Form 3160-5 (April 2004)

UNITED STATES

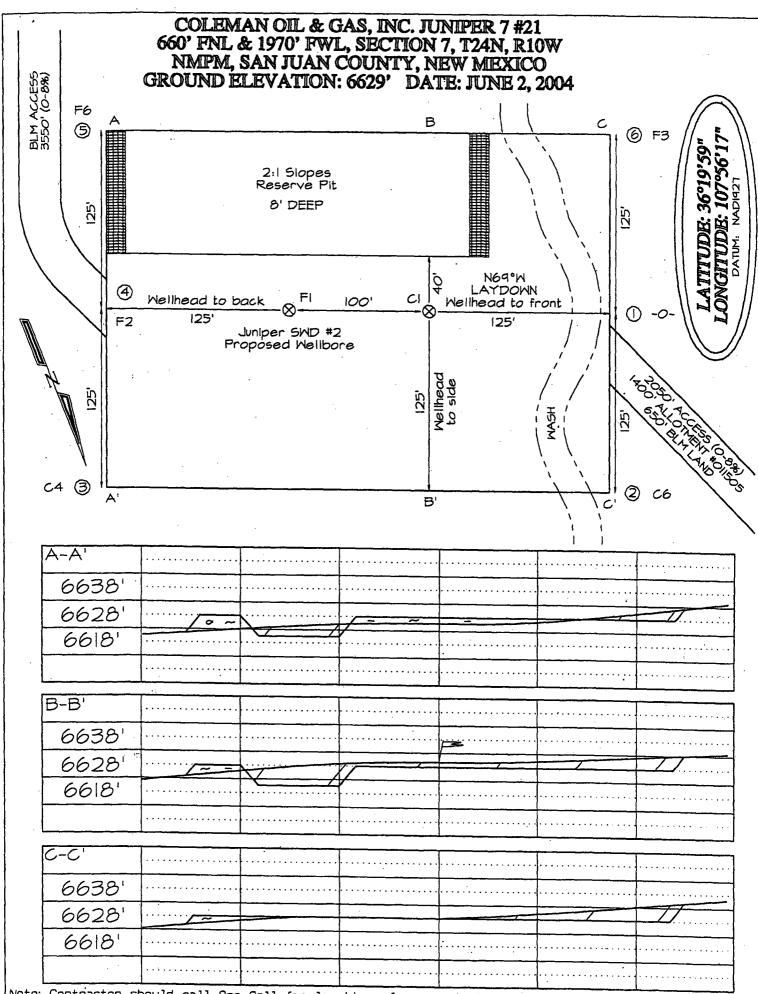
FORM APPROVED OM B No. 1004-0137

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NM

April 2004)	DEPARTMENT OF THE INTERIOR			Expires: March 31, 2007			
	BUREAU OF LAND MANAG	BUREAU OF LAND MANAGEMENT			No.	<u>-</u>	
SUNDRY NOTICES AND REPORTS ON WELLS				NMNM - 100804			
	e this form for proposals to d well. Use Form 3160-3 (AF			1	Allottee or Tribe Name 7	PM 1	
	TRIPLICATE- Other instru	ctions on reve	rse side.	7. If Unit or C	CA/Agreement, Name and 070 FARMI	NOTO:	
1. Type of Well Oil Well	e of Well Oil Well Gas Well Other				8. Well Name and No.		
2. Name of Operator Coleman Oil & Gas, Inc.				Juniper 7 #21 9. API Well No.			
3a Address 3b. Phone No. (include of			de area code)	30-045-33032			
P.O. Drawer 3337 505-327-0356 4. Location of Well (Footage, Sec., T., R, M., or Survey Description)				10. Field and Pool, or Exploratory Area Basin Fruitland Coal			
660' FNL, 1970' FWL C, Section 7, T24N, R10W Latitude 36° 19' 59", Longitude			ude 107° 56' 17"	11. County or	11. County or Parish, State		
				San Juai	n, New Mexico		
12. CHECI	K APPROPRIATE BOX(ES) TO I	NDICATE NATU	RE OF NOTICE, I	REPORT, OR	OTHER DATA		
TYPE OF SUBMISSION	1	TYPE OF ACTION					
Notice of Intent	AcidizeAlter Casing	Deepen Fracture Treat	Production (S	tart/Resume)	Water Shut-Off Well Integrity		
Subsequent Report	Casing Repair	New Construction	Recomplete		Other	<u>-</u>	
Final Abandonment Not	ice Change Plans Convert to Injection						
testing has been complet determined that the site in As requested by Peg	the involved operations. If the operation reed. Final Abandonment Notices shall be fill s ready for final inspection.) gy Gaudy Archeologist for BLM Farid by NCE Surveys and Complete Archeologist for BLM Farid by NCE Surveys for BLM Farid by	led only after all requi mington the pipelin	e and access was mo e Associates. ACCEPTED 1 JUL 2 FARMINGTON	mation, have been ved. Please reference PECO	completed, and the operators of the completed, and the operators of the complete of the comple	r has	
14. Thereby certify that th	ne foregoing is true and correct		BY				
Name (Printed/Type	ed) L T. HANSON	Title	OPERATIONS ENG	GINEER			
Signature Musi	hael T. Hano-	- Date	91	22/0	<u> </u>		
	THIS SPACE FOR F	EDERAL OR	STATE OFFIC	E USE			
Approved by			Title	ח	Pate ·		
Conditions of approval, if ar certify that the applicant hole	ry, are attached. Approval of this notice d ds legal or equitable title to those rights in licant 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.



