

Submit 1 Copy 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
October 13, 2009

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

WELL API NO. 30-045-33769
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Blancet tRanch 24
8. Well Number 1
9. OGRID Number 20208
10. Pool name or Wildcat Blanco Mesa Verde/Basin Dakota

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 checked="" type="checkbox"/> Other	
2. Name of Operator San Juan Resources, Inc	
3. Address of Operator 1499 Blake Street 10C, Denver, CO 80202	
4. Well Location Unit Letter <u>H</u> <u>2463</u> feet from the <u>North</u> line and <u>552</u> feet from the <u>East</u> line Section <u>24</u> Township <u>30N</u> Range <u>12E</u> NMPM County <u>San Juan</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5641' GR	

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 checked="" type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <u>Drilling Permit Extension</u> <input type="checkbox"/>		OTHER: <u>Production Casing</u> <input checked="" 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See Attached Summary

RCVD JUL 7 '10
OIL CONS. DIV.
DIST. 3

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Dean C. Collins TITLE Agent DATE 7/03/2010

Type or print name Dean C. Collins E-mail address: collinsd@zianet.com PHONE: 505-325-3514

For State Use Only

APPROVED BY: Kelly G. Batts TITLE Deputy Oil & Gas Inspector, District #3 DATE JUL 13 2010

Conditions of Approval (if any): REPORT TOP OF CEMENT FOR 4 1/2" CASING ON COMPLETION SUNDRY

BLANCETT RANCH 24-1

7/3/2010

6/30/2010 DRILLED OUT INSERT FLOAT @ 3837'KB AND CEMENT F/3837- T/ 3861'KB. CIRCULATE WELLBORE CLEAN W/ FRESH WATER. TOO H W/ 6-1/4" DRILLING ASSEMBLY. RU BLUE JET LOGGERS AND RUN GR-GSL LOG F/3864-T/2500'KB. RD LOGGERS. MU 6-1/4" AIR HAMMER ASSEMBLY & SURFACE TEST HAMMER (OK). TIH W/ 10 X 4-3/4" DC'S TBHA-(353') AND/ 3-1/2" DRILL PIPE T/ 3800'KB. PT AIR LINES T/ 1300 PSIG (OK). UNLOAD AND GATHER WATER IN FLOWBACK TANK. BREAK CIRCULATION W/ AIR MIST & DRILLOUT CMT F/3861 TO /3878'/FLOAT SHOE AND CLEANOUT 8-3/4" OPEN HOLE SECTION F/3878 TO 3882'KB. DRILL F/3882 TO 3897'KB AND DRY UP WELLBORE W/ 5-GALS FOAMER AND START DUSTING. DRILLED 6-1/4" PRODUCTION OPEN HOLE SECTION F/3897 TO 4500' W/ 2-4K WOB & 40-55 RPM'S W/ 2-3MCFD AIR. 24 HR NOTIFICATION TO STEVE HAYDEN W/ NMOCD OF PENDING 4-1/2" CASING CEMENT JOB VIA VOICE MAIL 21:00, 6-30-2010".

7/1/2010 DRILLED 6-1/4" PRODUCTION OPEN HOLE SECTION F/4500 TO /6625'KB/TD @ 22:15 ; 7/01/2010 W/ 2-4K WOB & 40-55 RPM'S W/ 2-3MCFD AIR EMPLOY N2 MEMBRANE UNIT @ 5500'. CIRCULATE WELLBORE DRY-1-HOU. TOO H & LAYDOWN 3-1/2" DP.

7/2/2010 TOO H & LAYDOWN 3-1/2" DRILLPIPE. BREAK DOWN KELLY. LAYDOWN 4-3/4" DC'S. RU TO RUN 4-1/2" CASING. CHANGE OUT 3-1/2" TO 4-1/2" PIPE RAMS. MU 4-1/2" FLOAT SHOE STACKED W/ 4-1/2" FLOAT COLLAR AND RIH W/ 29 JTS 4-1/2" N-80 11.6# CASING (1116.7') AND 136 JTS (5471.2') OF 4-1/2" J-55 11.6# AND TAGGED SOLID AT 6595'KB. UNABLE TO WORK PAST 6595'KB W/ ALTERNATING 1000-1500 SCFM AIR. RU CEMENTERS. PT LINES TO 4500 PSIG. PUMP 10 BBLS 2% KCL PREFLUSH FOLLOWED BY 10 BBLS CHEMICAL WASH AND 5 BBLS FRESH WATER. MIX AND PUMP /LEAD SLURRY OF 390 SXS (566 FT3) 50/50 POZ W/ 2% GEL, HR-5,HR-9, 5#/SX GILSONITE AND 1/8#/SX POLYFLAKE (YIELD 1.45 FT3/SX) AT 13 PPG AND TOTAL OF 566 FT3 AND TAIL IN W/ 50 SXS (11 BBLS) OF CLASS G NEAT W/ , 5#/SX GILSONITE AND 1/8#/SX POLYFLAKE MIXED AT 15.3 PPG W/ 1.24 FT3/SX YIELD = 62 FT3. DROP TOP WIPER PLUG AND DISPLACE W/ 102 BBLS FRESH WATER TO 2200 PSIG. CHECK FOR FLOAT AND HELD (OK). GOOD CIRCULATION AND NO NOTICEABLE PRESSURE DIFFERENTIAL INCREASE DURING ISPLACEMENT. RD CEMENTERS. ND BOPE AND SET 7" X 4-1/2" SLIPS W/ 80K WOS. CUT-OFF 4-1/2" CASING. RD BLOOIE LINE. CLEAN CUTTINGS AND BLOOIE LINE PIT. HAUL CUTTINGS FROM PIT. TRANSFER DRILLING MUD T/ LEE #1F. RIG DOWN & RELEASE RIG @ 23:59; 7-2-2010-DROP FROM REPORT. WAIT ON COMPLETION RIG