

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Frances Dr.
Santa Fe, New Mexico 87505

WELL API NO

30-039-29418

5. Indicate Type of Lease

STATE ☐ FEE ☐

6 State Oil & Gas Lease No

NMSF-079304

7 Lease Name or Unit Agreement Name

SANCHEZ

8 Well No.

8

9 OGRID Number

003824

Pool Name or Wildcat

DAKOTA, MESA VERDE

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR TO 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

Caulkins Oil Company

3 Address of Operator

1409 W. Aztec Blvd., Suite 7, Aztec, NM 87410

4. Well Location

Unit Letter F : 1600' feet from the North line and 1600' feet from the West line

24 Section 26N Township 6W Range NMPM Rio Arriba County

10. Elevation (Show Whether DF, RKB, RT, GR, etc.)

6602 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 _____

NOTICE OF INTENTION TO:

Perform Remedial Work ☐ Plug and Abandon ☐

Temporarily Abandon ☐ Change Plans ☐

Pull or Alter Casing ☐ Multiple Completion ☐

Other: Downhole Commingle Order [X]

SUBSEQUENT REPORT OF:

Remedial Work ☐ Altering Casing ☐

Commence Drilling Opns. ☐ Plug and Abandonment ☐

Casing Test and Cement Job ☐

Other: _____ ☐

12 Describe Proposed or Completed Operations

9-7-07 Caulkins Oil Company requests a downhole commingle order for this well. The following is supported information for this approval.

(i) NMOCD Order R-11363 establishes pre-approved pool.

(ii) Basin Dakota and South Blanco Mesa Verde.

(iii) Perforations are: Basin Dakota 7257' – 7447' and Mesa Verde 4740' – 5299'.

(iv) Allocations: Dakota Mesa Verde

Oil 30% 70%

Gas 50% 50%

Allocation method is based on the attached 12 month average production (attached) for Basin Dakota and estimation for Mesa Verde. After six months, tests will be conducted to re-evaluate these allocations.

NMOCD Reference Case No. applicable to this well: R-7980, DHC-659, DHC-851AZ

(v) The downhole commingling of this wellbore will not reduce the value of the total remaining production.

(vi) Ownership interests are identical in all commingled zones.

(vii) The Bureau of Land Management has been notified for the commingling of this well. See attached sundries.

NOTE: This format is in lieu of State Form C-103.

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 or be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE John A. McGaha
JOHN A. MCGAHA

TITLE Production Clerk DATE September 7, 2007
Ph. (505) 334-4323

(This space for State Use)

APPROVED BY [Signature]
CONDITIONS OF APPROVAL, IF ANY.

DHC 2682AZ
Deputy Oil & Gas Inspector SEP 11 2007
District #3

RCVD SEP 7 '07
OIL CONS. DIV.

DIST. 3

**LAST 12-MONTHS PRODUCTION
FOR
SANCHEZ 8**

DAKOTA

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
07/06	4,467	23	3	31	144	0.742
08/06	4,805	24	4	31	155	0.774
09/06	4,554	20	3	30	152	0.667
10/06	4,580	21	3	31	148	0.677
11/06	4,286	22	3	30	143	0.733
12/06	4,284	16	2	31	138	0.516
01/07	4,140	25	4	31	134	0.806
02/07	3,922	27	4	28	140	0.964
03/07	4,227	23	3	31	136	0.742
04/07	3,850	23	3	30	128	0.767
05/07	4,202	29	4	31	136	0.935
06/07	3,954	18	3	30	132	0.600
	51,271	271	39		141	0.744

UNIT STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. Lease

NMSF-079304

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)

