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SEP 05 2006

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

WELL API NO.	**30-007-20229**
5. Indicate Type of Lease	STATE ☐ FEE ☒
6. State Oil & Gas Lease No.	

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name	**VPR D**
1. Type of Well: Oil Well ☐ Gas Well ☒ Other **COALBED METHANE**	8. Well Number **61**
2. Name of Operator **EL Paso E & P Company, L.P.**	9. OGRID Number **180514**
3. Address of Operator **PO BOX 190, RATON, NM 87740**	10. Pool name or Wildcat

4. Well Location
Unit Letter **B** : **623** feet from the **North** line and **2043** feet from the **East** line
Section **32** Township **31N** Range **18E** NMPM **Colfax** County

Bottom Hole Location: Unit H, Sec 32, T 31N, R 18E, 2590' FNL, 50' FEL, Colfax County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* **8,758' (GR)**

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type_____ Depth to Groundwater_____ Distance from nearest fresh water well_____ Distance from nearest surface water_____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
OTHER: ☐		OTHER: **Horizontal Lateral** ☒	

1. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. Work proposed is as follows.

07/26/06 MIRU Eagle Rig. LD rods, tubing, and pump.
07/27/06 Set whipstock at 1,806'. Start milling window from 1,806' – 1,812'.
08/02/06 MIRU Pense Rig. Drill 4 ¾" horizontal lateral to 2,964' MD, 1,941' TVD.
08/06/06 Set 3 ½" perforated liner. Top set at 1,821' and Bottom set at 2,865'.
08/23/06 LD whip stock Clean out with Air Unit.
08/24/06 TIH with 2 7/8" production tubing, insert pump and ¾" rods.
08/30/06 Put well back on production.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. **I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.**

SIGNATURE Shirley Mitchell TITLE **Regulatory Analyst** DATE **09/01/2006**
Type or print name **Shirley A. Mitchell** E-mail address: **shirley.mitchell@elpaso.com** Telephone No. **(505) 445-6785**

For State Use Only

APPROVED BY: Ed Martin TITLE DISTRICT SUPERVISOR DATE 9-13-06
Conditions of Approval (if any):

Scientific Drilling

Scientific Drilling Houston
Final Survey Report

elpaso Production

Company:	EL PASO PRODUCTION	**Date:** 8/14/2006	**Time:** 10:30:50	**Page:**	1
Field:	VERMEJO FIELD, NEW MEXICO	**Co-ordinate(NE) Reference:**	Well: WELL D-61, Grid North		
Site:	RATON (D61)	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	WELL D-61	**Section (VS) Reference:**	Well (0.00N,0.00E,134.62Azi)		
Wellpath:	LATERAL	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

Field: VERMEJO FIELD, NEW MEXICO

Map System:	US State Plane Coordinate System 1927	**Map Zone:**	New Mexico, Eastern Zone
Geo Datum:	NAD27 (Clarke 1866)	**Coordinate System:**	Well Centre
Sys Datum:	Mean Sea Level	**Geomagnetic Model:**	igrf2005

Site: RATON (D61)

Site Position:		**Northing:**	2141700.05 ft	**Latitude:**	36 53	1.302	N
From:	Map	**Easting:**	290213.08 ft	**Longitude:**	105 3	2.352	W
Position Uncertainty:	0.0 ft			**North Reference:**		Grid	
Ground Level:	8758.0 ft			**Grid Convergence:**		-0.43	deg

Well: WELL D-61 **Slot Name:**

Well Position:	+N/-S 0.0 ft	**Northing:**	2141700.05 ft	**Latitude:**	36 53	1.302	N
	+E/-W 0.0 ft	**Easting:**	290213.08 ft	**Longitude:**	105 3	2.352	W
Position Uncertainty:	0.0 ft						

Wellpath: LATERAL **Drilled From:** Surface

Tie-on Depth: 0.0 ft

Current Datum:	SITE	**Height**	0.0 ft	**Above System Datum:**	Mean Sea Level
Magnetic Data:	7/25/2006			**Declination:**	9.28 deg
Field Strength:	51730 nT			**Mag Dip Angle:**	64.22 deg

