

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**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  
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator  
Resource Development Technology, LLC

3a. Address  
P. O. Box 1020, Morrison CO 80465

3b. Phone No. (include area code)  
303-716-3200

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

760 FSL & 990 FEL, Section 4, T 24 N, R 8 W, NMPM

5. Lease Serial No.

USA SF-078359

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and/or No.

NMA 0072

8. Well Name and No.

Rita Fed Com #4

9. API Well No.

30 - 039-23378

10. Field and Pool, or Exploratory Area

Counselors Gallup/Dakota

11. County or Parish, State

Rio Arriba County, NM

**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 type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input checked="" 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 starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

1/24-2/2/2006: MIRU A-1 Rig #5. Stuck Tbg. Pull Free. C/O @ 6225' - 6387' w/ Air. Found Casing Holes @ 4266' - 4268' & Collar Leak @ 3930' - 3932' w/ Blue Jet MIT Logs & Packer/Plug. Set Plug @ 4400'.  
2/3-7/2006: Squeeze Cement Holes 3930' - 4268' w/ 145 sx. Class C Cement @ 14.8 PPG & 1.32 CF/Sx. with 107.5 Sx. on Formation w/ 2250# on Retainer @ 3795'. Drill out cement @ 3718' - 4270'.  
2/18-13/2006: Re-test & Find Water Influx @ 1 BW/Hour & Press. Leaks @ 3930' & 4266'. Wash down outside Surface Casing to 12' on 3 Sides & Cement to Surface w/ 75sx. Class 'C' Cement as above.  
2/14-17/2006: Pump 2 Lo-Mo Polymer Plug Water-Block Treatments on Casing Holes @ 4268' (1340# Squeeze) & 3930' (1460# Squeeze). Re-Test w/ Influx @ 1.75 BW/Hr. & HP Leaks.  
2/18-20/2006: Spot 45 sx. Class 'C' Cement As Above across Holes @ 3930' & 4266' w/ Packer. Packer lost elements. Drill out cement in-place w/ No Squeeze. Got 30 Min. Test @ 1000# bled to 930#.  
2/21/2006: Spot 50 sx. Class 'C' Cement @ 14.8 PPG & 1.32 CF/Sx. @ 3526' - 4268'. Squeeze Under Packer to 2750# until Job Locked Up. Description of Operations Continued on Attached Sheet.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Robert A. Schwering, P.E.

Title

Operations Manager

Signature

Date

May 25, 2006

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

Approved by

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 operations thereon.

Title

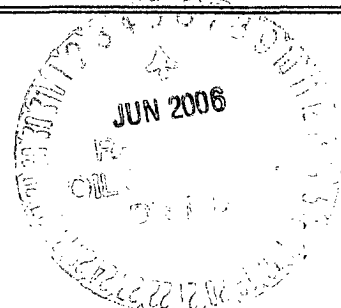
Date

Office

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

(Instructions on page 2)

NMOCD



DESCRIPTION OF OPERATIONS: CONTINUED:

Rita Fed. Com. #4 Well:  
Casing Repair & Well Recovery Operations Summary

2/22-27/2006:

Drilled out hard cement from squeeze job from 3526' – 4280'. Calculated less than ¼ Bbl. of Cement was placed in holes @ 3930' & 4266'.

**On 2/23/2006 Tested Casing @ 950# Gauge (910# Chart) & Bled to 860# Gauge (820# Chart) in 30 Min. Test met BLM & NMOCD Integrity Specs. (Loss Less Than 10% in 30 Min. above 500#). Copy Attached.**

Swabbed Well Down & Tested Influx for 3 Days & still found rates of Influx @ 0.18 to 0.25 BW/Hour. Began Planning & Discussions for permission to set casing patches to eliminate influx.

2/28/2006-3/3/2006:

Run Bit & Scraper to PBD @ 6300' (87' fill during previous operations). Ran Packer to 6210'.

