State of New Mexico

Energy, Minerals and Natural Resources Department WELL API NO. **OIL CONSERVATION DIVISION** 30-039-22952 P.O. Box 2088 5. Indicate Type of Lease Santa Fe, New Mexico 87504-2088 STATE [X] FEE [] SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM 6. State Oil & Gas Lease No. FOR PROPOSALS TO DRILL OR TO DEEPEN OR TO PLUG BACK TO A E29125 DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) 7. Lease Name or Unit Agreement FOR SUCH PROPOSALS.) I. Type of Well FEB 2000 Oil Well [] Gas Well [X] Other [] STATE "B" COM 2. Name of Operator 8. Well No. OILCON, DIV Caulkins Oil Company DIST. 3 233-E 3. Address of Operator Pool Name or Wildcat P.O. Box 340, Bloomfield, NM 87413 **BASIN DAKOTA** 4. Well Location Unit Letter K: 1715 Feet from the West Line and 1740 Feet from the South Line Township Section Range 6W NMPM Ri
10. Elevation (Show Whether B-,RKB,RT,GR,etc.) 26N Rio Arriba County 6669 GR NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK REMEDIAL WORK PLUG AND ABANDON ALTERING CASING TEMPORARILY ABANDON COMMENCE DRILLING OPNS. CHANGE PLANS PLUG AND ABANDONMENT [] PULL OR ALTER CASING CASING TEST AND CEMENT JOB [] OTHER: Temp. Disconnect Mesa Verde/Flow Chacra for Testing
12. Describe Proposed or Completed Operations OTHER: 2/19/00 This well is currently completed as a dual Dakota and Mesa Verde completion with packers set in wellbore isolating Chacra zone. Chacra zone was perforated and frac'd during original completion of this well and was intended to be commingled with Mesa Verde for production. Due to accounting problems within Caulkins Oil Company, the Chacra zone was isolated and to-date has not produced to sales line. We now intend to temporarily disconnect Mesa Verde from sales line, tie-in Chacra to Mesa Verde sales meter and produce Chacra from annulus for test. If Chacra will produce marketable quantities of gas for 60 day test period then well will be commingled in Dakota - Mesa Verde zones and dual completed with Chacra. If tests indicate formation damage to Chacra zone, sundry to plug and abandon zone will be filed. In either case, commingling application will be filed for Dakota - Mesa Verde formations and no remedial action will commence prior to approvals. Attached: 1. Copy of original C-104 for Chacra 2. New C-104 with correct transporter 3. C-102s for Dakota, Mesa Verde and Chacra If you have any questions or need more information, please contact Robert L. Verquer, Superintendent. **NOTE:** This format is in lieu of State Form C-103. I hereby certify that the information above is true and complete to the best of my knowledge and belief. TITLE Superintendent DATE February 18, 2000 (505) 632-1544 (This space for State Use) APPROVED BY

CONDITIONS OF APPROVAL, IF ANY