RCVD MAR23'07 OIL CONS. DIV.

Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

PORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No **NMNM94827** SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT - - " for such proposals SUBMIT IN TRIPLICATE 7. If Unit or CA, Agreement Designation 1. Type of Well Oil Well Well Other 8. Well Name and No. Sandy No. 1 2. Name of Operator Redwolf Production, Inc. 9. API Well No. 30-045-32347 3. Address and Telephone No. P. O. Box 5382, Farmington, NM 87499 (505) 326-4125 10. Field and Pool, or Exploratory Area **Basin Fruitland Coal** 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 670' FSL & 1045' FEL San Juan County, NM Section 32, T27N, R12W 12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans New Construction Recompletion Subsequent Report Plugging Back Non-Routine Fracturing Water Shut-off Casing Repair Final Abandonment Notice Conversion to Injection Altering Casing Cementing Report Dispose Water Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Pressure tested surface casing and BOP to 750 psi for 30 min. - held OK. Drilled 6 1/4" hole to 1456' KB. Ran 34 jts of 4 1/2", 10.5#, J-55 casing. Casing landed at 1449' KB. PBD 1406' KB. Cemented with 80 sx (164.8 cf) of Class A cement containing 2% Sodium Metasilicate. Tailed in with 100 sx (118 cf) of Class A cement containing 2% CaCl and 1/4 #/sk cello flakes. Circulated 18 bbls of cement to surface. 14. I hereby certify that the foregoing is true and correct Dava J. Wilmenthal 3/19/2007 Vice-President Date Title Signed (This space for Federal or State office) Date Approved by Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false. 2 1 2007 fictitious or fraudulent statements or representations as to any matter within its jurisdiction.