Vertical Section:	**Depth From (TVD)** ft	**+N/-S** ft	**+E/-W** ft	**Direction** deg
	0.0	0.0	0.0	134.62

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	ClsD ft	ClsA deg	Tool
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.0	0.00	TIE LINE
100.0	1.85	149.80	100.0	-1.4	0.8	1.6	1.85	1.6	149.80	SDI GYRO
200.0	3.00	130.10	199.9	-4.5	3.6	5.7	1.40	5.8	140.99	SDI GYRO
300.0	3.04	99.87	299.8	-6.6	8.2	10.5	1.57	10.6	128.76	SDI GYRO
400.0	3.52	86.39	399.6	-6.9	13.9	14.7	0.91	15.5	116.30	SDI GYRO
500.0	4.08	81.58	499.4	-6.2	20.5	18.9	0.64	21.4	106.73	SDI GYRO
600.0	4.35	81.06	599.1	-5.1	27.8	23.3	0.27	28.2	100.31	SDI GYRO
700.0	4.83	82.21	698.8	-3.9	35.7	28.1	0.49	35.9	96.23	SDI GYRO
800.0	5.83	80.59	798.4	-2.5	44.9	33.7	1.01	44.9	93.18	SDI GYRO
900.0	6.46	79.93	897.8	-0.7	55.4	39.9	0.63	55.4	90.70	SDI GYRO
1000.0	6.51	72.96	997.1	2.0	66.4	45.9	0.79	66.4	88.30	SDI GYRO
1100.0	6.75	72.59	1096.5	5.4	77.4	51.3	0.24	77.6	86.02	SDI GYRO
1200.0	6.58	71.58	1195.8	9.0	88.4	56.7	0.21	88.9	84.22	SDI GYRO
1300.0	6.97	70.68	1295.1	12.8	99.6	61.9	0.40	100.4	82.69	SDI GYRO
1400.0	7.36	67.53	1394.3	17.2	111.3	67.1	0.55	112.6	81.20	SDI GYRO
1500.0	7.55	61.37	1493.5	22.8	122.9	71.5	0.82	125.0	79.48	SDI GYRO
1600.0	7.66	63.06	1592.6	29.0	134.6	75.5	0.25	137.7	77.85	SDI GYRO
1700.0	7.15	59.31	1691.8	35.2	145.9	79.2	0.70	150.1	76.44	SDI GYRO
1788.0	7.16	60.47	1779.1	40.7	155.4	82.0	0.16	160.7	75.33	SDI GYRO
1869.0	31.53	112.76	1855.3	34.9	179.8	103.5	34.17	183.2	79.03	SDI E-FIELD
1901.0	46.41	113.84	1880.1	26.9	198.2	122.2	46.55	200.1	82.27	SDI E-FIELD
1929.0	60.15	115.51	1896.8	17.5	218.6	143.3	49.30	219.3	85.42	SDI E-FIELD
1961.0	72.39	119.24	1909.6	4.0	244.5	171.2	39.70	244.5	89.05	SDI E-FIELD
1992.0	77.25	122.02	1917.8	-11.2	270.2	200.2	17.91	270.5	92.37	SDI E-FIELD
2024.0	81.74	123.95	1923.6	-28.3	296.6	231.0	15.23	298.0	95.45	SDI E-FIELD
2055.0	83.03	126.67	1927.7	-46.1	321.7	261.3	9.64	325.0	98.15	SDI E-FIELD
2087.0	87.31	128.50	1930.4	-65.5	346.9	293.0	14.54	353.1	100.70	SDI E-FIELD
2118.0	91.58	129.57	1930.7	-85.0	371.0	323.8	14.20	380.6	102.91	SDI E-FIELD

