

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Tres Rios Field Office Lands and Minerals 15 Burnett Court Durango, Colorado 81301



In Reply Refer To: LLCOSO1000 3160

MAR 2 1 2013

Elk San Juan, LLC 1401 17th Street, Suite 700 Denver, CO 80202

API 30-045-34992

Re: Expired Application for Permit to Drill Well No. UMT 30-23

Section 30, T31N, R14W, NMPM San Juan County, New Mexico

Lease 751-05-1025

The Application for Permit to Drill (APD) the reference well was received on January 08, 2009 and approved June 17, 2009 for a two year period. A request for an extension of the expiration date was never received by this office. Our records indicate that drilling operations on the above well never commended prior to the expiration date of June 17, 2011; therefore, this APD has expired. If you decide to drill this location at a later date you will need to submit another application in accordance with Onshore Order Number 1.

Any surface disturbance associated with the approved location of this well must be reclaimed in accordance with the Surface Use Plan of Operations in the approved APD and to the satisfaction of the Bureau of Indian Affairs. Please contact Ryan Joyner at 970-385-1242 in order to schedule an onsite meeting for the discussion of reclamation requirements. Once any reclamation work has been completed and the site is ready for inspection, a final abandonment notice (Form 3160-5) will need to be submitted to the BLM for approval. If you have any question, please call Barbara Telecky at 970-385-1365.

Sincerely, /s/ JOHN L. PECOR

John Pecor Acting Minerals Staff Chief

cc: Bureau of Indian Affairs Southern Ute Agency

Southern Ute Tribe Department of Energy

Ryan Joyner

bcc: RF

Barbara Telecky 3.21.13