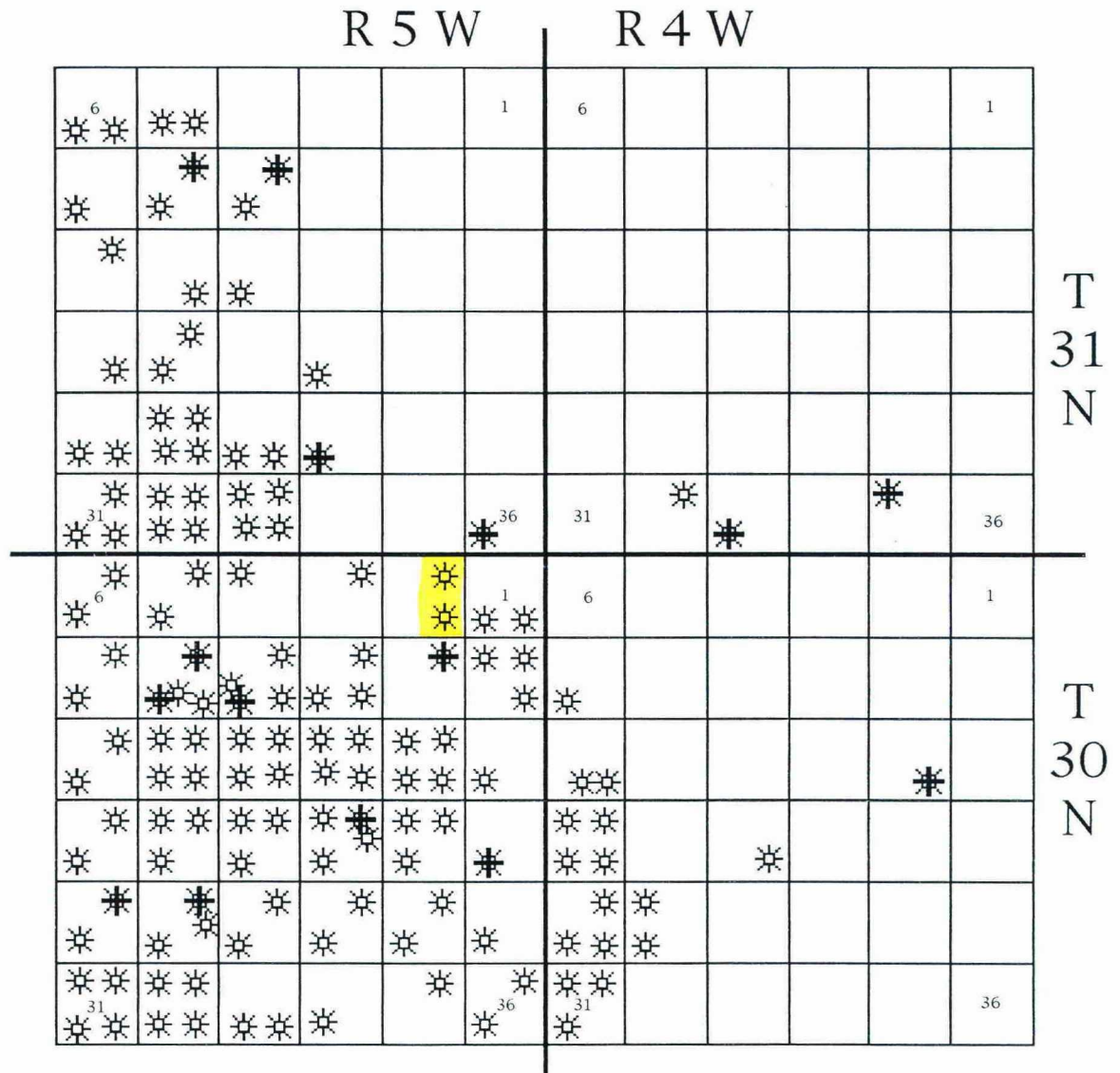


Wells Completed in the Mesaverde Formation



✱ Gas Completion

✱ Plugged and Abandoned

NEW MEXICO
OIL CONSERVATION DIVISION

EXHIBIT 1
CASE NO. 12258

Wells Completed in the Mesaverde Formation

This exhibit is a plat of Townships 30 and 31 North, Ranges 4 and 5 West showing symbols for the wells completed in the Mesaverde formation.

The subject area for this case is in the east half of section 2-30N-5W which is highlighted.

The purpose of this exhibit is to show that the Schalk 54 #1E and #2 wells are very near the edge of the producing area of the Blanco-Mesaverde Gas Pool.

The cumulative production from the Rosa Unit #54 in the southwest quarter of section 36-31N-4W to the northeast was reported as zero Mcf.

The cumulative production from the San Juan 30-5 Unit #8 in the northeast quarter of section 11 was 77,574 Mcf, the south offset.

This exhibit shows that few wells have been completed in the Mesaverde formation to the north and east of this drill tract.

The lack of wells indicates the poor quality of the reservoir in this area.