

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

JUN 06 2012

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
14-20-604-1893

6. If Indian, Allottee or Tribe Name
Ute Mountain Tribe

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
W M Gallaway Oil & Gas LLC

3a. Address
4001 N. Butler Bldg 2101 Farmington, N M 87401

3b. Phone No. (include area code)
505-327-5001

7. If Unit of CA/Agreement, Name and/or No.
OGRID 24393

8. Well Name and No.
D-10

9. API Well No.
30-045-10618

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 23 Township 31N. Range 15W

10. Field and Pool or Exploratory Area
Verde Gallup

11. County or Parish, State
San Juan

12. CHECK THE APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

There will be two Sundry notices filed, this is 1 of 2. We are asking for approval to start as early as the 25th of June 2012.

The pipe and rods will be removed and a retrievable bridge plug will be set above the only zone perforated which is the Gallup. The hole will be filled with KCL water and preasure tested to verify the hole. We will then chase down the depth of the hole. Once we have located the depth of the hole, all plugs will be retrieved and a drillable bridge plug will be set 30 ft below the hole in the casing, with 200 lb of sand on top of the plug. We will then squeeze the hole with cement to the recommended specifications. The Cement will be drilled and then the squeeze job will be pressure tested before the drillable plug is drilled out. If the pressure test does not hold we will re-squeeze and repeat the procedure, if does hold we will circulate the hole clean with KCL and drill the plug. This will complete the first part of our workover. See Sundry notice 2 of 2 for the rest of our proposed procedure.

Depth 2700'

Notify NMOCD 24 hrs
prior to beginning
operations

SEE ATTACHED
CONDITIONS OF APPROVAL

RCVD JUN 13 '12
OIL CONS. DIV.
DIST. 3

* Notify all agencies of any casing holes identified prior to cementing.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)

BEN Gallaway

Title

Owner, Operator

Signature

BEN Gallaway

Date

6/4/12

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title

MSC

Date

6/8/2012

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

A

NMOCD

W. M. Galloway Oil & Gas, LLC

3160

Tribal Lease: 14-20-604-1893

Well: Ute Indians D #10

Location: 790' FNL & 2045' FWL

Sec. 23, T. 31 N., R. 15 W.

San Juan County, New Mexico

Conditions of Approval:

1. Within 30 days of the recompletion of this well, a Sundry Notice, Subsequent report must be filed with this office outlining the results of the workover. Include the new flowrates of oil, water, and gas. Venting of gas is not authorized without prior approval. The Sundry should also include a narrative of the casing repair and chart records of the pressure tests.
2. Notify Dan Rabinowitz at 970-385-1363 once you have determined the design of your frac to allow witnessing. The earlier you notify this office, the easier it will be for BLM witnessing. A minimum of 72 hours would be desired.