

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045- 33774 29732
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-5292
7. Lease Name or Unit Agreement Name Juniper SWD; Blanco Mesa Verde
8. Well Number #1
9. OGRID Number 004838
10. Pool name or Wildcat SWD; Blanco Mesa Verde

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" (FORM C-101) FOR SUCH PROPOSALS.)

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

2. Name of Operator
Coleman Oil & Gas, Inc.

3. Address of Operator
P.O. Drawer 3337 Farmington, NM 87499

4. Well Location

Unit Letter : D : 800 feet from the North line and 730 feet from the West line

Section 16 Township 24N Range 10W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6794' GR.

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type: LINED EARTHEN Depth to Groundwater: feet. Distance from nearest fresh water well feet. Distance from nearest surface water feet.

Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Step rate Test ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

ADMINISTRATIVE ORDER SWD - 806-B.

COLEMAN OIL & GAS, INC. REQUEST PERMISSION TO RUN A STEP RATE TEST TO DETERMINE THE MAXIMUM ALLOWABLE INJECTION PRESSURE.

RCVD NOV 1 '07
OIL CONS. DIV.

DIST. 3

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

SIGNATURE Michael T. Hanson TITLE: Operations Engineer DATE: November 1, 2007

Michael T. Hanson cogmhanson@sprynet.com (505) 327-0356

For State Use Only

Deputy Oil & Gas Inspector,
District #3

APPROVED BY: Kelly G. Roberts TITLE DATE NOV 01 2007

Conditions of Approval (if any):

8

Coleman Oil & Gas, Inc.

Procedure Step Rate Test Blanco Mesa Verde Formation

Thursday, November 01, 2007

Well:	Juniper SWD #1	Field:	Blanco Mesa Verde
Location:	800' FNL & 730' FWL (NWNW) Sec 16, T24N, R10W, NMPM San Juan County, New Mexico	Elevation:	6806' RKB 6794' GL
By:	Michael T. Hanson	Lease:	V-5292

Procedure: (Note: This procedure will be adjusted on site based upon actual conditions)

1. Notify NMOCD and Farmington BLM 24 hours prior to test.
2. Shut in Well 2-4 hours prior to test.
3. Move in and rig up slick line equipment. *Conduct BHT*
4. RIH with sinker bar and tag up.
5. RIH with Electronic Pressure gauge and set @ ± 3000 Ft. KB (Record Time When on Bottom).
6. Set and fill five 400 Barrel frac tanks with produced water.
7. MIRU Pump Truck. Record casing and tubing pressure through out job.

Step Rate Test

1. Load tubing with produced water and start injection test @ 1 barrel per minute. Hold each step for 30 minutes. Increase rate in 1 BPM increments up to an estimated 8 BPM.
2. Record Pressures during each step.
3. Record the following pressure ISIP, 5, 10, 15, 20, 25, 30, 35, 40, 45, 50, 55, and 60 minute.
4. Rig down pump truck.
5. Retrieve Bottom hole pressure recorders and rig down slick line equipment.
6. Put well back on injection.