Swab Test Graneros Perfs. @ 6298' – 6306' & Recover Load Water & Trace Oil & Gas.

LD Packer. On 3/3/2006 receive BLM Verbal Permission to set Owens WL Set Casing Patches over holes @ 3930' & 4266'. Set Composite Plug @ 5090'.

3/04-07/2006:

Clean-Up Casing from 3930' – 4280' w/ Watermelon Mill w/ Heavy Torque.

RU Blue Jet & Set Owens 4" x 3.375" Patches across Casing Holes as follows:

**Set Casing Patch #1 @ 4240' – 4292': 52' x 3.375" ID Patch covering Holes @ 4266-4268' & Weak Casing.**

**Set Casing Patch #2 @ 3926' – 3936': 10' x 3.375" ID Patch covering Collar Leak @ 3930'-3932'.**

**Test Casing to 800# & Bled to 755# (45# loss) in 30 Min. A-Plus had No Recorder on Location.**

3/08-3/09/2006:

Check for Influx after swab well down to 3415'. Calc. @ 0.38 BW in 20-1/2 Hours.

Finish Swab well down to 4500'. Wait 2 Hours w/ NO INFLUX. Change-Out Tubing.

Drill-Out Composite Plug w/ Blade Bit.

3/10-15/2006:

Bail well clean to New PBD @ 6328'. RIH & Land 2-3/8" 4.7# J-55 8rd. EUE Tubing as follows:

KB = 11.00'

7 Jts. Used Yellow Band Tubing = 277.88'

104 Jts. New Tubing = 3,469.02'

77 Jts. New Tubing w/ Bevelled Cplgs.= 2,530.07'

SN w/ Bevelled Cplg. = 1.10'

1 Jt. New Tubing w/ Bevelled Coupling = 32.46'

Notched Collar w/ Bevelled Tops/Bottoms = 0.35': Bottomed @ 6237.84'.

Swab well to get on-line & Leave w/ 400# SICP w/ 115 BW to Recover. RD & MO A-Plus Rig #5.

3/24-27/2006:

MIRU Jimmy's Swabbing Service after Well Blew Down w/ No Flow.

**Recover 15.5 STBO & 134.5 BW.** Water analyzed as load. Plunger would not run.

MO Swab Rig Pending Water Analysis.

DESCRIPTION OF OPERATIONS: CONTINUED:

Rita Fed. Com. #4 Well:  
Casing Repair & Well Recovery Operations Summary

**NET PRODUCTION IN MARCH: 15.5 STBO + 134.5 BW + 13 MCFG.**

4/15-21/2006:

MIRU Jimmy's Swabbing Service after water confirmed to be Load Water.

**Recover 20 STBO & 27 BW.** Plunger still would not run.

Treat well w/ 3000 Gallons Methanol to remove water blocks.

**Swab & Recover 47 STBO & 61 BW & Methanol Load.**

Got Plunger Going & MO Swab Rig.

Plunger Stranded On-Bottom By Fluid on 4/22/2006.

4/29/2006 – 5/1/2006:

MIRU Jimmy's Swabbing Service.

**Swab & Recover 2 STBO & 18 BW.**

Set off Plunger & RDMO Jimmy's.

**NET PRODUCTION IN APRIL: 69 STBO + 106 BW + 33 MCFG.**

Plunger Stranded On-Bottom by Fluid on 5/3/2006.

5/12-25/2006:

RU Compressor to Cycle Well.

MIRU Jimmy's Swabbing Service.

Swab to Kick-Off & Broach tubing for Plungers.

Set off Plunger & RDMO Jimmy's.

**PAYING WELL DETERMINATION: 5/20-24/2005:**

**Avg. Production Last 4 Days:**

**0.75 STBO + 7 BW + 18 MCFD w/ Compressor for Gas Lift.**

On the Basis of the Results achieved in these Operations Resource Development Technology, LLC, does Submit to the BLM that the Rita Fed. Com. #4 Well has been repaired sufficiently to meet the Well Integrity Requirements and is sufficiently Productive to be Classified a Paying Well by the BLM.

