

APPLICATION FOR QUALIFICATION OF WELL WORKOVER PROJECT  
AND CERTIFICATION OF APPROVAL

- I. Operator: SCHALK DEVELOPMENT CO. OGRID # 020389  
Address: P. O. Box 25825, Albuquerque, NM 87125  
Contact Party: Steve Schalk Phone: (505) 881-6649
- II. Name of Well: Schalk 52 #5 API # 30-039-20808  
Location of Well:  
Unit Letter M, 790 Feet from the South line and 790 feet from the West line,  
Section 24, Township 29N, Range 5W, NMPM, Rio Arriba County
- III. Date Workover Procedures Commenced: 01/08/97  
Date Workover Procedures were Completed: 01/09/97
- IV. Attach a description of the Workover Procedures undertaken to increase the production from the Well.
- V. Attach an estimate of the oil and gas production rate of the Well (a production decline curve or other acceptable method, and table showing monthly oil and/or gas Production Projection) based on at least twelve (12) months of established production which shows the future rate of production based on well performance prior to performing the Workover.
- VI. Pool(s) on which Production Projection is based: Blanco Mesaverde
- VII. AFFIDAVIT:
- State of New Mexico )  
County of Bernalillo ) ss.  
Steve Schalk, being first duly sworn, upon oath states:

RECEIVED  
APR 25 1997  
OIL CON. DIV.  
DIST. 3

1. I am the Operator or authorized representative of the Operator of the above referenced Well.
2. I have made, or caused to be made, a diligent search of the production records which are reasonably available and contain information relevant to the production history of this Well.
3. To the best of my knowledge, the data used to prepare the Production Projection for this Well is complete and accurate and this projection was prepared using sound petroleum engineering principles.

(Name)

General Manager

(Title)

SUBSCRIBED AND SWORN TO before me this 23<sup>RD</sup> day of April, 1997

Karen Johnson  
Notary Public

My Commission expires: August 26, 2000

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This Application for Qualification of Well Workover Project is hereby approved and the above referenced Well is designated as a Well Workover Project pursuant to the "Natural Gas and Crude Oil Production Incentive Act" (Laws 1995, Chapter 15, Sections 1 through 8). The Oil Conservation Division hereby verifies the Production Projection for the Well Workover Project attached to this application. By copy of this Application and Certification of Approval, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project has been completed as of 1/9, 1997

32.8  
District Supervisor, District 3  
Oil Conservation Division

Date: 5/1/97

IX. NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT.

DATE: \_\_\_\_\_

SCHALK 52 Well No. 5

On Wednesday, January 8, 1997 a plunger lift system was installed on the Schalk 52 #5 to remove produced water from the well bore more efficiently and allow for increased production.

B & R Wireline Service was used to first broach and gauge the tubing and to then set a bottom hole spring assembly. A plunger was dropped from the surface and a full control panel was installed along with a piston catcher. Third party services were released once it was determined that the plunger would surface.

## Schalk 52 #5

Projected Production without work-over

(Work-over completed January 1997)

<u>1997</u>		<u>1998</u>		<u>1999</u>		<u>2000</u>		<u>2001</u>		<u>2002</u>		<u>2003</u>	
February	785	January	736	January	686	January	640	January	596	January	556	January	518
March	780	February	732	February	682	February	636	February	593	February	553	February	515
April	776	March	728	March	678	March	632	March	589	March	549	March	512
May	771	April	723	April	674	April	629	April	586	April	546	April	509
June	767	May	719	May	670	May	625	May	583	May	543	May	506
July	762	June	715	June	666	June	621	June	579	June	540	June	503
August	758	July	711	July	663	July	618	July	576	July	537	July	500
September	754	August	707	August	659	August	614	August	572	August	534	August	497
October	749	September	702	September	655	September	610	September	569	September	530	September	494
November	745	October	698	October	651	October	607	October	566	October	527	October	492
December	740	November	694	November	647	November	603	November	562	November	524	November	489
		December	690	December	643	December	600	December	559	December	521	December	486

<u>2004</u>		<u>2005</u>		<u>2006</u>		<u>2007</u>		<u>2008</u>		<u>2009</u>		<u>2010</u>	
January	483	January	450	January	420	January	391	January	365	January	340	January	317
February	480	February	448	February	417	February	389	February	363	February	338	February	315
March	477	March	445	March	415	March	387	March	361	March	336	March	313
April	475	April	442	April	412	April	385	April	358	April	334	April	311
May	472	May	440	May	410	May	382	May	356	May	332	May	310
June	469	June	437	June	408	June	380	June	354	June	330	June	308
July	466	July	435	July	405	July	378	July	352	July	328	July	306
August	464	August	432	August	403	August	376	August	350	August	326	August	304
September	461	September	430	September	401	September	373	September	348	September	325	September	303
October	458	October	427	October	398	October	371	October	346	October	323	October	301
November	456	November	425	November	396	November	369	November	344	November	321	November	299
December	453	December	422	December	394	December	367	December	342	December	319	December	297

<u>2011</u>		<u>2012</u>		<u>2013</u>		<u>2014</u>		<u>2015</u>		<u>2016</u>		<u>2017</u>	
January	296	January	275	January	257	January	239	January	223	January	208	January	194
February	294	February	274	February	255	February	238	February	222	February	207	February	193
March	292	March	272	March	254	March	237	March	221	March	206	March	192
April	290	April	271	April	252	April	235	April	219	April	204	April	191
May	289	May	269	May	251	May	234	May	218	May	203	May	189
June	287	June	268	June	249	June	232	June	217	June	202	June	188
July	285	July	266	July	248	July	231	July	215	July	201	July	187
August	284	August	264	August	247	August	230	August	214	August	200	August	186
September	282	September	263	September	245	September	228	September	213	September	199	September	185
October	280	October	261	October	244	October	227	October	212	October	197	October	184
November	279	November	260	November	242	November	226	November	210	November	196	November	183
December	277	December	258	December	241	December	224	December	209	December	195	December	182

