

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. USA NM-0558141
2. Name of Operator Resource Development Technology, LLC		6. If Indian, Allottee or Tribe Name
3a. Address P. O. Box 1020, Morrison CO 80465	3b. Phone No. (include area code) 383-716-3200	7. If Unit or CA/Agreement, Name and/or No. Comm. Agr. - SCR - 245
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1840' FSL & 1805' FEL, Section 28, T 25 N, R 6 W NMPM Unit 'I'		8. Well Name and No. Old Rock #1, Com. #3
		9. API Well No. 30 - 039 - 23136
		10. Field and Pool, or Exploratory Area Devils Fork Gallup
		11. County or Parish, State Rio Arriba County, NM

12. CHECK 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 type="checkbox"/> Casing Repair	<input checked="" type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Install Compression Facility & On-Lease CDP.
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporary 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 recomplete 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 recompletion 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.)

Cross-Connect Old Rock #3 & Old Rock #1 Sales Lines on Old Rock #1 location. Use Sales Line between Old Rock #1 & Old Rock #2 wells to convey gas to Old Rock #2 well for compression into On-Lease CDP. This will Cross-Connect all on-lease Resource Development Technology Operated Wells in SE 1/4 of Section 28: Old Rock Fed. Com. #1 & Old Rock Fed. Com. #2 & Old Rock Fed. Com. #3 to deliver gas thru CDP operated by Enterprise Field Services LLC on the Old Rock #2 location. Diagram of Existing & Proposed Systems Attached.

This plan will use existing pipeline infrastructure to convey the gas to the Central Compression Facility which should allow the timely recovery of at least 250 MMCFG that would otherwise be left in the ground. The production from all 3 wells is communitized within their respective producing horizons within the 160-acre SE 1/4 of Section 28. The gas production from all 3 wells will be delivered on-lease to Enterprise Field Services LLC. Each well will have a chart recorder type of meter on its location to allocate the production received by the CDP after compression. The Old Rock #3 well will be tied to the Old Rock #1 - Old Rock #2 flow-line on the Old Rock #1 location. All sales/flow lines are in-place and on-lease.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Robert A. Schwering, P.E.

Title Operations Manager

Signature

Date April 4, 2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Petr. Eng.

Date

5/31/05

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)

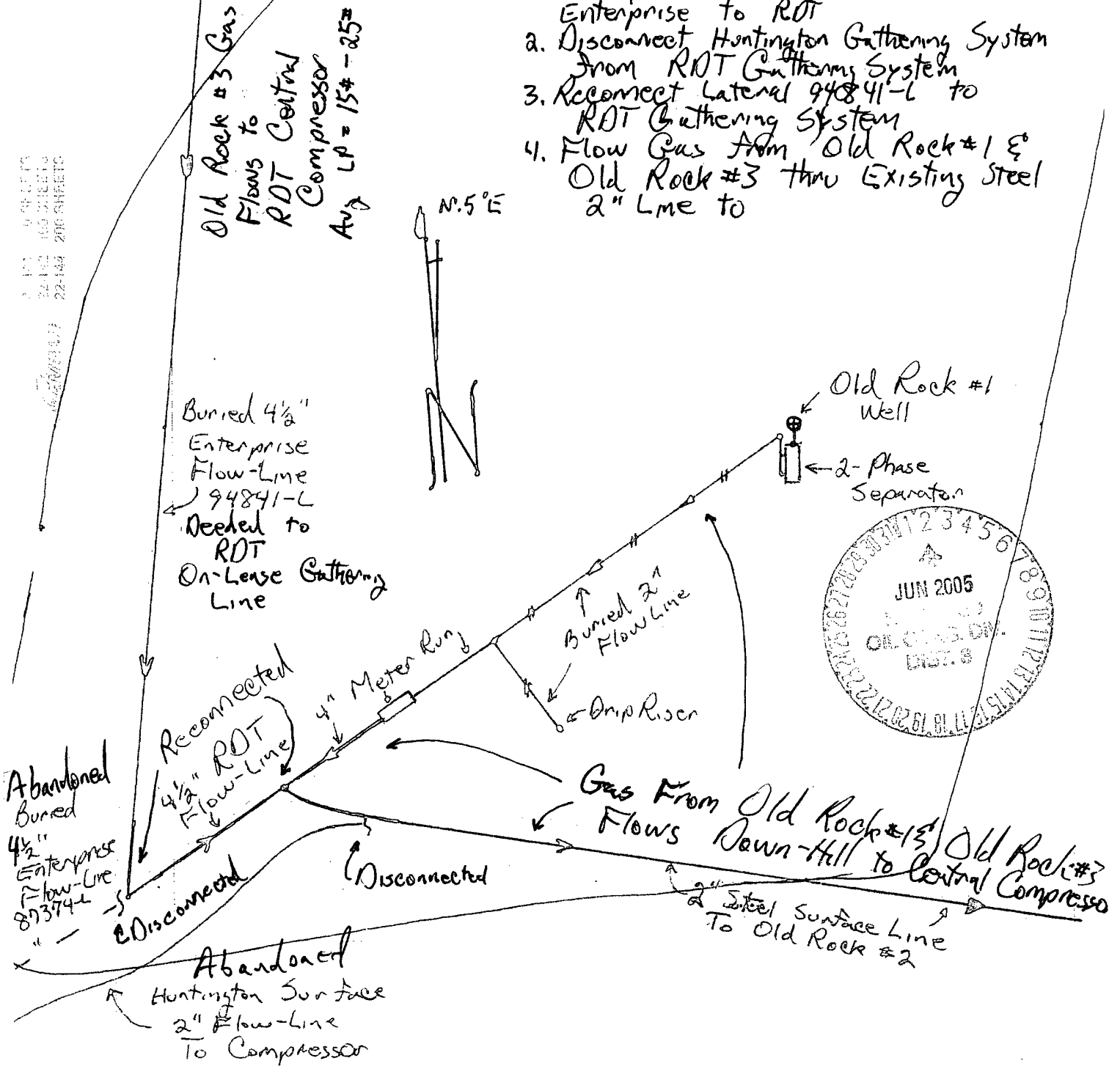
SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Planned Configuration

