ي. م	DATE IN 173 ST SUSF	ENSE ENGINEER JONES	LOOGED IN TYPE DATE A	mpsemo425747426
		ABOVE T	HIS LINE FOR DIVISION USE ONLY	
	· · · ·	NEW MEXICO OIL CON - Engineerir 1220 South St. Francis Dri	ig Bureau - 🛛 🚺 🧖	
	· · · · · · · · · · · · · · · · · · ·	ADMINISTRATIVE	APPLICATION CHECKL	IST STORE
an da bar Secondari	THIS CHECKLIST IS		APPLICATIONS FOR EXCEPTIONS TO DIVISION	RULES AND REGULATIONS
	Application Acrony		SING AT THE DIVISION LEVEL IN SANTA FE	an an an an an Arran an Arran Arran an Arran an Arr
	[DHC-Dor [PC-I	wnhole Commingling] [CTB-L Pool Commingling] [OLS - Off- [WFX-Waterflood Expansion] [SWD-Salt Water Dispose	Indard Proration Unit] [SD-Simultane ease Commingling] [PLC-Pool/Lease Lease Storage] [OLM-Off-Lease Me [PMX-Pressure Maintenance Expan I] [IPI-Injection Pressure Increase] Certification] [PPR-Positive Product	• Commingling] asurement] sion]
н.	[1] TYPE OF <i>A</i> [A]			
	Chec [B]	k One Only for [B] or [C] Commingling - Storage - Mea DHC CTB	asurement PLC PC OLS OLN	1
	[C]	Injection - Disposal - Pressur WFX PMX	e Increase - Enhanced Oil Recovery SWD [] IPI [] EOR [] PPF	ια το το το το το Σ΄ ₁ το
	[D]	Other: Specify		
¹ .,	[2] NOTIFICA [A]		c Those Which Apply, or □ Does Not A erriding Royalty Interest Owners	pply
	[B]	Offset Operators, Leaseh	olders or Surface Owner	
	[C]	Application is One Whic	h Requires Published Legal Notice	
	[D]	Notification and/or Conc U.S. Bureau of Land Management - Co	urrent Approval by BLM or SLO ommissioner of Public Lands, State Land Office	
	[E]	For all of the above, Proc	of of Notification or Publication is Attac	hed, and/or,
	[F]	Waivers are Attached	· ·	
		CCURATE AND COMPLETE ATION INDICATED ABOVE	INFORMATION REQUIRED TO P	ROCESS THE TYPE
	approval is accurate	and complete to the best of my k	information submitted with this applica nowledge. I also understand that no ac ions are submitted to the Division.	
	Note	: Statement must be completed by an	individual with managerial and/or supervisory	v capacity.
	Print or Type Name	Signature	Title	Date

e-mail Address

District I 1625 N. French Drive, Hobbs, NM 88240	x	State of New Mexico Energy, Minerals and Natural Resources Department 3 N N 7 N N	Form C-107A Revised May 15, 2000
District II	· · ·· ·	Energy, Minerals and Natural Resources Department IVED	
1301 W. Grand Avenue, Artesia, NM 88210		Oil Conservation Division	APPLICATION TYPE

District III x, NM 87410

District IV

.

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

 1220 South St. Francis Dr.
 SEP 1 3 2004
 Single Well

 Santa Fe, New Mexico 87505
 Establish Pre-Approved Pools

 OIL CONSERVATIOEXISTING WELLBORE APPLICATION FOR DOWNHOLE COMMINGLINGION <u>X</u> Yes <u>No</u>

Caulkins Oil Company		1409 W. Aztec, Blvd., Suite B7, Azte	ec NM 87410
Operator		Address	
BREECH "B"	305	UNIT M - SEC. 14-26N-7W	Rio Arriba
Lease	Well No.	Unit Letter-Section-Township-Range	County

OGRID No. 003824 Property Code 2456 API No. 30-039-27329 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BLAD Mesa Verde Pro-C	p	Basin Dakota
Pool Code	72319		71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4556' – 4691'		6663' – 6789'
Method of Production (Flowing or Artificial Lift)	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)			1224 BTU
Producing, Shut-In or New Zone	New Zone		Producing
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.)	8-30-04 Date: Gas Oil Water Rate: 211 2.25 1.5 MCF/D Bbl Bbl	Date: Rate: Gas Oil Water MCF/D Bbl Bbl	12 month averageDate:GasOilWaterRate:3132.210.5MCF/DBblBbl
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 50 % Gas 40 %		Oil 50 % Gas 60 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?	Yes Yes		No No	
Are all produced fluids from all commingled zones compatible with each other?	Yes	<u>x</u>	No	
Will commingling decrease the value of production?	Yes		No <u>X</u>	
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?	Yes		No	.
NMOCD Reference Case No. applicable to this well:DHC-659, R-5403, DHC-455, DHC-1027				

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-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools

List of all operators within the proposed Pre-Approved Pools

Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application. Bottomhole pressure data.