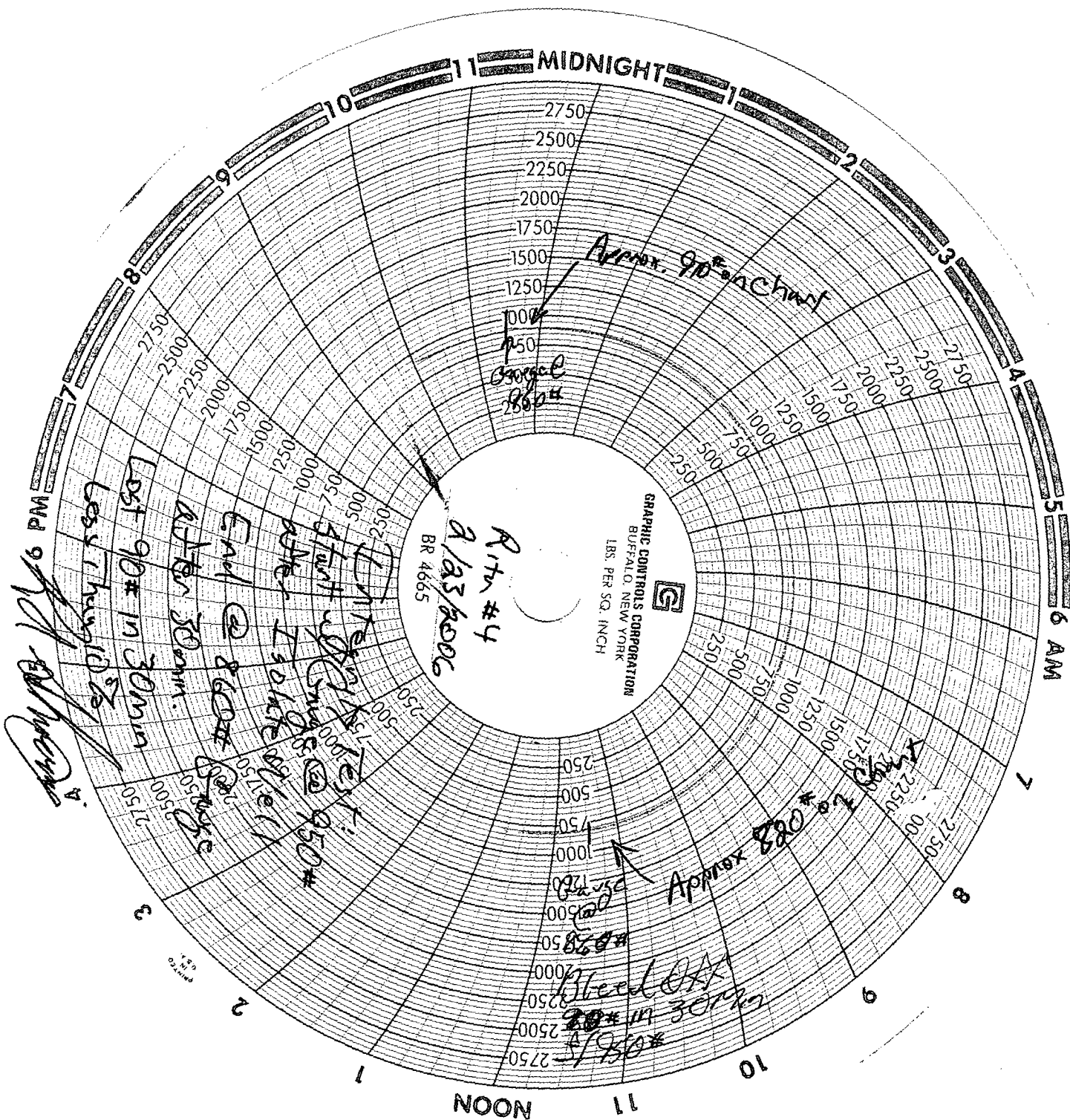
Sincerely Yours,



R A Schwering, PE  
Operations Manager

Resource Development Technology, LLC

Phone: (303) 716-3200; Fax: (303) 716-5780



Rita Fed. Com. #4

NOT TO SCALE Wellbore Diagram

22-141 50 SHEETS  
22-142 100 SHEETS  
22-144 200 SHEETS

CAMPBELL

Hole @ 12 1/4" - 52'  
Cement to Surface w/  
175 sx. 'B' + 2% CCl<sub>2</sub>

8 5/8" 24# J-55 STEEL  
@ 223'

Hole @ 7 7/8" - 2'

Circ. S. Bbl. Lead  
Cement to Surface

Cement 2nd Stage w/  
100 sx. Class 'H' + 2% Gel  
Foll. w/  
700 sx. Class 'B' + 2%  
New Metawill. exte

Leak @ 3930-3932

Leak @ 4266-4268

Calc. TOC to 10'  
4385'

DT Tool @ 4706'  
BOC @ 4825'

TOC @ ?  
No Cement to 5100'  
1st Stage Cement w/  
350 sx. Class 'H' Cement  
w/ 2% Gel @ 1.32 CuH/sx

ABO @ 6471' (1924)

F.C. @ 6477'  
4 1/2" 10.5# J-55 8M STEEL  
Crg. Set @ 6520'

Cement to Surface  
75 sx Class 'C'

Void @ 30' to 105'  
Mod 3

Surveys:

1° @ 496'  
1 1/4° @ 774'  
1/2° @ 1267'  
1/2° @ 1765'  
1° @ 1921'  
3/4° @ 2485'  
1° @ 2877'  
3/4° @ 3423'  
3/4° @ 3918'

True Shot

1 1/2° @ 4452'  
1 1/2° @ 4981'

Structure => 2° @ 5529'  
