

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. 30-045-33771
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Federal Lease NMNM 104609
7. Lease Name or Unit Agreement Name Juniper West 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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> 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 : N : 700 feet from the South line and 1715 feet from the West line Section 24 Township 24N Range 11W NMPM County San Juan	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6436' GR.	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Step rate Test <input checked="" type="checkbox"/>		OTHER <input type="checkbox"/>	

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 - 1055.

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

APPROVED BY: Kelvin G. Rodriguez TITLE: Deputy Oil & Gas Inspector, District #3 DATE: NOV 01 2007
Conditions of Approval (if any):

Coleman Oil & Gas, Inc.

Procedure Step Rate Test **Blanco Mesa Verde Formation**

Thursday, November 01, 2007

Well:	Juniper West SWD #1	Field:	Blanco Mesa Verde
Location:	700' FSL & 1715' FWL (SESW) Sec 24, T24N, R11W, NMPM San Juan County, New Mexico	Elevation:	6448' RKB 6436' GL
By:	Michael T. Hanson	Lease:	NMNM - 104609

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 BRADENHEAD TEST*
4. RIH with sinker bar and tag up.
5. RIH with Electronic Pressure gauge and set @ \pm 2400 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.