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

SIGNATURE	Robert	2 gler	her	TITLE	Superintendent	DATE	August 31, 2004
TYPE OR PRIN	IT NAME	Robert	L. Verquer	_TELEPHONE NO	(505) 334-4323	_	

\bigcirc	
· · ·	

.

EXHIBIT "H"



Form C-102

PO Box 1980, Hobbs, NM 88241-1980 District II

811 South First, Artesia, NM 88210

District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV

District I

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Drive Santa Fe, NM 87504 Revised October 18, 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

· · · · · ·	Pl Numbe	r		² Pool	Code			³ Pool Na			
				715	99			BASIN DA	KOTA		
* Property C	Code	······			° Pr	operty Nar	me			•1	Well Number
2456	1		BREECH "B" 305								
'OGRID I	No.		[®] Operator Name								* Elevation
00382	4			Caulkin				5140 GR			
					¹⁰ Sur	face Lo	ocation				
UL or lot no.	Section	Township	Range	Lot Ida			orth/South line	Feet from the	East/West	line	County
M	14	26N	6W		1072	<u>'</u>	South	1157'	We	est	Rio Arriba
			¹¹ Bo	ottom	Hole Locat	ion If I	Different Fro	m Surface			
UL or lot no.	Section	Township	Range	Lot Ida	Feet from	the N	iorth/South line	Feet from the	East/West	line	County
		l						L	1		
¹² Dedicated Acres	i ¹³ Joint a	r Iafill 🔤	Consolidation	Code	¹⁵ Order No.						
160	<u> </u>		······								
NO ALLOW	ABLE W									ONSOL	IDATED OR A
		1	NON-STA		D UNIT HAS	BEEN A	APPROVED B	Y THE DIVISIO		OFR	
16								¹⁷ OPE	KATOR	CERT	IFICATION
								I hereby certify	that the infor	nation conta	ined herein is true and
						1		complete to the	best of my kn	owledge and	belief
								MI	LA	~1	
			·········					Kohr	t_1	Vern	<u>~</u>
							·	Signature			
								Printed Na	nme Rob	ert L. Ve	rquer
								Title	Sun	erintende	ent
								Date		uary 7, 2	······
[• • •			-1		Ī		¹⁸ SUR	VEYOR	CERT	IFICATION
				3				hand a second	they the small	location el	wn on this plat was
				đ				H			made by me or under ny
Breech "B'	· 781			-							and correct to the best
•	•			Ì				of my knowled			
1. <u>1150'</u>	1800'							Date of Surve	y		
	+			-1-				Signature and	Scal of Profes	sional Surve	yor:
<u>1072'</u>	9			1							
Breech "B"	q5			1							
l 1157 [°]				1							
1 113/	\$}			1							
	<u> </u>	<u> </u>		=1	. –			Cer	lificate Numbe	r	

District I



State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Drive

Santa Fe, NM 87504

PO Box 1980, Hobbs, NM 88241-1980 District II 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

State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

• 4	API Numbe			² Pool Co	de	l			³ Pool Na	me		
			.	72319	9				MESA VI	ERDE		
⁴ Property (Code				⁵ Pr	operty N	Name				6	Well Number
2456					BRE	EECH	" B "					305
⁷ OGRID	No.				*Op	perator N	Name					⁹ Elevation
00382	4				Caulkins	s Oil (Company					6140 GR
							Location			,I ,		·
UL or lot po.	Section	Township	Range	Lot Idn	Feet from t		North/South line	Feet	from the	East/West li	iae	County
М	14	26N	6W		1072	2'	South		1157'	We	st	Rio Arriba
	1	1	11 B	ttom H	ole Locat	ion If	f Different Fro	om S	urface	L		J
UL or lot no.	Section	Township	Range	Lot Idn	Feet from t		North/South line	-	from the	East/West li	ine	County
12 Dedicated Acre	s Joint	or Infill 14 (Consolidation	Code 15	Order No.		La		······································	·		<u>لي من المحمد المحمد</u>
160												
NO ALLOW	ABLE V	VILL BE A	SSIGNED	TO THIS	S COMPLE	TION	UNTIL ALL INT	TERE	STS HAVE	BEEN CO	ONSOL	IDATED OR A
							APPROVED B		E DIVISIO			
16	48								¹⁷ OPEI	RATOR	CERT	IFICATION
\square	<u></u>	N.							I harehu certi	h that the in	formatio	n contained herein is
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ECFWE	W	aminglon,							u ne ana com	piece to the L	esi oj my	knowledge and
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	20	6							Signature		0	
									Printed Na	me Robe	rt L. Ve	erquer
						Í			Title	Supe	rintend	ent
									Date	June	e 2, 2004	•
	• • •					=+			18 CI 1D V	/FYOP	CEDI	IFICATION
l'i		ł		4								
1				;				ļ				on shown on this plat
1	201	1		5					was plotted f	rom field not	es of action	ial surveys made by is true and correct lo
Breech "B"	· /81	[1					the best of m			
1150'	-© 1800'	1		1					Date of Surve	y KNOWIEUge Sy	unu Delle	J.
l				_								
	T			1					Signature and	Seal of Pro	lessional	Surveyor:
1 <u>1072'</u> (<u></u>]		a								
Breech "B" 3	μp	ł		:1								
1157'		1		1								
	11			1				- 1				
ľ		ł		1								
		<u>+</u>		=1				1		Certi	ficate Nu	mber

