5. Lease **UNITED STATES** NMNM-03381 DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT** 6. It 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 "B" 123** 2. Name of Operator: 9. API Well No 30-039-06637-00D1 Caulkins Oil Company 3. Address of Operator: 10. Field and Pool, Exploratory Area (505) 632-1544 BASIN DAKOTA, PICTURED CLIFFS P.O. Box 340, Bloomfield, NM 87413 4. Location of Well (Footage, Sec., Twp., Rge.) 11. Country or Parish, State 700' F/N 1800' F/E SEC. 7-26N-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 [X] Notice of Intent [] Abandonment [] Change of Plans []Recompletion [] New Construction [] Subsequent Report [] Plugging Back Non-Routine Fracturing [] Water Shut-Off [] Casing Repair [] Altering Casing [] Final Abandonment Notice [] Conversion to Injection [X] Other <u>Commingle Well</u> [] Dispose Water 17. Describe Proposed or Completed Operations: 1-5-01 We request approval to downhole commingle this well by the following procedure. T.O.H. with 1 1/4" Pictured Cliffs production tubing from 3040'. Release seal assembly from model "D" packer set at 6385'. T.O.H. with 2 3/8" Dakota production tubing with seal assembly. T.I.H. with mill to drill out packer. T.O.H. with mill. T.I.H. with 2 3/8" production tubing, clean out to PBTD with air package. Land tubing on doughnut at approximately 7400'. Oil Conservation Division Order #R-11363. Basin Dakota (71599) and South Blanco Pictured Cliffs (72439) Perforations: Dakota (7284' – 7424') and Pictured Cliffs (3038' – 3058') **Allocations** Dakota Pictured Cliffs Oil 100% 0% Gas 87% 13% Please see attached 12 month production history. Commingling will not reduce the production value in this well. No new surface will be disturbed, location area will be cleaned up when workover operations are completed. Estimated starting date, as soon as rig is available. 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: TITLE: Superintendent DATE: January 5, 2001 ROBERT L. VERQUER MAR 2 2 1 -71 TITLE:_ DATE: APPROVED BY: CONDITIONS OF APPROVAL, IF ANY

LAST 12-MONTHS PRODUCTION FOR BREECH B 123

DAKOTA

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
12/99	7,621	36	5	31	246	1.161
01/00	7,796	41	6	31	251	1.323
02/00	6,208	23	3	29	214	0.793
03/00	6,985	31	5	30	233	1.033
04/00	4,057	10	2	22	184	0.455
05/00	7,978	1	0	31	257	0.032
06/00	5,369	2	0	25	215	0.080
07/00	6,616	0	0	31	213	
08/00	6,531	0	0	31	211	0.000
09/00	7,431	2	0	30	248	0.067
10/00	6,700	2	0	31	216	0.065
11/00	6,626		0	28	237	0.071
	79,918		21		227	0.423

PICTURED CLIFF

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
12/99	1,184	0	0	30	39	0.000
01/00	1,085	0	0	27	40	0.000
02/00	980	0	0	29	34	0.000
03/00	963	0	0	29	33	0.000
04/00	712	0	0	22	32	0.000
05/00	965	0	0	30	32	0.000
06/00	801	0	0	26	31	0.000
07/00	1,106	0	0	31	36	0.000
08/00	918	0	0	31	30	0.000
09/00	903	0	0	29	31	0.000
10/00	927	0	0	31	30	0.000
11/00	688	0	0	23	30	
	11,232	0	0		33	0.000