| UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT  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" for such proposals)  1. Oil Well [] Gas Well [] Other [] GAS WELL  2. Name of Operator:  Caulkins Oil Company  3. Address of Operator: (505) 334-4323  1409 W. Aztec Blvd. Ste B7, Aztec, NM 87410  |   | 5. Lease  NMNM-03554  6. If Indian, Allottee or Tribe Name 7. Unit Agreement Name  8. Well Name and No.  BREECH "C" 828  9. API Well No.  30-039-29432-00S1  10. Field and Pool, Exploratory Area  BASIN DAKOTA |  |
|---|---|---|--|
| 4. Location of Well (Footage, Sec., Twp., Rge.)   |   | 11. Country or Parish, State  |  |
| 1320' F/S 660' F/E SEC. 13-26N-6W   |   | Rio Arriba Co., New Mexico  |  |
| 12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA  TYPE OF SUBMISSION TYPE OF ACTION   |   |   |  |
| [ ] Notice of Intent  | [] Abandonment  | [ ] Change of Plans   |  |
| [X] Subsequent Report [ ] Final Abandonment Notice  | [ ]Recompletion [ ] Plugging Back [ ] Casing Repair [ ] Altering Casing | <ul><li>[X] New Construction</li><li>[ ] Non-Routine Fracturing</li><li>[ ] Water Shut-Off</li><li>[ ] Conversion to Injection</li></ul>  |  |
| [ ] Other [ ] Dispose Water  17. Describe Proposed or Completed Operations:   |   |   |  |
| 10-27-05 Rigged up. Nippled up BOP T. I. H. with 4 3/4" bit on 2 3/8" tubing. Tagged cement at 3540'. Picked up power swivel.  10-31-05 Drilled out stage tool at 3563'. Continued in hole. Tagged cement at 5510'. Drilled out stage tool at 5588'.  11-1-05 Continued in hole. Tagged cement at 7523'. Cleaned out to 7570'. T. O. H. out of hole laying down 2 3/8" tubing with 4 3/4" bit. Rigged down and moved.  (continued on page 2) NOTE: The format is issued in lieu of U.S. BLM Form 3160-5 |   |   |  |
| 18. I HEREBY CERTIFY THE FOREGOING IS TRUE AND CORRECT  SIGNED: Accepted FOR RECORD  CHARLES E. VERQUER   |   |   |  |
| APPROVED BY:  | TITLE:  | DATE: FEB 0 2 2006  |  |
| CONDITIONS OF APPROVAL, IF ANY  | 11100.  | FARMINGTON FIELD OFFICE BY  |  |

Caulkins Oil Company BLM Sundry Notice Breech "C" 828 January 30, 2006 Page 2

| 11-4-05  | Pressure tested casing to 4000#, held OK                             |
|----------|--|
| 11-17-05 | Perforated Dakota zone, 7257' - 7447'.                               |
| 12-5-05  | Frac'd Dakota zone with 200,000# 20/40 sand and 20,809 mscf N2 foam. |
| 1-19-06  | Rigged up.   |
|          | Killed well, nippled up BOP.   |
|          | T. I. H. with 2 3/8" production ttubing.                             |
| 1-20-06  | Tagged sand at 7530'.  |
|          | Cleaned out with air package to PBTD.                                |
|          | Landed tubing on doughnut at 7464'.                                  |

Rigged down and moved.