Form C-102

LAST 12-MONTHS PRODUCTION FOR BREECH B 305

DAKOTA

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
08/03	6,827	0	0	21	325	0.000
09/03	7,690	131	20	27	285	4.852
10/03	9,590	136	20	31	309	4.387
11/03	9,885	86	13	30	330	2.867
12/03	10,217	100	15	31	330	3.226
01/04	10,198	66	10	31	329	2.129
02/04	9,242	54	8	29	319	1.862
03/04	9,856	63	9	31	318	2.032
04/04	9,368	43	6	30	312	1.433
05/04	9,315	51	8	30	311	1.700
06/04	9,265	35	5	30	309	1.167
07/04	8,746	28	4	31	282	0.903
	110,199	793	118		313	2.213

UNITED ST	ATES	5. Lease
DEPARTMENT OF T		NMNM-03381
BUREAU OF LAND N		
BUNEAU OF LAND		6. If Indian, Allottee or Tribe Name
SUNDRY NOTICES AND R		7. Unit Agreement Name
(Do not use this form for proposals to drill or reservoir. Use "APPLICATION FOR F		
1. Oil Well [] Gas Well [] Other []		8. Well Name and No.
GAS WELL		BREECH "B" 305
2. Name of Operator:		9. API Well No.
Caulkins Oil Company	ىيەر يېچىنى بىرى بىرى بىرى بىرى بىرى بىرى بىرى ب	30-039-27329-00C1
3. Address of Operator: (505) 334-4323		10. Field and Pool, Exploratory Area
1409 W. Aztec Blvd. Ste B7, Aztec, NI 4. Location of Well (Footage, Sec., Twp., Rge.)	A 87410	BASIN DAKOTA, MESA VERDE
	-26N-7W	Rio Arriba Co., New Mexico
		NOTICE, REPORT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	TO ROLL MAL ONLY ON OTHER PATR
[] Notice of Intent	[] Abandonment	[] Change of Plans
	[X]Recompletion	[] New Construction
[X] Subsequent Report	[] Plugging Back	[] Non-Routine Fracturing
[] Final Abandonment Notice	[] Casing Repair [] Altering Casing	[] Water Shut-Off [] Conversion to Injection
	[] Other	[] Dispose Water
17. Describe Proposed or Completed Operations:		
8-20-04 Move to location.		
Rig up.		
- ·	2 /07 /_L:	
T. O. H. laying down 211 joints 2	2. 3/8 mbing.	
Install frac valve.		
8-23-04 Rigged down and moved.		
Rigged up Bluejet.		
Run cast iron bridge plug to 480) '.	
Perforated Mesa Verde zone with	h 4 shots per foot.	
4691' - 4686', 24 shots		
4631' - 4627', 16 shots		
4584' – 4580', 16 shots		
4579'- 4565', 56 shots		
4560' – 4556', 16 shots		
NOTE: The format is issued in lieu of U	(continued on page 2) S. BLM Form 3160-5	
18. I HEREBY CERTIFY THE FOREGOD	NG IS TRUE AND CORRECT	
SIGNED: Releast 2 Vergreen ROBERT L. VERQUER	TITLE: Superintend	lent DATE: September 3, 2004
APPROVED BY:	TITLE	DATE:
CONDITIONS OF APPROVAL, IF ANY		
I		

Caulkins Oil Company BLM Sundry Notice Breech "B" 305 September 3, 2004 Page 2

Ť. . .

8-25-04 Rigged up BJ Services.

. . . .

Frac'd Mesa Verde zone with 105,420# sand and 7,165 m/scf N₂ foam. Shut well in overnight.

•

- 8-26-04 1310# shut-in pressure Nippled up 1/2" choke. Flowing back.
- 8-27-04 Nippled up BOP

T. I. H. with 2 3/8" tubing.Tagged sand at 4600'.Cleaned out to 4800' with air package.Unloaded well through tubing.Flowing to clean up and test.

- 8-30-04 Shut-in pressures: Tubing 785#, Casing 1040# Tested Mesa Verde for 3 hours through 3/4" choke. Tubing 61#, Casing 139#, calculated flow 1,058 MCF/D. T. I. H. with tubing. Tagged sand 80' above cast iron bridge plug at 4800'. Cleaned out sand with air package. Milled out cast iron bridge plug. Continued in hole with tubing. Cleaned out to 6827' with air package. T. O. H. with tubing and mill.
- 8-31-04 T. I. H. with 2 3/8" production tubing.
 Landed on doughnut at 6772'
 Released rig.
 Well will be turned on to sales line upon receiving downhole commingle order from NMOCD.

