

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B 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. 17

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

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

2. Name of Operator
DJ Simmons, Inc.

3a. Address
1009 Ridgeway Place, Suite 200, Farmington, New Mexico

3b. Phone No. (include area code)
505 326 3753

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
760 FSL x 1124 FEL, Sec. 13, T23N, R9W, NMPM, San Juan County, New Mexico

5. Lease Serial No.

NOG-0107-1490

6. If Indian, Allottee or Tribe Name

Navajo Allotment 26

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

8. Well Name and No.

Kimbeto 13-1

9. API Well No.

30-045 33792

10. Field and Pool, or Exploratory Area

Kimbeto Wash /Gallup

11. County or Parish, State

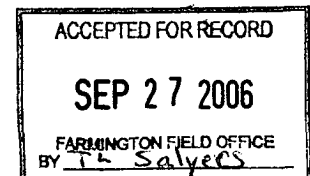
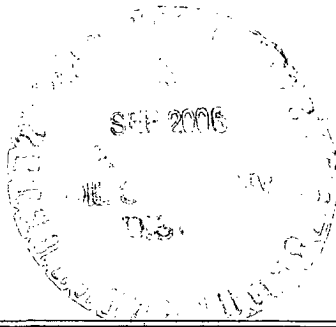
San Juan, New Mexico

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 type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other Spud and Drilling
	<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 recompleate 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 recompleation 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.)

DJ Simmons, Inc. spudded Kimbeto 13-1 with Bearcat Rig #3 June 20, 2006 (See attached Kimbeto 13-1 new drill and completion , Deviation Survey)



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

John A. Byrom

Title **President**

Signature

Date

09/20/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **Troy L. Salyers**
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 **Petroleum Eng.**

Date **9-27-2006**

Office **FEO**

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

B 7/28

Kimbeto 13 #1. Gallup new drill and completion.

6-20-06

Move in, rig up, spud well with Bearcat Rig #3

6-21-06

Drill 12 1/4" surface hole to 400'. Run 8 5/8" 23# LS casing to 394'. Cement with 222sx Type III.
J-55
Cmt circ to surf. PT-OK

7-1-06

Drill with mud a 7 7/8" hole to 5009'. Run Triple Combo log. Run 5 1/2" 15.5# casing to 5007' with stage tool at 3663'. Cement 1st stage with 320 cu. ft. (~159 sx) Premium Lite High Strength FM cement w/2% KCL, 0.2% CD-32, 3 lbm/sx LCM-1, 0.5% FL-52, and 0.25 lbm/sx celloflake, mixed at 12.5 ppg for a yield of 2.01 cu. ft. per sx and a 2nd stage of Lead cement of 317 cu. ft. (~144 sx) Premium Lite FM cement w/3% Cacl2, 0.4% FL-52, 8% Bentonite, 0.4% SM, 3% Pheno Seal, & 0.25 lbm/sx Celloflake, mixed at 12 ppg for a yield of 2.2 cu. ft. per sx and Tail cement of ~490 cu. ft. (~244 sx) Premium Lite High Strength FM cement w/2% KCL, 0.2% CD-32, 3 lbm/sx LCM-1, 0.5% FL-52, and 0.25 lbm/sx celloflake, mixed at 12.5 ppg for a yield of 2.01 cu. ft. per sx. *Cmt circ to surf. PT-OK*

7-2-06

Rig released.

7-25-06

Move in and rig up completion unit.

7-26-06

Travel to location. Safety Meeting on picking up pipe off float. SLM 2 3/8" Tbg. Pick up 4 3/4 " bit, sub, and pipe. Tag at 3632'. RU power swivel and drill out DV tool at 3694'. RD power swivel. PU pipe tag PBTD at 4966', clean out well. TOH 20 stds. Secure Well. SDFN.

7-27-06

Travel to location. Finish TOH. TIH with scraper and clean out. TOH. TIH opened ended 25 stds. Stopped job because of thunder, and wind. Secure well.

u\Kimbeto 13-#1 BLM Completion Daily Report.doc

D.J. Simmons, Inc.

P.O. Box 1469
3005 Northridge Dr.

Farmington, New Mexico 87499
87401

(505) 326-3753

FAX (505) 327-4659

7-28-06

Travel to location. TIH. Safety Meeting. Spot 200 gal of 15% acid, across 4755' - 4891'. TOH. NU frac valve, NU key and pressure test to 4100 psi. Good test, ND. RU Blue Jet and perforate at 4755', 57', 59', 64', 71', 75', 87', 4806', 08', 23', 30', 31', 60', 62', 66', 71', 73', 79', 81', 89', 91', 21 holes. and RD wireline. TIH with packer to 4590'. RU, acid 1000 gals of 15%, and ball off, good ball off, 4400 psi. well flowed for 20 min after acid job. Release packer, TIH to knock off balls, TOH. Secure Well. Note: used DJS packer.