Scientific Drilling

Scientific Drilling Houston
Final Survey Report

elpaso Production

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Well:	WELL D-61	**Section (VS) Reference:**	Well (0.00N,0.00E,134.62Azi)
Wellpath:	LATERAL	**Survey Calculation Method:**	Minimum Curvature **Db:** Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	ClsD ft	ClsA deg	Tool
2149.0	90.17	132.56	1930.2	-105.4	394.4	354.7	10.66	408.2	104.96	SDI E-FIELD
2181.0	88.62	133.61	1930.6	-127.3	417.8	386.7	5.85	436.7	106.94	SDI E-FIELD
2212.0	91.24	133.45	1930.6	-148.6	440.2	417.7	8.47	464.6	108.65	SDI E-FIELD
2244.0	93.66	134.00	1929.2	-170.7	463.3	449.7	7.75	493.8	110.23	SDI E-FIELD
2275.0	94.07	136.62	1927.1	-192.7	485.1	480.6	8.54	522.0	111.66	SDI E-FIELD
2306.0	93.36	138.27	1925.1	-215.5	506.0	511.5	5.78	550.0	113.07	SDI E-FIELD
2338.0	91.71	138.75	1923.7	-239.4	527.2	543.4	5.37	579.0	114.43	SDI E-FIELD
2369.0	89.73	139.81	1923.3	-262.9	547.4	574.3	7.24	607.3	115.66	SDI E-FIELD
2399.0	89.46	141.69	1923.5	-286.1	566.4	604.1	6.33	634.6	116.80	SDI E-FIELD
2431.0	89.73	142.21	1923.8	-311.3	586.1	635.9	1.83	663.7	117.98	SDI E-FIELD
2462.0	90.30	142.73	1923.7	-335.9	605.0	666.6	2.49	692.0	119.04	SDI E-FIELD
2494.0	91.35	143.10	1923.3	-361.5	624.3	698.2	3.48	721.4	120.07	SDI E-FIELD
2526.0	93.13	143.38	1922.0	-387.1	643.4	729.8	5.63	750.9	121.03	SDI E-FIELD
2557.0	93.46	143.09	1920.3	-411.9	661.9	760.4	1.42	779.6	121.89	SDI E-FIELD
2589.0	90.81	143.06	1919.1	-437.4	681.1	792.1	8.28	809.5	122.71	SDI E-FIELD
2621.0	90.81	141.79	1918.6	-462.8	700.7	823.8	3.97	839.7	123.44	SDI E-FIELD
2652.0	89.90	141.82	1918.4	-487.1	719.8	854.5	2.94	869.2	124.09	SDI E-FIELD
2683.0	88.42	142.14	1918.9	-511.6	738.9	885.3	4.88	898.7	124.70	SDI E-FIELD
2715.0	86.81	141.50	1920.2	-536.7	758.7	917.0	5.41	929.3	125.28	SDI E-FIELD
2747.0	86.77	141.33	1922.0	-561.7	778.6	948.7	0.54	960.1	125.81	SDI E-FIELD
2778.0	86.90	142.11	1923.7	-586.0	797.8	979.4	2.55	989.9	126.30	SDI E-FIELD
2809.0	86.00	141.60	1925.6	-610.3	816.9	1010.1	3.34	1019.7	126.76	SDI E-FIELD
2840.0	84.23	142.40	1928.3	-634.6	835.9	1040.7	6.26	1049.5	127.21	SDI E-FIELD
2872.0	84.11	142.60	1931.5	-659.9	855.3	1072.3	0.73	1080.3	127.65	SDI E-FIELD
2903.0	83.78	143.36	1934.8	-684.5	873.9	1102.8	2.66	1110.0	128.07	SDI E-FIELD
2935.0	83.33	144.64	1938.4	-710.2	892.5	1134.2	4.22	1140.6	128.51	SDI E-FIELD
2964.0	83.33	144.64	1941.7	-733.7	909.2	1162.5	0.00	1168.3	128.90	PROJECTED DEPTH