District I

District II 1301 W. Grand Avenue, Artesia, NM 88210

District III 1000 Rio Brazos Road, Aztec, NM 87410

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

District IV

State of New Mexico Energy, Minerals and Natural Resources Department Form C-107A Revised May 15, 2000

Oil Conservation Division 1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

APPLICATION TYPE ____Single Well __Establish Pre-Approved Pools EXISTING WELLBORE __X___Yes ____No

APPLICATION FOR DOWNHOLE COMMINGLING

_ Caulkins Oil Cor	npany	1409 W. Aztec, Blvd., Suite B7, Aztec NM 87410							
Operator		Address							
BREECH "B"	305	UNIT M - SEC. 14-26N-7W	Rio Arriba						
Lease	Well No.	Unit Letter-Section-Township-Range	County						
OGRID No. 003824 P	roperty Code 2456	API No. 30-039-27329 Lease Type: X Federal	State Fee						

DATA ELEMENT	UPPER	ZONE	C	INT	ERMED	IATE	ZONE		LO	WE	r zoi	NE	
Pool Name	Mesa	Verde							Ba	asin	Dakot	1	
Pool Code	723	19								71:	599		
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4556' –	4691'							66	63'	- 6789	,,	
Method of Production (Flowing or Artificial Lift)	Flow	/ing							·	Flor	wing		
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)	· · · · · · · · · · · · · · · · · · ·						<u> </u>					· · · · · · · · · · · ·	
Oil Gravity or Gas BTU (Degree API or Gas BTU)									1	224	BTU		
Producing, Shut-In or New Zone	New	Zone]	Prod	ucing		
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.)	B-30-0 Date: Gas Rate: 211 MCF/D	4 Oil 2.25 Bbl	Water 1.5 Bbl	Date: Rate:	Gas MCF/D	Oil Bbl	Water Bbl	Date: Rate:	12 1 Gas 313 MCI		h aver Oil 2.21 Bbl	water 0.5 Bbl	
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 50 %	Gas	40 %	L			AL 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	Oil	50	%	Gas	60	%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?	Yes <u>X</u> Yes	No No
Are all produced fluids from all commingled zones compatible with each other?	Yes <u>X</u>	No
Will commingling decrease the value of production?	Yes	No <u></u>
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?	Yes	No
NMOCD Reference Case No. applicable to this well:DHC-659, R-5403, DHC-455, DHC-1027		
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-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools

List of all operators within the proposed Pre-Approved Pools

Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application. Bottomhole pressure data.

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

SIGNATURE Adest 2 Vergue	TITLE Superintendent DATE August 31, 2004
TYPE OR PRINT NAME Robert L. Verquer	_TELEPHONE NO(505) 334-4323



EXHIBIT "H"



Certificate Number

Form C-102

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Drive Santa Fe, NM 87504 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

Revised October 18, 1994

Instructions on back

			WELL LO	OCATIC	N AND ACR	EAGE DEDIC		the second s	
······································	VPI Number	F		² Pool Coo 71599	1		Pool N BASIN DA		
* Property (2456	1	<u> </u>	H		[?] Property BREECI				* Well Number 305
'OGRID 1 00382	1	· ···			Operator Caulkins Oil				* Elevation 6140 GR
					¹⁰ Surface	Location			
UL er lot no. M	Section 14	Township 26N	Range 6W	Lot Ida	Feet from the 1072'	North/South line South	Feet from the 1157'	East/West time West	County Rio Arriba
				ttom H		f Different Fro	L		
UL or iol no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
² Dedicated Acre 160	s ¹³ Joint o	r Infill)	"Consolidation	Cade 15 0	order No.	J		J	
NO ALLOW	ABLE W	TILL BE				UNTIL ALL INT			OLIDATED OR A
6							1 hereby certify complete to the North Signature Printed Na Title Date	that the information of best of my knowledge the stand of my knowledge the stand of the stand the stand of the stand superinte January	Verquer ndent
Breech "B"	0 1800'						l hereby certif plotted from fi my supervision of my knowlee Date of Surve	is that the well location eld notes of actual sur n, and that the same is lige and belief.	shown on this plat was wys made by me or under n true and correct to the best
Breech "B" : 1157'	9 23								

District I

PO Box 1980, Hobbs, NM 88241-1980 District II 811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