Note: See Treatment Report Dated, 9/27/2006

7-31-06

Travel to location. Call for bulldozer to move in and RU equipment. NU frac valve. Safety Meeting. Follow Frac procedure. ISIP 655 psi. ND frac valve. Open well with 400 psi. RU wireline and set CBP at 4730', RD Blue Jet. TIH 30 stds, Secure well.

8-1-06

Travel to location. TIH, Safety Meeting. Spot 200 gals 15% HCL. flush with 18 bbls. TOH. NU frac valve, and pressure test to 3800 psi. good test, ND. RU wireline, and perforate 23 holes at 4322', 24', 33', 43', 65', 67', 77', 4413', 22', 45', 49', 51', 58', 60', 63', 69', 74', 79', 84', 4654', 56', 59', 63'. RD Blue Jet. TIH with DJS packer, set at 4102'. RU for 1000 gallons of 15% HCL, breakdown, and ball off. Good ball off max pressure 3655 psi. RD. release packer, and TOH. RU to frac the Upper Gallup follow procedure. Good Frac took all sand and fluid. ISIP 780 psi. RU frac equipment and move off. NU frac valve to flow to tank. Open well at 1800 hrs with 650 psi. 2000 hrs 600 psi. made 50 bbls fluid.

Note: See Treatment Report Dated 8/1/2006

8-2-06

Flow Back Upper Gallup on 1/8" choke

u\Kimbeto 13-#1 BLM Completion Daily Report.doc

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D.J. SIMMONS, INC

Hours	Sand	Pressure		bbls	Oil
2400	no	555	Total	100	no
0300	"	550		75	
0600	"	500		30	
0900	"	450		15	
1200	"	350		10	
1500	"	300		04	
1600 1/4" choke	"	75		05	
2100	"	05		01	
2200	"	00		01	
2300	"	00		00	
2400 Shut in well	no	00		00	no
			Total	240	

8-3-06

Travel to location. SICP 25 psi. Safety Meeting on unloading well. RD frac valve. TIH tag fill at 4677', 53' of fill, attempt to unload well could not. TOH and unload 130 bbls at 3068'. TIH to 4318 and unloaded 195 bbls, Total 325 bbls. no oil, no gas. TOH 5 stds. Secure Well.

8-4-06

Travel to location. SICP 50 psi. Safety Meeting on pinch points. TIH tag fill 4580' well made 100' of sand. Cleaned out with air, mist to CBP at 4730'. Recovered 140 bbls of fluid with some oil, some gas, heavy sand. TOH 5 stds above perforation. Secure well.

8-7-06

Travel to location. SICP 450 psi. bleed well down. Safety Meeting on environment. TIH tag 5' new fill, clean out. RU power swivel, and Drill CBP at 4730'. Drilled top off CBP and

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P

D.J. SIMMONS, INC

pressure shot up 250 psi stop drilling and let pressure equalize. Well making oil 70 bbls in flow back tank. Stop job to pull oil out of tank. Secure Well.

8-8-06

Travel to location. SICP 130#. Blow well down. Unload well. TIH 10 stds and unload with air and mist. Finish drilling composite plug, TIH tag sand @ 4820', clean out to 4840', making heavy sand. [Sample bucket spontaneously ignited. Held safety meeting to correct problem.] Dry well up, TOH 10 stds. SDFN.

8-9-06

Attend safety meeting @ Safety Alliance on Haswoper. Travel to location. SICP 230#. Blow well down. Unload well with air and mist. TIH tag sand @ 4867', clean out with air and mist to 4910'. Making heavy to medium sand. Dry well up, TOH 10 stds. SDFN. Well making oil and heavy gas. Total oil recovered approx. 150 bbls.

8-10-06

Travel to location. Hold safety meeting. SICP 340#. Blow well down. Unload well, TIH tag 12' fill. Clean out with air and mist to 4937', wait 30 mins tag 10 fill, clean out. TOH 10 STDS SDFN, oil was blowing out of tank, to keep spills down.

Note: well approx 120 bbls of water and oil this day.

8-11-06

Travel to location. Hold safety meeting. SICP 270#, blow well down. Unload well TIH tag 15' new fill, clean out with air and to PBTD @ 4960'. POOH 60', wait 1hr, TIH tag 5' of fill. Unload well and circ. TOH 15 STDS for weekend. Made approx 120 bbls of oil and water this day. SDFN.

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8-14-06

Travel to location. Hold safety meeting. SICP 525#, blow well down. TIH tag 25' of fill, clen out with air and mist to PBTD @ 4960'. POOH 60', wait 1hr, TIH tag no fill. Dry well and TOH 15 STDS for rig repair in the AM. SDFN. Recovered apprx 120bbbs oil and water today.