EL PASO PRODUCTION

Scientific Drilling

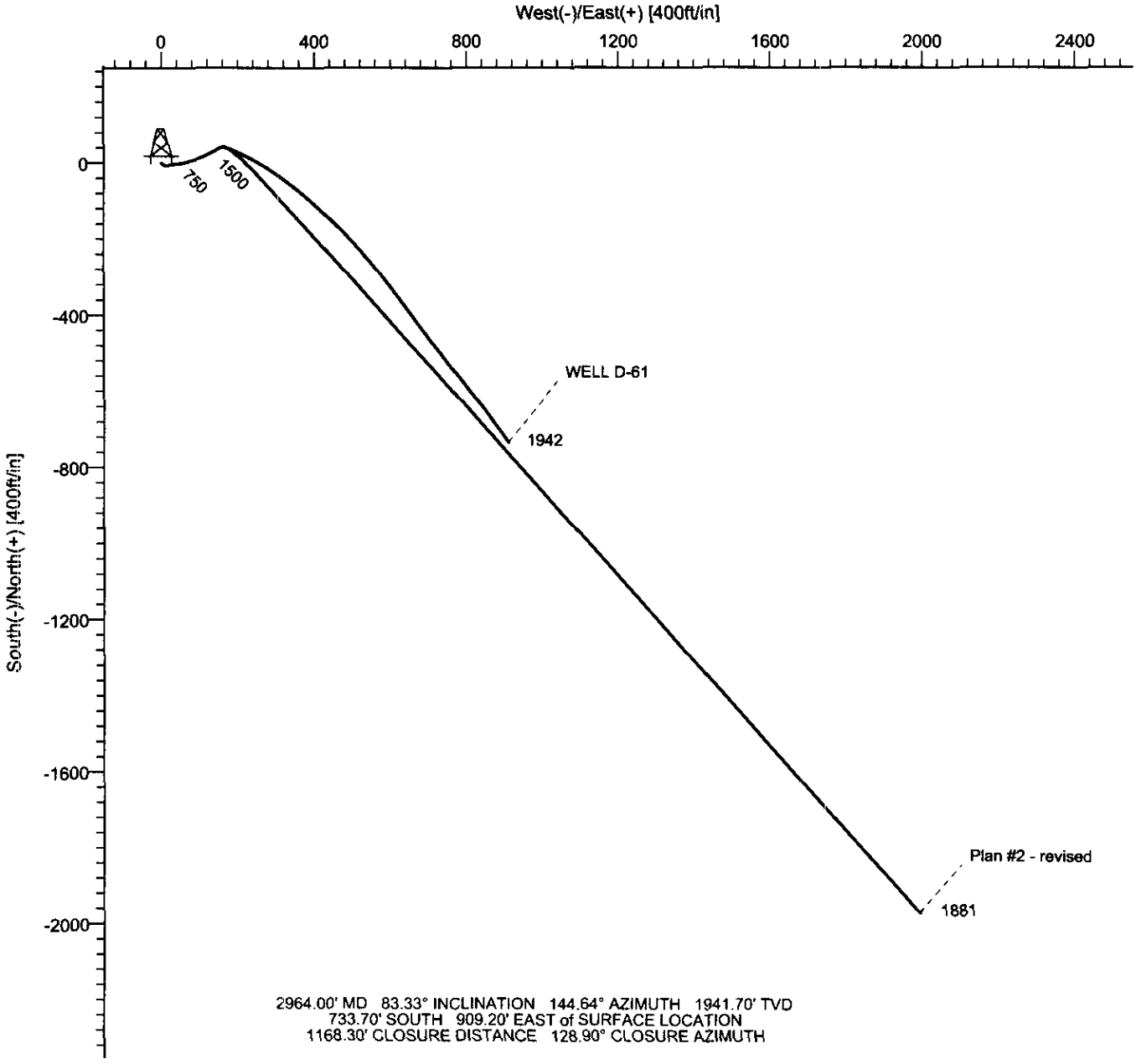
RATON WELL D-61
LATERAL
VERMEJO FIELD, NEW MEXICO

elpaso Production

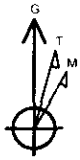
WELL DETAILS

Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
WELL D-61	0.0	0.0	2141700.05	290213.08	36°53'01.302N	105°03'02.352W	N/A

ALL DEPTHS SHOWN ARE TRUE VERTICAL DEPTHS



2964.00' MD 83.33° INCLINATION 144.64° AZIMUTH 1941.70' TVD
733.70' SOUTH 909.20' EAST of SURFACE LOCATION
1168.30' CLOSURE DISTANCE 128.90° CLOSURE AZIMUTH



Azimuths to Grid North
True North: 0.43°
Magnetic North: 9.71°

Magnetic Field
Strength: 51730nT
Dip Angle: 64.22°
Date: 7/25/2006
Model: igrf2005