tesia, NM I L., Aztec, N o, Santa Fe LPI Numbe Code	Hobbs, NM 8824 t, Artesia, NM 8 as Rd., Aztec, NI checo, Santa Fe, ¹ API Numbe rty Code 156 LID No. 1824	88210 M 87410 , NM 87505 V	VELLL	OIL	CONSERVA 1220 South St. Santa Fe, N ON AND AC	TION DIVISION	4 S	Submit to A	In: Appropri State F cc	Form (October 18, structions or iate District (e Lease - 4 (e Lease - 3 (ENDED RE
tesia, NM I L, Aztec, N o, Santa Fe NPI Numbe Code No. 4 Section 14	t, Artesia, NM 8 os Rd., Aztec, NI checo, Santa Fe, ¹ API Numbe rty Code 156 UD No.	88210 M 87410 , NM 87505 V	VELL LA	OIL OCATIC ² Pool Co	CONSERVA 1220 South St. Santa Fe, N ON AND AC	TION DIVISION Francis Drive NM 87504	N S	Submit to A	In: Appropri State F cc	structions or iate District (e Lease - 4 (e Lease - 3 (
L, Aztec, N o, Santa Fe LPI Numbe Code No. 4 Section 14	os Rd., Aziec, Ni checo, Santa Fe, ¹ API Numbe rty Code 156 LID No.	M 87410 , NM 87505 V	VELL LO	OCATI(² Pool Co	1220 South St. Santa Fe, N ON AND AC	Francis Drive NM 87504	CATION PLA	[AT	Appropri State Fee	iate District (e Lease - 4 (e Lease - 3 (
o, Santa Fe LPI Numbe Code No. 4 Section 14	¹ API Numbe rty Code 156 LID No.	, NM 87505 V	VELL LA	OCATI(² Pool Co	1220 South St. Santa Fe, N ON AND AC	Francis Drive NM 87504	CATION PLA		F o	e Lease - 3 (
o, Santa Fe LPI Numbe Code No. 4 Section 14	¹ API Numbe rty Code 156 LID No.	, NM 87505 V	VELL LA	² Pool Co	ON AND AC				F o	e Lease - 3 (
API Numbe Code No. 4 Section 14	¹ API Numbe rty Code 156 UD No.	V	VELLL	² Pool Co	ode	REAGE DEDI] AM	ENDED RE
API Numbe Code No. 4 Section 14	¹ API Numbe rty Code 156 UD No.	V		² Pool Co	ode	REAGE DEDI				
Code No. 4 Section 14	rty Code 156 UD No.			² Pool Co	ode	REAGE DEDI				
Code No. 4 Section 14	rty Code 156 UD No.			² Pool Co	ode					
No. 4 Section 14	156 UD No.			7231) I					
No. 4 Section 14	156 UD No.					- N1_	MESA V	ERDE	· · · · · ·	
4 Section 14	LID No.				⁵ Property BREEC	-				Well Number 305
Section 14	824	ļ		. <u></u>	* Operato				╂	'Elevation
14				·	Caulkins Oi					6140 GR
14						e Location				•
		Township 26N	Range 6W	Lot Idn	Feet from the 1072"	North/South line South	Feet from the 1157	East/West	-	County Rio Arri
Section				ofform H		If Different Fro	· · · · · · · · · · · · · · · · · · ·			
	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West	line	County
TD Laint	Acres 13 Joint o	1-1-511 114	Consolidation	Code 115	Order No.		<u> </u>	<u> </u>]
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2004 JUN			, <u></u>		<u> </u>			12	- Yen	que
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		l					Printed Na	ame Rob	pert L. Ve	rquer
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		1		1			Date		ne 2, 2004	
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mo 1	"B" 781	Í		4			was plotted j my supervisi	from field no ion, and that	stes of actu t the s ame i	al surveys ma is true and co
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-	"B" 77							81 1800'	81 81 1800' Date of Survey	the best of my knowledge and believed the best of my knowledge and

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LAST 12-MONTHS PRODUCTION FOR BREECH B 305

DAKOTA

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
08/03	6,827	0	0	21	325	0.000
09/03	7,690	131	20	27	285	4.852
10/03	9,590	136	20	31	309	4.387
11/03	9,885	86	13	30	330	2.867
12/03	10,217	100	15	31	330	3.226
01/04	10,198	66	10	31	329	2.129
02/04	9,242	54	8	29	319	1.862
03/04	9,856	63	9	31	318	2.032
04/04	9,368	43	6	30	312	1.433
05/04	9,315	51	8	30	311	1.700
06/04	9,265	35	5	30	309	1.167
07/04	8,746	28	4	31	282	0.903
	110,199	793	118		313	2.213

