	4115.383	4
11/ 4	23.6	6267.0	13.375	4674.155	23.6	6267.0	12.316	4121.650	4
12/ 4	23.4	6221.1	13.398	4680.376	23.4	6221.1	12.339	4127.871	4
S. TOT.	292.4	77757.8			292.4	77757.8			4

LEASE NAME: WALKER 2-A
WELL NAME: N/A
FIELD: BLANCO/MESA VERDE FIELD
CNTY/ST: NM
OPERATOR: KOCH
FORMATION:

DATE: 07-26-1996
TIME: 14:28:27
FILE: WALK2AMV

PROD. START: 0 / 1975

PRODUCTION FORECAST REPORT

(HISTORY ENDS 5/1996)

PROJ. START: 9 / 1996

MTH/YR	***** 8/8TH PRODUCTION *****				***** NET PRODUCTION *****				RATIO
	OIL	GAS	CUM OIL	CUM GAS	OIL	GAS	CUM OIL	CUM GAS	
-----	BBL-----	MCF-----	MB-----	MMF-----	BBL-----	MCF-----	MB-----	MMF-----	-----
1/ 5	23.2	6175.5	13.421	4686.551	23.2	6175.5	12.362	4134.046	4
S.TOT.	23.2	6175.5			23.2	6175.5			4

ALLOCATION METHOD
WALKER 2-A

The recommended allocation method for the Walker 2-A is to extrapolate the existing Mesaverde decline through the potential economic limit of the well and attribute any excess production after the commingling to the Pictured Cliffs recompletion. Attached you will find a plot and a tabulated listing of the expected Mesaverde production through time. No condensate production is anticipated from the Pictured Cliffs zone and it is recommended that all condensate produced from the Walker 2-A well be credited to the Mesaverde zone.

NOTIFICATION LIST OF OFFSET OPERATORS

Meridian Oil Company
PO Box 4289
Farmington, NM 87401

Offset Operator

Amoco Production Company
PO Box 800
Denver, CO 80201

Offset Operator

NOTIFICATION LIST OF WORKING, OVERRIDING AND ROYALTY INTERESTS

Minerals Management Service Royalty Management Program Company Code 33792 PO Box 5810 Denver, CO 80217	Royalty/Override Owners
--	-------------------------

Amoco Production Company PO Box 800 Denver, CO 80201	Royalty/Override Owners
--	-------------------------

Dawn Colucci PO Box 140145 Brooklyn, NY 11214-0145	Royalty/Override Owners
--	-------------------------

Robert D. Nigh Trustee of the Nigh Revocable Trust Agreement 7080 Deam Road Indianapolis, IN 46220	Royalty/Override Owners
---	-------------------------

Myra King Johnston Tstee of the Charles Cecil Johnston Trust PO Box 587 Clarksville, AR 72830	Royalty/Override Owners
--	-------------------------

Lowell M. Parrish Jr. PO Box 1922 Farmington, NM 87499	Royalty/Override Owners
--	-------------------------

Katherine Reese Shepherd Executrix of Estate of Katie Lee Reese PO Box 1469 Levelland, TX 79336	Royalty/Override Owners
--	-------------------------

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0113
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Koch Exploration Company

3. Address and Telephone No.

P.O. Box 489 Aztec, NM 87410 (505)-334-9111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec. 10, T31N, R10W (P) SE/SE
969' FSL & 1165' FEL

5. Lease Designation and Serial No.

NM-014110

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

8. Well Name and ID

Walker 3

9. API Well No.

10. Field and Pool, or Laboratory Area

Basin Pictured Cliff

11. County or Parish, State

San Juan County
New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☒ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

During November and December of 1995 we had a significant decrease in production. During Workover we discovered that we had collapsed casing above our Model D packer. Retrieved tubing down to collapsed 4-1/2" casing @ 2721' KB. Collapsed 4 1/2" casing is from 2721' KB to top of packer @ 2890' KB.

We Plan to set a cement plug (Class B cement) from 2710' - 2450' KB. Since cement was not circulated to surface and with no temperature survey or CBL, we plan to perforate 4 1/2" casing @ 1552' KB and circulate back side to surface with 100% excess of class B cement. Then set second cement plug @ 1502' - 1281' KB and set last cement plug @ 242' up to surface (both Class B cement).

Will set a permanent marker to BLM Specs. Request approval to dig a small pit on existing well pad 10' x 10' x 4' deep to be used to circulate cement returns from P&A.

Plan to submit redrill application in the near future to redrill well (Walker 3-R) on the existing well pad.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Signed

Donald L. Johnson

Foreman

Title

Date

1/11/96

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

APPROVED

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.

*See Instruction on Reverse Side

Exhibit #8