Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
NOV 14 2008
Bureau of Land Management
Farmington Field Office

FORM APPROVED
Budget Bureau No 1004-0135
Expires November 30, 2000

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

5 Lease Serial No
NM - 00269

6 If Indian, Allottee or Tribe Name

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

1 Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8 Well Name and No
TONKIN FEDERAL #1

2 Name of Operator
Thompson Engineering & Prod. Corp.

9 API Well No
30-045-06323

3a. Address
7415 East Main St. Farmington, NM 87402

3b Phone No *(include area code)*
(505) 327-4892

10 Field and Pool, or Exploratory Area
BASIN FRUITLAND COAL

4 Location of Well (Footage, Sec , T , R , M , or Survey Description)
790' FSL & 790' FEL Sec. 23, T27N, R12W

11 County or Parish, State
SAN JUAN, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☑ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated date of any proposed work and approximate duration thereof If the proposal is to deepen directionally or recomplete 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 recompletion 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)

On 12/07/05 the above well was Fraced per the attached treatment reports.

14 I hereby certify that the foregoing is true and correct

Name *(Printed/Typed)* Gwen Brozzo — Title Production Technician

Signature — Date December 9, 2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by — Title — Date

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 operation thereon — Office

Title 18 U C S Section 1001 and Title 43 U S C. Section 1212, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

ACCEPTED FOR RECORD

DEC 13 2005

FARMINGTON FIELD OFFICE

OPERATOR

WALSH ENGINEERING & PRODUCTION CORPORATION

FRACTURE TREATMENT REPORT

Operator: Thompson Engineering **Well Name:** Tonkin Federal #1

Date: 8-Dec-05

Field: W. Kutz PC & BFtC **Location:** 23/27N/12W **County:** San Juan **State:** NM

Stimulation Company: Key & Precision **Supervisor:** Paul Thompson

Stage #: 3/3 Upper Fruitland Coals

Sand on location: **Design:** 20,000# **Weight ticket:** 20,540# **Size/type:** 20/40 Brady

Fluid on location : **No. of Tanks:** 3 **Strap:** _____ **Amount:** _____ **Usable:** _____

Perforations:

Depth: 1417 - 22 **Total Holes:** 15 **PBTD:** 1435' KB Frac Plug

Shots per foot: 3 spf **EHD:** 0.42"

Breakdown:

Acid: _____ Could not break down the formation at 3200 psi.

Balls: _____

Pressure: _____ **Rate:** _____

Stimulation:

ATP: _____ **AIR:** _____

MTP: _____ **MIR:** _____

Sand Stage	Pressure	Rate	N_2 Quality	BHTP
pad				
1.0 ppg 20/40				
2 ppg				
3 ppg				
4 ppg				

ISIP: _____

5 min: _____

10 min: _____

15 min: _____

Job Complete at: 1715 **hrs.** **Date:** 12/8/2005 **Start flow back:** 1815 hrs with 600 psi

Total Fluid Pumped: 10 bbls

Total Sand Pumped: 0 **Total Sand on Formation:** 0

Total Nitrogen Pumped: _____

Notes:

Loaded the hole but could not break down the formation at 3000 psi. Let the pressure drop to 2000 psi and tried to pump again. Pressure rapidly rose to 3000 psi. Surged the well back to the pit to 600 psi. Tried to pump again but could not establish an injection rate at 3,200 psi. Released frac crew.

WALSH ENGINEERING & PRODUCTION CORPORATION

FRACTURE TREATMENT REPORT

Operator: Thompson Engineering **Well Name:** Tonkin Federal #1
Date: 8-Dec-05
Field: W. Kutz PC & BFtC **Location:** 23/27N/12W **County:** San Juan **State:** NM
Stimulation Company: Key & Precision **Supervisor:** Paul Thompson

Stage #: 2/3 Lower Fruitland Coal

Sand on location: **Design:** 60,000# **Weight ticket:** 60,400# **Size/type:** 20/40 Brady

Fluid on location : **No. of Tanks:** 3 **Strap:** **Amount:** **Usable:**

Perforations:

Depth: 1452 - 65 **Total Holes:** 39 **PBTD:** 1523' KB Frac Plug
Shots per foot: 3 spf **EHD:** 0.42"

Breakdown:

Acid: 500 gal 15% HCl
Balls: None
Pressure: 1218 psi **Rate:** 4.2 BPM

Initial Pressure was 675 psi. No obvious break. 4.6 BPM @ 840 psi. Pressure increased to 2960 psi then broke back to 840 psi during acid displacement. No break with acid.