· · ·	• •		5. Lease
	UNITED ST DEPARTMENT OF T	THE INTERIOR	NMNM-03381
	BUREAU OF LAND	MANAGEMENI	6. If Indian, Allottee or Tribe Name
	UNDRY NOTICES AND F		7. Unit Agreement Name
	t use this form for proposals to drill or eservoir. Use "APPLICATION FOR	r to deepen or plug back to a different PERMIT" for such proposals)	
	ll [] Gas Well [] Other []		8. Well Name and No.
2. Name of C	GAS WELL	· · · · · · · · · · · · · · · · · · ·	BREECH "B" 305
	aulkins Oil Company		30-039-27329-00C1
3. Address of		3	10. Field and Pool, Exploratory Area
1409 W.	Aztec Blvd. Ste B7. Aztec. N		BASIN DAKOTA, MESA VERD
	of Well (Footage, Sec., Twp., Rge.)		11. Country or Parish, State
		4-26N-7W	Rio Arriba Co., New Mexico NOTICE, REPORT, OR OTHER DA
	PE OF SUBMISSION	TYPE OF ACTION	NUTICE, REFORT, OR OTHER D
	e of Intent	[] Abandonment	[] Change of Plans
571 Oh.	· • • • • • • • • •	[X]Recompletion	[] New Construction
[X] Subs	equent Report	[] Plugging Back [] Casing Repair	[] Non-Routine Frac [] Water Shut-Off
[] Final	Abandonment Notice	[] Altering Casing	[] Conversion to Inj
17 Describe	Proposed or Completed Operations:	[] Other	[] Dispose Water
I /. DUSAIO	Proposed of Completion Operations.		
8-20-04	Move to location.		
	Rig up.		
	T. O. H. laying down 211 joints	2 3/8" tubing.	
	Install frac valve.		
8-23-04	Rigged down and moved.		
	Rigged up Bluejet.		
	Run cast iron bridge plug to 480)0'.	
	Perforated Mesa Verde zone with	th 4 shots per foot.	
	4691' - 4686', 24 shots		
	4631' - 4627', 16 shots		
	4584' - 4580', 16 shots		
	4579'- 4565', 56 shots		
	4560' - 4556', 16 shots		
NOTE: 1	The format is issued in lieu of U	(continued on page 2) U.S. BLM Form 3160-5	
18. I HER	EBY CERTIFY THE FOREGOI	ING IS TRUE AND CORRECT	
	Retert 2 Verguer		dent DATE: September 3, 2004
	ED BY:	TITLE:	DATE:
APPRUV			

Caulkins Oil Company BLM Sundry Notice Breech "B" 305 September 3, 2004 Page 2

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8-25-04 Rigged up BJ Services.
Frac'd Mesa Verde zone with 105,420# sand and 7,165 m/scf N₂ foam.
Shut well in overnight.

•

8-26-04 1310# shut-in pressure Nippled up 1/2" choke. Flowing back.

8-27-04 Nippled up BOP

T. I. H. with 2 3/8" tubing.Tagged sand at 4600'.Cleaned out to 4800' with air package.Unloaded well through tubing.Flowing to clean up and test.

- 8-30-04 Shut-in pressures: Tubing 785#, Casing 1040# Tested Mesa Verde for 3 hours through 3/4" choke. Tubing 61#, Casing 139#, calculated flow 1,058 MCF/D. T. I. H. with tubing. Tagged sand 80' above cast iron bridge plug at 4800'. Cleaned out sand with air package. Milled out cast iron bridge plug. Continued in hole with tubing. Cleaned out to 6827' with air package. T. O. H. with tubing and mill.
- 8-31-04 T. I. H. with 2 3/8" production tubing.
 Landed on doughnut at 6772'
 Released rig.
 Well will be turned on to sales line upon receiving downhole commingle order from NMOCD.

District I

District II 1301 W. Grand Avenue, Artesia, NM 88210

4 89240

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

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

. State of New Mexico Energy, Minerals and Natural Resources Department

Oil Conservation Division 1220 South St. Francis Dr.

APPLICATION FOR DOWNHOLE COMMINGLING

Santa Fe, New Mexico 87505

APPLICATION TYPE ____Single Well __Establish Pre-Approved Pools EXISTING WELLBORE _X___Yes ____No

Caulkins Oil Company Operator					140 Add		ztec, BIV	/ <u>d., Su</u>	iite B7, A	ztec NN	1 8/4	10			
BREECH "B" Lease OGRID No003824_ Property Co	Well			Unit Let	ter-S	ection-T	<u>14-26N</u> ownship-R Lease T	ange		deral _	St		<u>Lio Arr</u> County Fe		
DATA ELEMENT		UPPER	R ZON	ĨE		INT	ERMED	IATE	ZONE		LO	WE	R ZOP	NE	
Pool Name		Mesa	Verde)							В	asin	Dakot	8	
Pool Code		72	319									71	599		
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)		4556'	- 4691	,							66	563' ·	6789),	
Method of Production (Flowing or Artificial Lift)		Flo	wing									Flo	wing		
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)								<u>, at 18, 8 4</u>							
Oil Gravity or Gas BTU (Degree API or Gas BTU)							<u> </u>			<u> </u>		1224	BTU		
Producing, Shut-In or New Zone		New	Zone									Prod	ucing		
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: Rate:	8-30-0 Gas 211 MCF/D	Oil 2.25	Wate 1.5 Bbl	er	Date: Rate:	Gas MCF/D	Oil Bbl	Water Bbl	Date: Rate:	12 Gas 313	mon	Oil 2.21 Bbl	Water 0.5 Bbl	
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil	50 %	Gas	40	%					Oil	50	%	Gas	60	%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?	Yes Yes		No No	. <u></u>
Are all produced fluids from all commingled zones compatible with each other?	Yes	<u>x</u>	No	
Will commingling decrease the value of production?	Yes		No	x
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?	Yes	·····	No	
NMOCD Reference Case No. applicable to this well:DHC-659, R-5403, DHC-455, DHC-1027				

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-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools List of all operators within the proposed Pre-Approved Pools Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application. Bottomhole pressure data.