3 1/2° @ 6040'  
4 1/2° @ 6166'  
5° @ 6228'  
1 1/2° @ 6270'  
3 1/2° @ 6520'

True Shot

TORCO

TORCO

2 3/8" Tubing: KB = 11.00  
188 Jts. 2 3/8" Tubing = 6276.97  
SN = 1.10  
1 Jt. 2 3/8" Tubing = 32.46  
NC = 0.35

Bottom @ 6237.84'  
SN @ 6203.93'

Top Patch: 3926'-3936': Cover Collar Leak @ 3930'  
Bottom Patch: 4240'-4297': Cover Hole @ 4266' & Work Pipe  
All Squeezes Treated 3930'-4268':  
Squeeze #1: 145 sx Class 'C' @ 1.32 CuH/sx: 107.5 sx on fm.  
Squeeze #2: Spot 45 sx Class 'C': Less than 5 sx on fm.  
Squeeze #3: Spot 50 sx Class 'C' on fm.  
@ 2750 # : Still Leaky

Gallup Pents: Select Fire:

5147' + 5185' + 5192': 3 Holes

5228' + 5286' + 5294' + 5297': 4 Holes

5314' + 5316' + 5320' + 5329' + 5397': 5 Holes

5428' + 5432' + 5435' + 5447' + 5471' + 5474' + 5475': 7 Holes

5498' - 5506': 1 SPB: 5 Holes

Acid Ball-Out w/ 500 Gal 15% HCl

Frac w/ 487 bbl. 2 1/2" H<sub>2</sub>O + 1.53' MMEN<sub>2</sub>  
+ 175.5# 20/40 Mesh Sand to 4 PPB

Perd Gravelos: 6298' - 6306': 2 SPB

14 250 Gal 15% HCl 16 Holes

Frac w/ 15,000# 40/60 Mesh Sand to 1 PPB  
w/ 736 bbl. Slick 2% HCl Water w/

ISIP @ 2400#. 2% Brack