Note: Contractor should call One—Call for location of any marked or unmarked buried pipelines or cables on well had and/or access road at least two (2) working days prior to construction

COLEMAN OIL AND GAS JUNIPER 7 #21 MULTI-POINT SURFACE USE PLAN

- 1. Existing Roads Refer to Map #1. Existing roads used to access the proposed location will be properly maintained for the duration of the project. Bureau of Land Management right-of-way will be applied for as shown on Map #1. Directions: Go South on Hwy 550 24 miles and turn right onto San Juan County RD # 7500, proceed 5 miles to San Juan County RD #7520. Turn left onto San Juan County RD #7520 and proceed southeastwardly 1 mile turn right proceed 1 mile turn left onto lease road, continue southwestwardly 1 mile to new access. Turn left onto new access.
- 2. Planned Access Road Refer to Map #1. The required access road is shown on Map #1. The gradient, shoulder, crowning and other design elements will meet or exceed those specified by the responsible government agency. The access road surface will not exceed twenty feet (20') in width. No additional turnarounds or turnouts will be required. Upon completion of the project, the access road will be adequately drained to control soil erosion. 2200 feet of new access will be required. Pipelines are indicated on Map #1, 1A and 1B.
- 3. Location of Existing Wells Refer to Map #2.
- 4. Locations of Existing and/or Proposed Facilities if Well is Productive:
 - a. On the Well Pad Production facilities will be located on the drill pad.
 The actual placement of this equipment will be determined. Refer to Plat # 1 and Plat #1A for anticipated production facilities plat.
 - b. Off the Well Pad The produced water and natural gas lines will tie into the Juniper main line gathering system. Possible compressor station at El Paso tie-in (Juniper CPD Meter).
 - c. A four inch, 2155 foot buried steel Grade B X-42 .188 wall with an internal yield of 2370 psig (North West) and 3797 foot buried steel Grade B X-42 .188 wall with an internal yield of 2370 psig (South West) buried gas line to the Juniper main line gathering system will be placed in the same ditch as the three inch produced water line (1382 ft. off lease). See Map #1, 1A and 1B.
 - d. A three inch, 2155 foot buried carbon fiber wrapped polyethylene (Hydril Cobra) with an internal yield of 750 psig (North West) and 3797 foot buried carbon fiber wrapped polyethylene (Hydril Cobra) with an internal yield of 750 psig (South West) buried water line to the Juniper main line gathering system (1382 ft. off lease) will be placed in the same ditch as the four inch gas line. Both lines will be adequately spaced and padded. See Map #1, #1A and 1B.