August 14, 2006
Scientific Drilling
281.443.4600

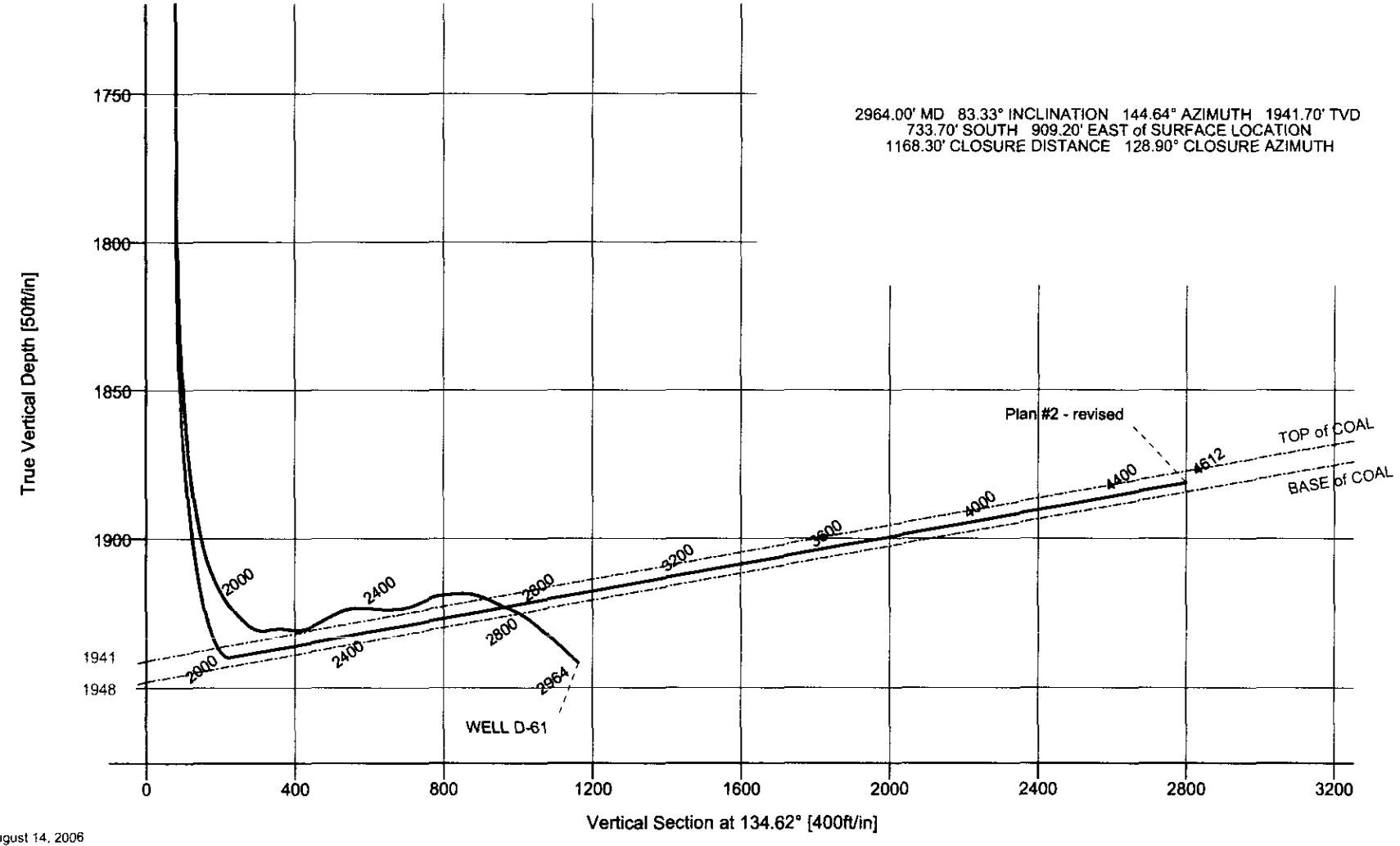
EL PASO PRODUCTION

Scientific Drilling

RATON WELL D-61
LATERAL
VERMEJO FIELD, NEW MEXICO

elpaso Production

ALL DEPTHS SHOWN ARE
MEASURED DEPTHS



August 14, 2006
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