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

SIGNATURE	Adapt 1	9/					
SIGNATURE _	may 2	- enq	ne	TITLE	Superintendent	DATE	August 31, 2004
TYPE OR PRIN	NT NAME	Robert	L. Verquer	_TELEPHONE NO	(505) 334-4323		

1		IBIT "H"		
District I	A . 4	of New Mexico		Form C-102
PO Box 1980, Hobbs, NM 88241-19 District II	80 Energy, Minerals 6	a Natural Resources Department	Rev	vised October 18, 1994 Instructions on back
811 South First, Artesiz, NM 88210	OIL CONSE	RVATION DIVISION	Submit to App	ropriate District Office
District III	1220 Sou	th St. Francis Drive		State Lease - 4 Copies
1000 Rio Brazos Rd., Aztec, NM 87	410 Santa	1 Fe, NM 87504		Fee Lease - 3 Copies
District IV 2040 South Pacheco, Santa Fe, NM	87505			AMENDED REPORT
	WELL LOCATION AND	ACREAGE DEDICAT	ION PLAT	
¹ AP1 Number	² Pool Code		³ Pool Name	
	71599	1	BASIN DAKOTA	
* Property Code	۶ ľ	roperty Name		Well Number
2456	BR	EECH "B"		305

				-	¹⁰ Surface	e Location			
UL er lot no. M	Section 14	Township 26N	Range 6W	Lot Ida	Feet from the 1072'	North/South line South	Feet from the 1157'	East/West line West	County Rio Arriba
			¹¹ B	ottom Ho	le Location	If Different Fre	om Surface		
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
^{III} Dedicated Acres 160	Joint	or Infill 14	Consolidatio	n Code ¹⁵ O	nder No.	-l	<u></u>	_I	
NO ALLOW	ABLE	VILL BE	ASSIGNE	TO THIS	COMPLETIO	N UNTIL ALL IN	TERESTS HAV	E BEEN CONSO	DLIDATED OR A

* Operator Name

Caulkins Oil Company

* Elevation

6140 GR

NO ALLOWADLE WILL DE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEI	CIN CONSOLIDATED OK 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
· · · · · · · · · · · · · · · · · · ·		Robert 1 Vergue
		Signature
		Printed Name Robert L. Verquer
		Title Superintendent
		Date January 7, 2002
		¹⁸ SURVEYOR CERTIFICATION
		I hereby certify that the well location shown on this plat was
	1	plotted from held notes of actual surveys made by me or under my
Breech "B" 781		my supervision, and that the same is true and correct to the best
		of my knowledge and belief. Date of Survey
1150' 1800'		
		Signature and Seal of Professional Surveyor:
1 <u></u>	1	
Breech "B" 305		
1157		
	-)	Certificate Number



'OGRID No.

003824

			1	•									
District I			Ľ			State of	Ne	w Mexico					Form C-102
PO Box 1980, Hob	bs, NM 882	41-1980			Energy,	Minerals & I	Natur	al Resources Departmen	ıt			Revised	October 18, 1994
District II												In	structions on back
811 South First, A	rtesia, NM	88210			OILO	CONSER	VA	TION DIVISION	1	S	submit to a	Appropri	iate District Office
District III					1	220 Sout	1 St.	Francis Drive				Stat	e Lease - 4 Copies
1000 Rio Brazos R	kd., Aztec, N	M 87410				Santa I	Fe, N	IM 87504				Fe	e Lease - 3 Copies
District IV													-
2040 South Pache	co, Sauta Fe	NM 87505									L		ENDED REPORT
			WELL I	_			AC	REAGE DEDIC	CAT				
	API Numb	er			Pool Cod					³ Pool Na			
	~ ·	1			72319					MESA VI			
⁴ Property 2456		{						y Name H "B"					Well Number 305
²⁴³⁰ 'OGRID								r Name					JUD 'Elevation
00382								l Company					6140 GR
		!	·			10							0140 GK
UL or lot no.	Section	Townshi	p Range	1	i Idn	Feet from t	_	Location	T Post	from the	East/West		Count
M	14	26N			i Koa	1072		South	reat	from the 1157'	We		County Rio Arriba
		1_2011		<u> </u>		1		1	1		L	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	
F		1. 41				Feet from t		If Different Fro					
UL or lot no.	Section	Township	Range	Lot	t Ida	Peet from t	bC	North/South line	reet	from the	East/West	ROC	County
12 Dedicated Acro	s Jujoint	or infill	14 Consolidati	ion Code	e 150	rder No.			1	······································	L		1
160													
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	201	070								Signature			que
	3	0								S.G		v	
l										Printed Na	me Rob	ert L. Vo	erquer
										Title	Sup	erintend	ent
										Date		ie 2, 2004	
<u>]</u>								<u> </u>					-
				•••]						¹⁸ SUR	VEYOR	CERI	TIFICATION
		1		-									on shown on this plat
				1									ual surveys made by
Breech "B	" 781	1		-				1		my supervisi	on, and that	the same	is true and correct to
ļ	- @	1		l.						the best of m		and belie	:f
1150'	1800'	1		-				l		Date of Surv	cy		
	7	╤	- • • •					<u>†</u>		Signature and	Scal of Pro	ofessional	Surveyor.
1072'-	ø	1		-									-
Breech "B"	305	1]									
	11	1		1				1					
1157'	11	1											
	11	1		ſ									
<u>the</u>	<u></u>	<u>t</u>		i							Cert	ificate Nu	mber

