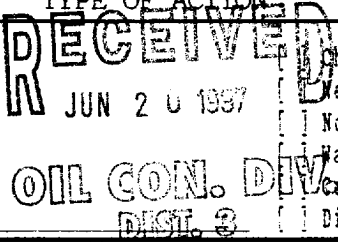



<b>UNITED STATES</b> <b>DEPARTMENT OF THE INTERIOR</b> <b>BUREAU OF LAND MANAGEMENT</b>  <b>SUNDRY NOTICES AND REPORTS ON WELLS</b> <small>(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT--" for such proposals)</small>		5. Lease  <div style="text-align: center;">NMNM-03554</div>									
		6. If Indian, Allottee or Tribe Name									
		7. Unit Agreement Name									
1. Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> <div style="text-align: center;">GAS WELL</div>		8. Well Name and No.  <div style="text-align: center;">BREECH "C" 244-E</div>									
2. Name of Operator:  <div style="text-align: center;">Caulkins Oil Company</div>		9. API Well No.  <div style="text-align: center;">30-039-23428-00-D1</div>									
3. Address of Operator: <div style="text-align: center;">(505) 632-1544 P.O. Box 340, Bloomfield, NM 87413</div>		10. Field and Pool, Exploratory Area  <div style="text-align: center;">BASIN DAKOTA, MESA VERDE</div>									
4. Location of Well (Postage, Sec., Twp., Rge.) 1520' F/N 1090' F/W. <u>E</u> SEC. 14-26N-6W		11. Country or Parish, State 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										
<input checked="" type="checkbox"/> Notice of Intent  <input type="checkbox"/> Subsequent Report  <input type="checkbox"/> Final Abandonment Notice	<div style="text-align: center;">  </div> <table border="0" style="width: 100%;"> <tr> <td style="vertical-align: top;"> <input type="checkbox"/> Abandonment  <input type="checkbox"/> Recompletion  <input type="checkbox"/> Plugging Back  <input type="checkbox"/> Casing Repair  <input type="checkbox"/> Altering Casing  <input checked="" type="checkbox"/> Other <u>Commingled Well</u> </td> <td style="vertical-align: top;"> <input type="checkbox"/> Change of Plans  <input type="checkbox"/> New Construction  <input type="checkbox"/> Non-Routine Fracturing  <input type="checkbox"/> Water Shut-Off  <input type="checkbox"/> Conversion to Injection  <input type="checkbox"/> Dispose Water           </td> </tr> </table>		<input type="checkbox"/> Abandonment <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input checked="" type="checkbox"/> Other <u>Commingled Well</u>	<input type="checkbox"/> Change of Plans <input type="checkbox"/> New Construction <input type="checkbox"/> Non-Routine Fracturing <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Dispose Water							
<input type="checkbox"/> Abandonment <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input checked="" type="checkbox"/> Other <u>Commingled Well</u>	<input type="checkbox"/> Change of Plans <input type="checkbox"/> New Construction <input type="checkbox"/> Non-Routine Fracturing <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Dispose Water										
17. Describe Proposed or Completed Operations:  <div style="margin-top: 20px;">           6-3-97      It is our intention to downhole commingle Basin Dakota and Blanco Mesa Verde zones in this well.             New Mexico Oil Conservation Division approved commingling of this well by Order # DHC-659.   <table border="0" style="width: 100%;"> <tr> <td style="text-align: left;"><u>Allocation</u></td> <td style="text-align: left;"><u>Oil %</u></td> <td style="text-align: left;"><u>Gas %</u></td> </tr> <tr> <td>Mesa Verde</td> <td>20%</td> <td>14%</td> </tr> <tr> <td>Basin Dakota</td> <td>80%</td> <td>86%</td> </tr> </table>             Pull and salvage 1 1/4" tubing from Mesa Verde zone.             T.O.H. with 1 1/2" Dakota tubing and Model R-3 packer             Continued on page 2.         </div>			<u>Allocation</u>	<u>Oil %</u>	<u>Gas %</u>	Mesa Verde	20%	14%	Basin Dakota	80%	86%
<u>Allocation</u>	<u>Oil %</u>	<u>Gas %</u>									
Mesa Verde	20%	14%									
Basin Dakota	80%	86%									
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: <u>Robert L. Verquer</u> TITLE: <u>Superintendent</u> DATE: <u>06/04/97</u> <div style="text-align: center;">ROBERT L. VERQUER</div>											
APPROVED BY: <u>/s/ Duane W. Spence</u> TITLE: _____      DATE: <u>JUN 18 1997</u>  CONDITIONS OF APPROVAL, IF ANY  <div style="text-align: center;">  </div>											

NMOC

Caulkins Oil Company  
Sundry Notice  
Breech "C" 244-E  
June 4, 1997  
Page 2

T.I.H. and land 1 1/2" tubing at approximately 7450' with packer set at approximately 7100' with reverse flow check valve immediately above packer for commingled Dakota - Mesa Verde production.

No new surface to be disturbed, location area will be cleaned up when work is completed.

Estimated starting date: July 16, 1997