Old Rock #1 Location

Plan:

1. Convey lateral 94841-L from Enterprise to RDT
2. Disconnect Huntington Gathering System from RDT Gathering System
3. Reconnect Lateral 94841-L to RDT Gathering System
4. Flow Gas from Old Rock #1 & Old Rock #3 thru Existing Steel 2" Line to



RLM Copy

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↑
Access
Road

N. S. E.

Old Rock ~~is~~ Gas
Flows to

Enteroprize
2-C-4 Trunk Line
Avg LP = 105⁰ - 125⁰

Buried 4 1/2"
Enterprise
Flow-Line
94841-L

135'

Gas from Old Rock Flows to

Old Rock Well 45'

Gathering System

2-Phase Separator

Old Rock Huntington

1d Rock #1
Well 45'—

2-Phase Separation

JUN 2005

FILED
ON GOV. DIV.
DIST. 3

↑ Buried 2nd Flow Line

85'

Burred
4 1/2"
Enterprise
Flow-Line
873742

Huntington Surface
- 2" Flow-Line
To Compressor

Avg LP = 50 PSIG

Huntington Gathering
System Tie-In

Gas From Old Rock #2 Mews To
Huntington Centering System
Steel Surface Line
To Old Rock #2

Scale:

$\leftarrow 25' \rightarrow$

BLM Copy

Old Rock #2

Value

BLM

Copy

Compressor Installation

22-14 100 SHEET
22-14 200 SHEET

22-14 300 SHEET
22-14 400 SHEET

Gas From
Old Rock #2

Trench & Bury
Surface
Line
To Separator

Disconnected
Surface
Line

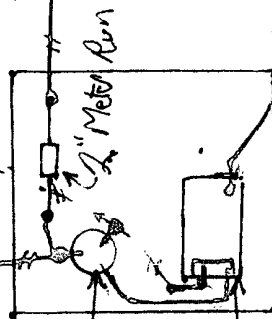
Reconnect
EPNG
Sales Line
1" Buried
Old Rock
#2

Planned Buried
2" Line At
Old Rock #2

CPD
Meter
Re-tie to EPNG

Buried
2" Dump-Line
3/1 Separator
Blow-Case

Planned Old Rock #2
2" Production Line
Buried



Wellhead

3" Surface Cooling Line

Buried
2" Flow Line

Abandoned
Buried 2" Line

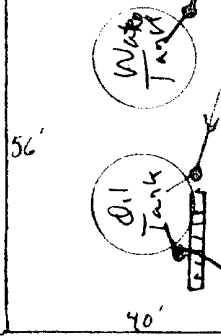
Filled Excavation

Filled Excavation

Filled Excavation

LAND FARM

LAND FARM



Buried New
Water Dump
2" Line

Buried
New Oil Dump
2" Line

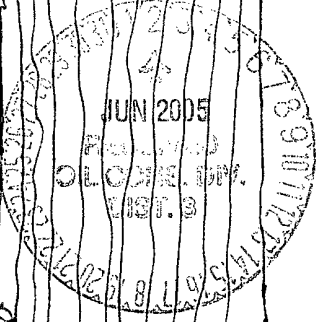
2" Dump-Line
Buried

Buried
1" Dump-Line

Weld

To Old Rock #2

Filled Excavation
Pad Level



Bureau of Land Management Conditions of Approval

- 1) Production must be allocated on an MMBTU basis in proportion with each well's individually metered gas production relative to the combined central delivery point metered gas.**
- 2) Measurement of gas and associated liquid hydrocarbons at both the well sites and the central delivery point must be conducted in accordance with the requirements outlined in Onshore Order No. 3, Site Security; Onshore Order No. 4, Oil Measurement; and Onshore Order No. 5, Gas Measurement.**
- 3) No other wells can be added to this system without the prior approval of this office.**
- 4) Contact this office in the event of any lost hydrocarbons between the wells and the central delivery point measurement facility.**