Stimulation:

ATP: 1300 psi **AIR:** 20.4 BPM
MTP: 2960 psi **MIR:** 20.8 BPM

Sand Stage	Pressure	Rate	N_2 Quality	BHTP
pad	1400	20 4	70	1722
1.0 ppg 20/40	1430	20 3	71	1676
2 ppg	1330	20 4	71	1623
3 ppg	1260	20.2	65	1590
4 ppg	1220	20 7	62	1606

ISIP: 902
5 min: 715
10 min: 690
15 min: 673

Job Complete at: 1545 hrs. **Date:** 12/8/2005 **Start flow back:** 1815 hrs with 600 psi

Total Fluid Pumped: 240.3 bbls

Total Sand Pumped: 60,000# **Total Sand on Formation:** 60,000#

Total Nitrogen Pumped: 222,046 SCF

Notes:
All frac fluid was produced water with biocide and contained 20#/1000 gal guar gel, crosslinker, surfactant, and enzyme and oxidizer breakers. Nolte plot was slightly negative after the big break during the acid stage. Frac gradient based on the ISIP was 1.03 psi/ft.

WALSH ENGINEERING & PRODUCTION CORPORATION

FRACTURE TREATMENT REPORT

Operator: Thompson Engineering **Well Name:** Tonkin Federal #1
Date: 8-Dec-05
Field: W. Kutz PC & BFtC **Location:** 23/27N/12W **County:** San Juan **State:** NM
Stimulation Company: Key & Precision **Supervisor:** Paul Thompson

Stage #: 1/3 **Pictured Cliffs**

Sand on location: **Design:** 50,000# **Weight ticket:** 50,040# **Size/type:** 20/40 Brady

Fluid on location : **No. of Tanks:** 3 **Strap:** 20 **Amount:** 1200 **Usable:** 1080

Perforations:
Depth: 1562 - 80 & 1610 - 18 **Total Holes:** 26 **PBTD:** 2100' Loggers TD
Shots per foot: 1 spf **EHD:** 0.34"

Breakdown:
Acid: 500 gal 15% HCl
Balls: 40 7/8" (1.3 sp.gv)
Pressure: 1500 psi **Rate:** 5 BPM
Break at 1500 psi
Good ball action but not a complete ball-off.
Recover 39 balls. Hard to discern hits.

Stimulation:
ATP: 1250 psi **AIR:** 30 BPM
MTP: 1320 psi **MIR:** 30.8 BPM

Sand Stage	Pressure	Rate	N_2 Quality	BHTP
pad	1313	30	70	1595
1.0 ppg 20/40	1200	30.4	70	1527
2 ppg	1160	29 7	70	1506
3 ppg	1100	30.1	66	1509
4 ppg	1040	30 8	60	1497

ISIP: 716
5 min: 610
10 min: 591
15 min: 574

Job Complete at: 1140 hrs. **Date:** 12/8/2005 **Start flow back:** 1815 hrs with 600 psi
Total Fluid Pumped: 187 8 bbls
Total Sand Pumped: 50,000# **Total Sand on Formation:** 50,000#
Total Nitrogen Pumped: 145,117 SCF

Notes:
All frac fluid was produced water with biocide and contained 20#/1000 gal guar gel, crosslinker, surfactant, and enzyme and oxidizer breakers. Nolte plot was slightly negative throughout the job. Frac gradient based on the ISIP was 0.83 psi/ft. Took four hours to thaw out the frac valve. Temperature at 0700 hrs was -5 °F.