5. Lease UNITED STATES NMNM-03551 DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 6. If Indian, Allottee or Tribe Name SUNDRY NOTICES AND REPORTS ON WELLS 7. Unit Agreement Name (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) 8. Well Name and No. 1. Oil Well [] Gas Well [] Other [] **GAS WELL** BREECH "E" 79 9. API Well No. 2. Name of Operator. 30-039-29419-00C1 Caulkins Oil Company 10. Field and Pool, Exploratory Area 3 Address of Operator: (505) 334-4323 DAKOTA, TOCITO 1409 W. Aztec Blvd. Ste B7, Aztec, NM 87410 11. Country or Parish, State 4. Location of Well (Footage, Sec, Twp., Rge.) 2595' F/N 1975' F/E SEC. 1-26N-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 []Recompletion [] New Construction [] Non-Routine Fracturing [X] Subsequent Report [] Plugging Back [X] Casing Repair [] Water Shut-Off [] Altering Casing [] Final Abandonment Notice [] Conversion to Injection] Other [] Dispose Water 17. Describe Proposed or Completed Operations: 7-16-07 Tests conducted on this well indicate a casing leak. Thru Rigged up. 8-7-07 T.O.H. with 2 3/8" tubing. T.I.H. with retrievable bridge plug and packer. received Set retrievable bridge plug at 5909', set packer at 5894'. SEP 0 6 2007 Tested retrievable bridge plug and packer, leaked. pureau or Land Management Moved packer, reset, tested, leaked. Farmington Field Office Dropped standing valve in tubing, tested, held OK. T.O.H. with packer and retrievable bridge plug. T.I.H. with new packer and retrievable bridge plug. Set retrievable bridge plug at 5909', set packer at 5894', tested and leaked. RCVD SEP 14'07 Moved retrievable bridge plug to 5973'. Set packer at 5958', tested, leaked. OIL CONS. DIV. (continued on page 2) DIST. 3 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 7 Verance TITLE: Superintendent DATE: September 4, 2007 ROBERT L. VEROUER **ACCEPTED FOR RECORD** APPROVED BY: TITLE: DATE: SEP 1 3 2007 CONDITIONS OF APPROVAL, IF ANY FARMINGTON FIELD OFFICE BY



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7-16-07

T.O.H. with R-3 packer.

thru

T.I.H. with fullbore packer.

8-7-07

Set packer at 1030', tested, held OK.

Set packer at 3030', tested casing, OK.

Set packer at 3419', tested casing, leaked 1000# to 600# in 1 minute through squeeze perforation at 3350'.

Tested below packer. Casing leaks 2 bbl/minute at 1000#.

Continued in hole with packer, set at 5945'.

Tested retrievable bridge plug at 5973', held 2000#, OK.

Moved packer to 5625'.

Tested, leaked 1 bmp at 1000#, through squeeze perforations, 5810' to 5690'.

Moved packer to 5366'.

Cemented squeeze perforations, 5690' to 5810', with 75 sacks (88.5 cu. ft.) 15 bbls type V neat cement, 15 bbls into displacement squeeze locked up with 2500# psi.

Released packer, reversed out, reset packer, pressured up on tubing to 2500#.

Held pressure on cement for 1 hour with no decrease in pressure.

Released packer, pulled 21 joints, set packer at 5171'. ~

Tested squeeze perforation at 5290', leaked 1 bpm at 800#.

Moved packer to 3549'.

Cemented squeeze perforations, 5150' to 5290', with 40 sacks (66 cu. ft.) 12 bbls type V cement with 10% gypsum, 2.5% bentonite and 2% CaCl.

Shut down displacement 4 bbls above squeeze perforation at 5150', waited 15 minutes.

Pressured up on squeeze with 2000#, held pressure on cement for 2 hours.

Released packer.

T.U.H. spotted 25 sacks (29.5 cu. ft.) 5.2 bbls at 3350'.

Moved packer to 2707', reversed out.

Set packer, pressured up to 1500#, held for 2 hours.

Released cementers.

Released packer, T.O.H.

T.I.H. with 4 3/4" bit on 2 3/8" tubing.

Tagged cement at 3205'.

Drilled out of cement at 3400'.

Pressure tested casing to 1000#, OK.

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7-16-07

T.I.H. with 24 stands, tagged cement at 5054'.

thru

Drilled out of cement at 5295'. Circulated hole clean.

8-7-07

T.O.H. with bit.

T.I.H. with packer to 700'.

Tested with 1000#, held OK.

T.O.H. with packer.

T.I.H. with 4 3/4" bit on 2 3/8" tubing.

Tagged cement at 5361'.

Drilled out of cement at 5703'.

Circulated hole clean.

T.O.H. with bit.

T.I.H. with packer to 700'.

Tested casing to 1000#, held OK.

T.O.H. with packer.

T.I.H. with retrieving head on 2 3/8" tubing.

Latched onto retrievable bridge plug.

T.O.H. with retrievable bridge plug.

T.I.H. with 2 3/8" production tubing.

Cleaned out to 8006' with air package.

Landed tubing on doughnut at 7938'.

Rigged down and moved.