Note: will pull head on operator side and replace bad valve.

8-16-06

Travel to location. SICP 440#. Blow well down. Unload well, TIH 15 stds, tag 15' of fill. Clean out with air and mist to PBTD. POOH 60' wait 1hr, TIH tag 1' fill, clean out. TOH LD 6 jts 2 3/8" tbg, finish TOH, LD bit & bs. TIH 10 stds open ended to run tracer log in the AM. SDFN. Made approx 40 bbbs water and oil this day.

8-17-06

Travel to location. SICP 170#. Blow well down. RU phoenix slickline, run tracer log with Pro Technics, RD same. TOH 10 stds. MU purge valve, 1jt, TBG screen, 4' pup, 10' pup, SN, 10 stds, TBG anchor and 64 stds 2 3/8" TBG. Purge valve @ 4805', bottom of TBG screeen @ 4772.5', SN @ 4750', TBG anchor set @ 4227'. ND BOPE, set TBG anchor with 14K on it. NU well head. Note TBG anchor has 40K shear pin. MU 15' gas anchor, pump, 3 K bars, and TIH with 90 3/4" rods. SDFN.

8-18-06

Travel to location. Finish TIH with rods. Seat pump and space well out. Total rods = 185, 1- 6' pup, 3 -4' pups, and polish rod. Check pump action. @ 1pm SICP 180#. RDMO. Clean location. Road rig to yard. Final report. Well released to Production MGR.

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		D.J. SIMMONS, INC.						PAGE: 1 -OF- 1	
		TREATMENT REPORT						STAGE: 1 -OF- 2	
		Mike Pippin							
								9/27/2006	
WELL NAME: KIMBETO 13 #1 GALLUP				SURF. LOC.: P 13 23 9 760' FSL & 1124' FEL		COUNTY: SAN JUAN		STATE: NM	
FORMATION: WILDCAT GALLUP				FIELD: WC		TD: 4999'		PBTD: 4966'	
								COTD: 4966'	
WELL DATA									
CASING: Size O.D.: 8-5/8"		CASING: Size O.D.: 5-1/2"		FRAC STRING: Size O.D.:		BRIDGE PLUG or PACKER:			
Weight Type: 23# LS		Weight Type: 15.5# J-55							
282 cf cmt		1242 cf cmt							
Depth: 394'		Depth: 4999'				Type:			
		D. Tool @ 3694'				Set At:			
PERFORATING - TREATING									
PERFORATING CO.: Blue Jet				FRAC CO.: KEY					
Type Shot:				Number and Type Pumps: 2-2000, 1-1800 & 1-2500 hp					
3-1/8" select fire guns w/ 1-0.34" holes.									
4755', 57', 59', 64', 71', 75', 87', 4806', 08', 23', 30', 31', 60', 62', 66', 71',									
75', 87', 4806', 08', 23', 30', 31', 60', 62', 66', 71', 73', 79', 81', 89', 91' w/ 1 spf				Number and Size Tanks: 7-400 BBL, 6.8 PH, 73 F. Usable = 90,720 gal. All water = 2% KCL.					
Total Gallup Perfs to Frac: 21 holes									
MATERIALS USED: Sand: 20/40 mesh; 175,000# Brady.				Chemicals Used: : GW-3LD Green @ 5 gal/1000 (guar), Flo-Back 20 @ 1#/1000, Foamer FAW-4 @ 4 gal/1000, Enzyme G-III @ 1#/1000 (breaker)					
Fluid: Acid Breakdown: 2428 Gals. Frac: 76,020 Gals.									
Total Load Fluid: 78,448 GALS. (1,868) BBLs									
TREATMENT SUMMARY: Average Frac Rate: 41 BPM, Max Rate: 42 BPM						Perf Balls: 50 RCN 1.3 sp gr, 7/8"			
						BD w/1000 gal 15% HCL Balloff to 4400#.			
PRESSURES: - PSI: Maximum Allowable: 3800 psi. Max. BD (Actual): psi						Max. Trtg.: 2065 psi			
Avg. Trtg.: 1200 psi ISIP: 652 psi						5 Min.: 484 psi, 10 Min: 460 psi			
Sand Density: 1 to 5 #/Gal						15 Min.: psi			
DETAILS OF TREATMENT									
STAGE:	SAND (LB.):		GEL - GAL:	PRESSURE:	BPM:	Frac Gradient:		REMARKS:	
PAD	0		15,000	2040	41	0.6			
1#/GAL	5,000		5,000	1920	40	0.63			
2#/GAL	20,000		10,000	1420	40	0.54		Lost 1 pump truck	
3#/GAL	60,000		20,000	1260	41	0.45			
4#/GAL	80,000		20,000	1030	42	0.43			
5#/GAL	10,000		2,000	1000	41				
Flush	0		4,755	1300	41	0.57			
PLANNED	175,000		72,000						
TOTALS:									
ACTUAL									
TOTALS									
GENERAL DISCUSSION									
BD perfs w/1000 gal 15% HCL & 50 perf balls. Good ball-off to 4400 psi.									
Frac'd Gallup w/175,000# 20/40 sand in 20# X-gel.									
VERY GOOD FRAC JOB									
Average: 41 BPM @ 1200 psi.									
JOB COMPLETE: DATE: 7/31/06							FRAC REPRESENTATION: Mike PIPPIN		
TIME: 3:55 pm									

