

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

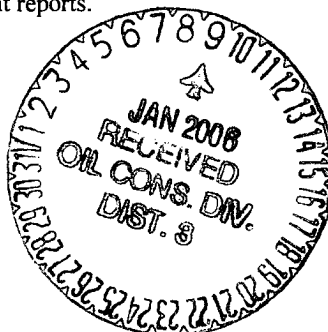
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No. TOE #2
2. Name of Operator THOMPSON ENGINEERING & PRODUCTION CORP.	9. API Well No. 30-045-31429
3a. Address c/o Walsh Engineering & Production Corp. 7415 East Main St. Farmington, NM 87402	10. Field and Pool, or Exploratory Area BASIN FRUITLAND COAL
3b. Phone No. (include area code) (505) 327-4892	11. County or Parish, State San Juan, New Mexico
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1846' FNL & 1155' FWL SEC 29 T26N R12W	

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input checked="" type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, A Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

On 11/28/05 the above well was Fraced per attached treatment reports.



2005 DEC 23 PM 12 04  
RECEIVED  
OTO FARMINGTON NM

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Paul C. Thompson, P.E.	Title President
Signature <i>Paul C. Thompson</i>	Date December 6, 2005

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE** ACCEPTED

Approved by	Title DEC 28 2005
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operation thereon.	Office FARMINGTON FIELD OFFICE

Title 18 U.C.S. Section 1001 and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOCED

## FRACTURE TREATMENT REPORT

**Operator:** Thompson Engineering **Well Name:** Toe #2  
**Date:** 28-Nov-05  
**Field:** Basin Fruitland Coal **Location:** 29/26N/12W **County:** San Juan **State:** NM  
**Stimulation Company:** Key & Precision **Supervisor:** Paul Thompson

**Stage #:** 2/2 **Upper Coals**

**Sand on location:** **Design:** 5000# / 45,000# **Weight ticket:** 10,340# / 120,620 **Size/type:** 40/70 Az / 20/40 Brady

**Fluid on location :** **No. of Tanks:** 6 **Strap:** **Amount:** 1040 **Usable:** 850

**Perforations:**  
**Depth:** 833, 855, 883, 884, 887, 904 **Total Holes:** 30 **PBTD:** 1004' KB  
919, 920, 921, 960, 961, 967, 973, 974, & 985 **Composite BP**  
**Shots per foot:** 2 spf **EHD:** 0.34" **PT to 3500# - OK**

**Breakdown:**  
**Acid:** 1000 gal of 15% HCl **No obvious break**  
**Balls:** 45 (7/8") **Good ball action and a complete ball-off to 3500#**  
**Pressure:** 1990 psi **Rate:** 4.3 BPM **Recovered 45 balls with 30 hits.**

**Stimulation:**  
**ATP:** 1600 psi **AIR:** 20.5 BPM  
**MTP:** 1990 psi **MIR:** 21.5 BPM

	Sand Stage	Pressure	Rate	BHTP
	pad	1910	20.5	2205
	0.5 ppg 40/70	1800	20.5	2096
	1.0 ppg 40/70	Unable to get sand to 1 ppg w/ 40/70		
	1.0 ppg 20/40	1600	20.9	1922
	2 ppg	1500	20.8	1837
	3 ppg	1420	20.4	1757
	4 ppg	1340	20.5	1700

**ISIP:** 760  
**5 min:** 574  
**10 min:** 515  
**15 min:** 496

**Job Complete at:** 1500 hrs. **Date:** 11/28/2005 **Start flow back:** 1715 hrs with 440 psi

**Total Fluid Pumped:** 811 bbls

**Total Sand Pumped:** 5000# 40/70 **Total Sand on Formation:** 50,000#  
45,000# 20/40

**Total Nitrogen Pumped:**

### Notes:

All frac fluid was produced water with biocide and contained 20#/1000 gal guar gel, crosslinker, surfactant, and enzyme and oxidizer breakers. Nolte plot was negative throughout the job. The frac gradient based on the ISIP was 1.26 psi/ft.

## FRACTURE TREATMENT REPORT

Operator: Thompson Engineering Well Name: Toe #2  
Date: 28-Nov-05  
Field: Basin Fruitland Coal Location: 29/26N/12W County: San Juan State: NM  
Stimulation Company: Key & Precision Supervisor: Paul Thompson

Stage #: 1/2 Lower Coal

Sand on location: Design: 5000# / 75,000# Weight ticket: 10,340# / 120,620 Size/type: 40/70 Az / 20/40 Brady

Fluid on location : No. of Tanks: 6 Strap: 20 Amount: 2400 Usable: 2160

### Perforations:

Depth: 1052-55, 1064-80 Total Holes: 57 PBTD: 1268' KB  
Shots per foot: 3 spf EHD: 0.34" Loggers TD

### Breakdown:

Acid: None  
Balls: None  
Pressure: Rate:

### Stimulation:

ATP: 1100 psi AIR: 19.5 BPM  
MTP: 1325 psi MIR: 25 BPM

	Sand Stage	Pressure	Rate	BHTP
ISIP: 647	pad	1160	19.6	1540
5 min: 524	0.5 ppg 40/70	1127	19.5	1522
10 min: 500	1.0 ppg 40/70	1080	19.7	1497
15 min: 512	1.0 ppg 20/40	1135	19.6	1544
	2 ppg	1115	19.6	1545
	3 ppg	1070	19.4	1515
	4 ppg	1020	19.6	1483

Job Complete at: 1030 hrs. Date: 11/28/2005 Start flow back: 1715 hrs  
with 440 psi

Total Fluid Pumped: 1081 bbls

Total Sand Pumped: 5000# 40/70 Total Sand on Formation: 80,000#  
75,000# 20/40

Total Nitrogen Pumped:

### Notes:

All frac fluid was produced water with biocide and contained 20#/1000 gal guar gel, crosslinker, surfactant, and enzyme and oxidizer breakers. Nolte plot was positive to flat throughout the job.