

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 type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMNM 100804 |
| 2. Name of Operator Coleman Oil & Gas, Inc. | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address P.O. Drawer 3337 | | 7. If Unit or CA/Agreement, Name and/or No. |
| 3b. Phone No. (include area code) 505-327-0356 | | 8. Well Name and No. Juniper 7 #24 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1100' FSL, 1500' FWL N, Section 7, T24N, R10W Latitude 36° 19' 25", Longitude 107° 56' 23" | | 9. API Well No. 30-045-33047 |
| | | 10. Field and Pool, or Exploratory Area Basin Fruitland Coal |
| | | 11. County or Parish, State San Juan, New Mexico |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input 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 checked="" 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 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 recomple 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

SPUD WELL AUGUST 11, 2006 @ 10:00 AM. DRILLED 12 1/4" HOLE TO 130 FT. KB AND RAN 3 JTS OF 8 5/8" 24# J-55 ST&C NEW CASING. RAN A TOTAL FOOTAGE OF 120.85 FT. AND LANDED @ 126.85 FT. KB. CEMENTED W/ 100 SACKS CLASS B W/2% CALCIUM CHLORIDE AND 1/4# PER SACK CELLOFLAKE. CIRCULATED 7 BARRELS OF CEMENT TO RESERVE PIT. NIPPLED UP BOP AND MANIFOLD. PRESSURE TESTED BOP, MANIFOLD AND CASING TO LOW 250 PSIG AND HIGH 750 PSIG. DRILLED 7 7/8" HOLE TO 1340 FT. KB. TD WELL @ 1340 FT. KB @ 3:15 PM ON AUGUST 13, 2006. RAN A TOTAL OF 34 JTS 5 1/2" 15.50#/FT LT&C J-55. LANDED CASING @ 1328.10 FT. KB. CEMENTED W/ 120 SACKS CLASS G W 3% D79 AND 1/4# PER SACK D29. TAILED W/ 90 SACKS CLASS G 50/50 POZ W/ 2% GEL D20, 5# PER SACK D24 GILSONITE, .1% D46, 1% S-1 AND 1/4# PER SACK D29. CIRCULATED 20 BARRELS OF CEMENT TO SURFACE. PLUG DOWN AT 2:00 PM AUGUST 14, 2006. BUMPED PLUG TO 1500 PSIG. PLUG HELD.

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

MICHAEL T. HANSON

Title **OPERATIONS ENGINEER**

Signature

Michael T. Hanson

Date

AUGUST 15, 2006

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

Date

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)

NMOC

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AUG 17 2006

FARMINGTON FIELD OFFICE

John