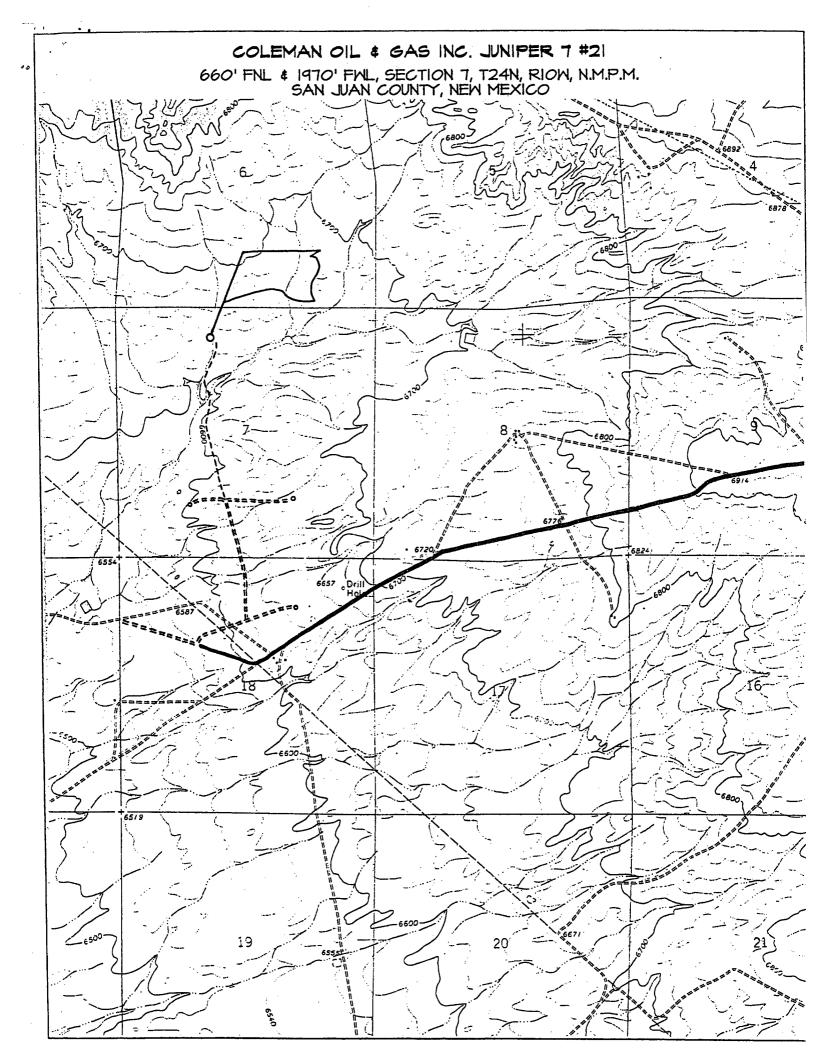
- 5. Location and Type of Water Supplier Water will be hauled by truck for the proposed project from the city of Bloomfield, NM or from the Juniper SWD #1 produced water facility.
- 6. Source of Construction Materials Construction materials, if required, will be obtained from a commercial quarry.
- 7. Methods of Handling Waste Materials All garbage and trash materials will be removed from the site for proper disposal. A portable toilet will be provided for human waste and serviced in a proper manner. If liquids are left in the reserve pit after completion of the project, the pit will be fenced until the liquids have had adequate time to dry. The location clean-up will not take place until such time as the reserve pit can be properly covered over to prevent run-off from carrying waste materials into the watershed. Reserve pit will be lined with 12 mil plastic liner. All earthen pits will be constructed to prevent leakage from occurring; no earthen pit will be located on natural drainage. Generation of hazardous waste is not anticipated. Federal regulations will be adhered to regarding handling and disposal of such waste if so generated.
- 8. Ancillary Facilities Juniper CPD Meter, Juniper SWD #1.
- 9. Wellsite Layout Refer to the location diagram and to the wellsite cut and fill diagram.
- 10. Plans for Restoration of the Surface After completion of the proposed project, the locations will be cleaned and leveled. The locations will be left in such a condition that will enable reseeding operations to be carried out. Seed mixture as designed by the responsible government agency will be used. The reseeding operations will be performed during the time period set forth by the responsible government agency. The permanent location facilities will be painted as designated by the responsible government agency.
- 11. Surface Ownership Well site will be Federal. Access will be on San Juan County Roads and Navajo Allotted and Federal. Pipeline will be Navajo Allotted and Federal.
- 12. Other Information Environmental stipulations as outlined by the responsible government agency will be adhered to. Refer to the archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.

13. Operator's Representative and Certification - Coleman Oil and Gas, Inc., P.O. Drawer 3337, Farmington, NM 87499, telephone (505) 327-0356. I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Coleman Oil and Gas, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date: 1/22/05 Operations Engineer: Mahael T. Ilano