D.J. SIMMONS, INC. TREATMENT REPORT Mike Pippin				PAGE: 1 -OF- 1		
				STAGE: 2 -OF- 2		
				8/1/2006		
WELL NAME: KIMBETO 13 #1 GALLUP			SURF. LOC.: P 13 23 9 760' FSL & 1124' FEL		COUNTY: SAN JUAN	STATE: NM
FORMATION: WILDCAT GALLUP		FIELD: WC	TD: 4999'	PBTD: 4966'	COTD: 4966'	
WELL DATA						
CASING: Size O.D.: 8-5/8"		CASING: Size O.D.: 5-1/2"		FRAC STRING: Size O.D.:		BRIDGE PLUG or PACKER:
Weight-Type: 23# LS		Weight Type: 15.5# J-55				
282 cf cmt		1242 cf cmt				
Depth: 394'		Depth: 4999'				Type: Plastic BP
		D. Tool @ 3694'				Set At: 4730'
PERFORATING -- TREATING						
PERFORATING CO.: Blue Jet				FRAC CO.: KEY		
Type Shot: 3-1/8" select fire guns w/1-0.34" holes.				Number and Type Pumps: 2-2000, 1-1800 & 1-2500 hp		
4322', 24', 33', 43', 65', 67', 77', 4413', 22', 45', 49', 51', 58', 60', 63', 69', 74', 79', 84', 4654', 56', 59', 63'						
Total Gallup Perfs to Frac: 23 holes				Number and Size Tanks: 4-400 BBL, 6.9 PH, 74 F. Usable = 44,520 gal. All water = 2% KCL.		
MATERIALS USED: Sand: 20/40 mesh; 85,000# Brady.				Chemicals Used: 0.1# - Bio-7, 5 gal - WGA (guar), 1 gal - NE1 (non-emul), 2 gal - MS4 (MA-1), 1 gal - B30 breaker, 1# - B4 - breaker, 1/2 gal - BA2 - breaker, 1 gal - CX9- (Xlink), 1 gal - prosurf1		
Fluid: Acid Breakdown: 2092 Gals. Frac: 38,430 Gals.						
Total Load Fluid: 40,520 GALS. (965) BBLs						
TREATMENT SUMMARY: Average Frac Rate: 43.5 BPM, Max Rate: 45 BPM				Perf Balls: 50 RCN 1.3 sp gr, 7/8"		
				BD w/1000 gal 15% HCL Balled off to 3650 psi.		
PRESSURES: - PSI: Maximum Allowable: 3800 psi. Max. BD (Actual): psi				Max. Trtg.: 2090 psi		
Avg. Trtg.: 1640 psi ISIP: 780 psi				5 Min.: 737 psi, 10 Min: 716 psi		
Sand Density: 1 to 5 #/Gal				15 Min.: psi		
DETAILS OF TREATMENT						
STAGE:	SAND (LB.):	GEL - GAL:	PRESSURE:	BPM:	Frac Gradient:	REMARKS: Vis=23 cp
PAD	0	8,000	2000	40	0.69	
1#/GAL	3,000	3,000	2010	42	0.7	
2#/GAL	10,000	5,000	1730	42	0.67	
3#/GAL	30,000	10,000	1400	42	0.64	Increased rate from 42 to 46 half way thru stage
4#/GAL	32,000	8,000	1310	45	0.51	
5#/GAL	10,000	2,000	1250	45		
Flush	0	(4122)	1480	45	0.6	
PLANNED TOTALS:	85,000	36,000				
ACTUAL TOTALS	85,600	38,430				
GENERAL DISCUSSION						
BD perfs w/1000 gal 15% HCL & 50 perf balls.						
Fraced Gallup w/85,000# 20/40 sand in 20# X-gel.						
VERY GOOD FRAC JOB						
Average: 43.5 BPM @ 1640 psi.						
JOB COMPLETE: DATE: 8/1/06				FRAC REPRESENTATION: Mike PIPPIN		
TIME: 4:40 pm						