

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

Form C-103
May 27, 2004

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

WELL API NO.
30-045-30803

5. Indicate Type of Lease
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
Lee

8. Well Number #1E

9. OGRID Number
020208

10. Pool name or Wildcat
Blanco Mesa Verde / Basin Dakota

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.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator San Juan Resources of Colorado

3. Address of Operator c/o Walsh Engineering
7415 East Main Street, Farmington, NM 87402

4. Well Location

Unit Letter F 1850' feet from the North line and 1640' feet from the West line

Section 30 Township 30N Range 11W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5684' 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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Frac Report ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: ☐

13. 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.

On July 31, 2005 the Lee #1E was Fraced per the attached treatment reports.



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 Paul C. Thompson TITLE _____ DATE 08/25/05

Type or print name Paul C. Thompson, P.E.

E-mail address: paul@walsheng.net

Telephone No. 505-327-4892

For State Use Only

APPROVED BY: Charles Perri TITLE SUPERVISOR DISTRICT # 3

Conditions of Approval (if any):

DATE AUG 31 2005

FRACTURE TREATMENT REPORT

Operator: San Juan Resources of Colorado Well Name: Lee #1E
Date: 31-Jul-05
Field: Basin Dakota - Blanco Mesa Verde Location: 30/30N/11W County: San Juan State: NM
Stimulation Company: Halliburton / Blue Jet Supervisor: Paul Thompson

Stage #: 3/3 Mesa Verde

Sand on location: Design: 120,000# Weight ticket: 130,800 Size/type: 20/40 TLC

Fluid on location : No. of Tanks: 8 Strap: Amount: Usable: 42,000

Perforations:

Depth: 4203 - 4284 Total Holes: 15 PBTD: 4406'
Shots per foot: spf selectfire EHD: 0.34"
Frac Plug

Breakdown:

Acid: 1000 gal of 15% HCl Dump bailed 13 gal of 28% HCl across the perfs
Balls: 30 1.3 sp.gr, 7/8" Formation broke at 3100 psi.
Pressure: 1429 Rate: 20 BPM Balled off to 4100 psi
Recovered 31 balls with 22 hits

Stimulation:

ATP: 2500 psi AIR: 50 BPM
MTP: 2600 psi MIR: 51.5 BPM

	Sand Stage	Pressure	Rate	BHTP	N ₂ Quality
ISIP: 2232	pad	2435	45.8	2216	58.0
5 min:	1 ppg	2518	49.4	1964	61.3
10 min:	1.5 ppg	2486	50.6	1879	61.1
15 min:	2 ppg	2521	50.6	1920	61.2
	3 ppg	2626	50.9	2020	61.3

Job Complete at: 2005 hrs. Date: 7/31/2005 Start flow back: 2215 hrs
with 1500 psi
Total Fluid Pumped: 1075 bbls
Total Sand Pumped: 120,000# Total Sand on Formation: 120,000#
Total Nitrogen Pumped: 109,293 SCF

Notes:

Could not get Mesa Verde to break down at 4200 psi. Dump bailed 13 gal of 28% HCl across the perfs. The formation broke at 3100 psi. Balled off with 1000 gal of 15% HCl. Good ball action and complete ball off to 4100 psi. Recovered all of the balls with 22 hits. Shut down twice during the pad due to leaks in the nitrogen line. Fraced the well with 120,000# of 20/40 Brady sand at 1 - 3 ppg in a foam-slickwater fluid.

FRACTURE TREATMENT REPORT

Operator: San Juan Resources of Colorado Well Name: Lee #1E
Date: 31-Jul-05
Field: Basin Dakota - Blanco Mesa Verde Location: 30/30N/11W County: San Juan State: NM
Stimulation Company: Halliburton / Blue Jet Supervisor: Paul Thompson

Stage #: 2/3 Lower Dakota

Sand on location: Design: 70,000 Weight ticket: 94,100 Size/type: 20/40 CRC

Fluid on location: No. of Tanks: 8 Strap: Amount: Usable: 85,680 gal

Perforations:

Depth: 6475, 77, 80, 82, 87, 91, 95, Total Holes: 30 PBTD: 6516'
97, 6500 and 6506
Shots per foot: 3 spf EHD: 0.34" Frac Plug
with bioball

Breakdown:

Acid: None
Balls: None
Pressure: Rate:

Stimulation:

ATP: 3400 psi AIR: 36.0 BPM
MTP: 4200 psi MIR: 38.1 BPM

	Sand Stage	Pressure	Rate	BHTP
ISIP: 1765	pad	3170	35.4	4892
5 min: 1270	1 ppg	2993	35.4	4843
10 min: 1145	2 ppg	3073	35.2	5073
15 min: 1065	3 ppg	3292	38.1	5272
	4 ppg			

Job Complete at: 1255 hrs. Date: 7/31/2005 Start flow back:

Total Fluid Pumped: 804 bbls

Total Sand Pumped: 43,000# Total Sand on Formation: 42,500#

Total Nitrogen Pumped: None

Notes:

All frac fluid was 2% KCl and City water with biocide and Delta 200 fluid with, crosslinker, surfactant, and ammonium persulfate breaker. The frac gradient based on the ISIP was 0.71 psi/ft Treating pressure started increasing during the end of the 2 ppg stage. Pumped all of the 3 ppg stage but did not try to pump 4 ppg sand due to the rapidly increasing treating pressure. Flushed sand to the top perf. Had to decrease the rate during the flush to keep the treating pressures below the maximum.

FRACTURE TREATMENT REPORT

Operator: San Juan Resources of Colorado Well Name: Lee #1E
Date: 31-Jul-05
Field: Basin Dakota - Blanco Mesa Verde Location: 30/30N/11W County: San Juan State: NM
Stimulation Company: Halliburton / Blue Jet Supervisor: Paul Thompson

Stage #: 1/3 Lower Dakota

Sand on location: Design: 60,000# Weight ticket: 130,920 Size/type: 20/40 CRC

Fluid on location : No. of Tanks: 8 Strap: 20 Amount: 3200 Usable: 2880

Perforations:

Depth: 6526,39,46, 63, 68, 74, 91, & 93 Total Holes: 24 PBTD: 6679' KB
Shots per foot: 3 spf EHD: 0.34"

Breakdown:

Acid: None Formation broke 3941 psi.
Balls: None
Pressure: Rate:

Stimulation:

ATP: 4000 psi AIR: 30 BPM
MTP: 4300 psi MIR: 35.4

	Sand Stage	Pressure	Rate	BHTP
ISIP: 1706	pad	4155	34.2	5742
5 min: 1087	1 ppg	3779	34.8	5453
10 min: 971	2 ppg	3620	35.4	5451
15 min: 918	3 ppg	3804	35.3	5756
	4 ppg			

Job Complete at: 1000 hrs. Date: 7/31/2005 Start flow back: 2200 hrs
250 psi
Total Fluid Pumped: 708 bbls
Total Sand Pumped: 36,810# Total Sand on Formation: 36,500#
Total Nitrogen Pumped: None

Notes:

All frac fluid was 2% KCl and City water with biocide and Delta 200 fluid with, crosslinker, surfactant, and ammonium persulfate breaker. The frac gradient based on the ISIP was 0.69 psi/ft Treating pressures increased rapidly as the 3 ppg sand hit formation. Did not attempt to pump any 4 ppg sand. Went to flush early. Had to lower the rate during the displacement to keep the pressure below the maximum.