COLEMAN OIL & GAS, INC. JUNIPER 7 #21 PROPOSED PIPELINE SURVEY LOCATED IN THE E/2 W/2 OF SECTION 7, T24N, R10W, NMPM SAN JUAN COUNTY, NEW MEXICO FOUND 1932 GLO 조 RION FOUND FOUND 1932 GLO 1932 GLO BRASS CAP BRASS CAP BRASS CAP 589°48'E 2631.42' (RECORD) 589°43'E 2628.12' (RECORD) FROM A TONED IN 4N, RIOM GPS SURVEY OM SATELLITE 5 6 589°39'14"E 2627.55' (MEASURED) 589°43'54"E 2629.73' (MEASURED) =1000 2000 7 12 2632.14' (RECORD) | 2633.33' (MEASURED) REAL-TIME KINEMATIC GPS 50LUTION OBTAINED FROM 5 TRACKED ON JUNE 3, 2005 REFERENCE STATION POSIT NE/4 5E/4 OF SECTION 9, T2 (MEASURED LOT TIE TO NW CORNER OF SECTION 7 N71"03'38"W 2075.12' END-OF-SURVEY © STA 37+97.4 COLEMAN JUNIPER 7 #21 WELLFLAG 660' FNL, 1970' FWL, SEC 7, T24N, RIOW ш P SCAL 2627.02 N72*39'23"W 246.35 2628.78 SOLUTION OBT. TRACKED ON REFERENCE S PIS 35+51.1 41*45"13"LT GRAPHIC ENTER PROPOSED WELLP PROPOSED ROAD (15' LT) 50°29'48"W 50°24'W NI9"05"50"E 201.31 NO.18'05"E PI4 33+49.8 12*5133"LT LOT PROPOSED ROAD (15' LT) Bureau of Land N31*57'23"E 675,88" Management CAP PI3 26+73.4 57°56'17"RT FOUND 1932 GLO BRASS CAP PROPOSED ROAD (15' LT) WASH X-ING (10"DX20"W) 25+71.6 12 **(**) 8 WASH X-ING (10'DX20'W) 24+13.9 N25'58'54'W 357.77' (MFASJIRED) PI2 23+16.1 37*11'37"LT (MEASURED) 50°31'W 2624.16' (RECORD) PROPOSED ROAD (15' LT) LOT **A** 27 NII 12'43'E 615.39' PII 17+00.7 22°39'59"RT PROPOSED ROAD (15' LT) 50°30'00"W 2623.84' FENCE LINE X-ING STA 14+91.9 2629.9T' 2629.44' NII 27'16"W 1700.73" BEGIN SURVEY © STA 0+00 STA 25+515 ON COLEMAN OIL & GAS JUNIPER 7 #24 PRELIMINARY SURVEY NO°31'33"E TIE FROM SOUTH 1/4 COR SECTION T N20"58"14"W 1247,62" LOT 18, N 12 8 FOUND 1932 GLO 589°46'07"E 2641.29' (MEASURED 589°37'13"É 2623.76' (MEASURED) 13 18 BRASS CAP 18 18 589°43'E 2641.32' (RECORD) 589°39'E 2624.82' (RECORD) FOUND EDWARDS FOUND JASON 1932 GLO 1932 GLO C BRASS CAP BRASS CAP MEXICO SEW. ~ SURFACE OWNERSHIP SANETOR 15269 Bureau of Land Management 0+00 TO 37+97.4 3797.4 FT / 230.1 RODS POFESSIONAL 87499 \mathbb{N} Land Surveyor: SE Jason C. Edwards OAS Jason C. Edwards, a registered Professional Surveyor DRAWN BY. Mailing Address: Post Office Box 6612 Farmington, NM 87499 under the laws of the State of New Mexico, hereby 3337 Σ certify that this plat was prepared from field notes of an actual survey meeting the minimum requirements COLEMAN OIL DRAMER FARMINGTON, **Business Address:** of the standards for easement surveys and is true and 2410763 111 East Pinon Street Farmington, NM 87402 (505) 325–2654 (Office) (505) 326–5650 (Fax) correct to the best of my knowledge and belief. Prepared ç DWARDS Date: July 14, 2005 FILENAME P.O. SURVEYS, INC. Jason C. Edwards

New Mexico L5 #15269



OFFICE: 505-327-0356 FAX: 505-327-9425



Thursday, April 21, 2005

Bureau of Land Management 1235 La Plata Hwy. Suite A Farmington, NM 87401

Attn: Bill Liess

Dear Mr. Liess:

As per my meeting with Peggy Gaudy, with BLM Farmington and our discussion at the on-site of the wells in Section 7, T24N, R10W Coleman Oil & Gas, Inc., agrees to re-survey the existing pipeline and access to the East of where it is currently located leaving well pads alone. I have scheduled a Surveyor and Archeologist to re-stake the access to the East. Due to the fact that both contractors are very busy I would like to submit the APD with the existing access and will file a sundry upon completion of re-survey work. Coleman Oil & Gas, Inc. agrees not to schedule any dirt work until new access is approved by the Farmington BLM. This will, hopefully, speed up the process and allow us to maintain our current drilling schedule.

If you have any additional concerns, please give me a call at the office as soon as possible:

Sincerely,

Coleman Oil & Gas

Michael T. Hanson Operations Engineer

xc: Farmington BLM, Ms. Peggy Gaudy Well Files: Juniper 7 #21 Juniper 7 #24 Juniper Com 7 #34