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

13 PM 12:10

1. Oil Well ☐ Gas Well ☐ Other ☐
GAS WELL

8. Well Name and No.

SANCHEZ 8

2. Name of Operator

Caulkins Oil Company

9. API Well No.

30-039-29418-00S1

3. Address of Operator

(505) 334-4323

1409 W. Aztec Blvd. Ste B7, Aztec, NM 87410

10. Field and Pool, Exploratory Area

BASIN DAKOTA

4. Location of Well (Footage, Sec., Twp., Rge)

1600' F/N 1600' F/W

SEC. 24-26N-6W

11. Country or Parish, State

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

☐ Subsequent Report

☒ Recompletion

☐ New Construction

☐ Final Abandonment Notice

☐ Plugging Back

☐ Non-Routine Fracturing

☐ Casing Repair

☐ Water Shut-Off

☐ Altering Casing

☐ Conversion to Injection

☒ Other Commingle

☐ Dispose Water

17. Describe Proposed or Completed Operations

7-12-07

We intend to recomplete this well in South Blanco Mesa Verde formation then commingle with Basin Dakota by the following procedure:

Rig up.

T. O. H. with 2 3/8" tubing.

T. I. H. with wireline set retrievable bridge plug to 5400'.

Load hole with KCL water.

Perforate Mesa Verde zone, 5299' through 4884'.

Frac Mesa Verde zone with 90,000# 20/40 sand and N2 foam.

Flow well back.

T. I. H., clean out to retrievable bridge plug set at 5400'.

Test Mesa Verde zone.

T. O. H. with retrievable bridge plug.

T. I. H. with 2 3/8" production tubing, clean out to PBTD.

Land tubing on doughnut at approximately 7500'.

Rig down and move.

Estimated starting date, August 1, 2007.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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:

Robert L. Verquer
ROBERT L. VERQUER

TITLE: Superintendent

DATE: July 12, 2007

APPROVED BY:

Petr. Eng.

TITLE: Petr. Eng.

DATE: 7/19/07

CONDITIONS OF APPROVAL, IF ANY

OPERATOR

File allocation methodology after appropriate test time.

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)

5. Lease

NMSF-079304

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

8. Well Name and No.

SANCHEZ 8

9. API Well No.

30-039-29418-00C2

10. Field and Pool, Exploratory Area

DAKOTA, MESA VERDE

11. Country or Parish, State

Rio Arriba Co., New Mexico

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

4. Location of Well (Footage, Sec., Twp., Rge.)

1600' F/N 1600' F/W

SEC. 24-26N-6W

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

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Abandonment

☒ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☐ Other _____

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

17. Describe Proposed or Completed Operations:

8/7/07 Rigged up. TOH with 114 stands and a single 2 3/8" tubing

thru Rigged up Bluejet wireline

8/14/07 Ran in hole with retrievable bridge plug

Set plug at 5385'

Perforated Mesa Verde zone with 40 select fire holes, 5299' to 4742'

Acid ball off with 1000 gallons of 15% acid, balled off with 3200 Psi

Frac'd Mesa Verde zone with 100,000# 20/40 sand and 1,383,304 70 quality N2 foam

1650# on well this morning

Flowed well back through 1/4" choke

T.I.H. with 2 3/8" production tubing with expendable check valve on bottom of tubing.

Tagged sand at 7413'.

Cleaned out to 7470' with air package.

Landed tubing on doughnut at 7403'.

Nippled up wellhead.

Pumped out expendable check valve with air package.

(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: Robert L. Verquer TITLE: Superintendent DATE: August 21, 2007

ROBERT L. VERQUER

APPROVED BY: _____ TITLE: _____ DATE: ACCEPTED FOR RECORD

CONDITIONS OF APPROVAL, IF ANY

AUG 24 2007

OPERATOR

Caulkins Oil Company
BLM Sundry Notice
Sanchez 8
August 21, 2007
Page 2

Basin Dakota (71599) and Mesa Verde (72319). Downhole commingle order NMOCD R-11363.

<u>Allocations</u>	<u>Dakota</u>	<u>Mesa Verde</u>
Oil	30%	70%
Gas	50%	50%

After six months, test will be conducted to re-evaluate these allocations.