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LAST 12-MONTHS PRODUCTION FOR BREECH B 305

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DAKOTA

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
08/03	6,827	0	0	21	325	0.000
09/03	7,690	131	20	27	285	4.852
10/03	9,590	136	20	31	309	4.387
11/03	9,885	86	13	30	330	2.867
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06/04	9,265	35	5	30	309	1.167
07/04	8,746	28	4	31	282	0.903
	110,199	793	118		313	2.213

•			5. Lease			
	UNITED S		NMNM-03381			
	DEPARTMENT OF					
	BUREAU OF LAND	MANAGEMENT				
SUNDRY NOTICES AND REPORTS ON WELLS		6. If Indian, Allottee or Tribe Name				
(Do not		or to deepen or plug back to a different	7. Unit Agreement Name			
1. Oil Wel	ll [] Gas Well [] Other [] GAS WELL		8. Well Name and No. BREECH "B" 305			
2. Name of C	Operator:		9. API Well No.			
	aulkins Oil Company		30-039-27329-00C1			
3. Address of	f Operator: (505) 334-432	23	10. Field and Pool, Exploratory Area			
1409 W.	Aztec Blvd. Ste B7, Aztec, N	IM 87410	BASIN DAKOTA, MESA VERDE			
	of Well (Footage, Sec., Twp., Rge.)		11. Country or Parish, State			
		14-26N-7W	Rio Arriba Co., New Mexico			
			NOTICE, REPORT, OR OTHER DATA			
	PE OF SUBMISSION	TYPE OF ACTION				
[]Notic	e of Intent	[] Abandonment [X]Recompletion	[] Change of Plans [] New Construction			
[X] Sube	equent Report	[] Plugging Back	[] New Construction [] Non-Routine Fracturi			
[A] Duos		[] Casing Repair	[] Water Shut-Off			
[] Final	Abandonment Notice	[] Altering Casing	[] Conversion to Injection			
		[] Other	[] Dispose Water			
17. Describe	Proposed or Completed Operations:					
8-20-04	Move to location.					
	Rig up.					
	•••					
	T. O. H. laying down 211 joints	5 2 5/8 tubing.				
	Install frac valve.					
8-23-04	Rigged down and moved.					
	Rigged up Bluejet.					
	Run cast iron bridge plug to 48	800'.				
	Perforated Mesa Verde zone w	ith 4 shots per foot.				
	4691' - 4686', 24 shots	A				
	4631' – 4627', 16 shots					
	4584' – 4580', 16 shots 4579'- 4565', 56 shots					
	-					
	4560' - 4556', 16 shots					
NOTE: 7	The format is issued in lieu of	(continued on page 2) U.S. BLM Form 3160-5				
18. I HER	EBY CERTIFY THE FOREGO	DING IS TRUE AND CORRECT				
SIGNED	Blant 7 %	TITLE:Superintend	lant DATE: Somtombar 2 2004			
SIGNED:	ROBERT L. VERQUER	IIILE: Superintend	eni DATE: <u>September 3, 2004</u>			
APPROV	ED BY: IONS OF APPROVAL, IF ANY	TITLE:	DATE:			

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Caulkins Oil Company BLM Sundry Notice Breech "B" 305 September 3, 2004 Page 2

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8-25-04 Rigged up BJ Services.
 Frac'd Mesa Verde zone with 105,420# sand and 7,165 m/scf N₂ foam.
 Shut well in overnight.

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8-26-04 1310# shut-in pressure Nippled up 1/2" choke. Flowing back.

8-27-04 Nippled up BOP

T. I. H. with 2 3/8" tubing.Tagged sand at 4600'.Cleaned out to 4800' with air package.Unloaded well through tubing.Flowing to clean up and test.

8-30-04 Shut-in pressures: Tubing 785#, Casing 1040#

Tested Mesa Verde for 3 hours through 3/4" choke.

Tubing 61#, Casing 139#, calculated flow 1,058 MCF/D.

T. I. H. with tubing.

Tagged sand 80' above cast iron bridge plug at 4800'.

Cleaned out sand with air package.

Milled out cast iron bridge plug.

Continued in hole with tubing.

Cleaned out to 6827' with air package.

T. O. H. with tubing and mill.

8-31-04 T. I. H. with 2 3/8" production tubing. Landed on doughnut at 6772' Released rig.

Well will be turned on to sales line upon receiving downhole commingle order from NMOCD.