

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 page 2.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No.
2. Name of Operator State Acquis. Lion VII		6. If Indian, Allottee or Tribe Name SICARUNA
3a. Address 1099 18th St DENVER CO 80202	3b. Phone No. (include area code)	7. If Unit of CA/Agreement, Name and/or No. BLM
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 247' FSL 2230' FWL 310 T 23N R 4W		8. Well Name and No. # 71-27
		9. API Well No. 30-039-23422
		10. Field and Pool or Exploratory Area Garry/Dakota
		11. Country or Parish, State New Mexico

12. CHECK THE 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"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recompletes
	<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
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input type="checkbox"/> Other

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 recompleate 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.)

Sac

# 3	SICARUNA 71	1850' FWL	790' FWL	3
# 8		2310' FSL	2310' FWL	3
# 27		747' FSL	2230' FWL	10
# 28		2295' FSL	950' FWL	9
# 38		1980' FSL	1980' FWL	9
# 40		469' FWL	1853' FWL	9

1. ALL Well APPEAR TO EXHIBIT CASING LEAKS
2. REMOVE RODS / PUMP / TUBING -- INSPECT / REPAIR AS NEEDED
3. SQUEEZE CASING HOLES UNTIL MEET STATE REQUIREMENTS
4. REPLACE EQUIPMENT
5. PUT WELL ON PRODUCTION

To be completed by 12/31/07

I hereby certify that the foregoing is true and correct.

Name (Printed/Typed) BOB STAVES	Title GENERAL MANAGER
Signature <i>Bob Staves</i>	Date 5-15-06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason	Title	Date MAY 17 2007
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.	Office	

Under 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.

(See instructions on page 2)

RCVD MAY 18 '07
OIL CONS. DIV.
DIST. 3

NMOCD