

JUL 24 2008

Form 3160-5  
(April 2004)

UNITED STATES **Bureau of Land Management**  
DEPARTMENT OF THE INTERIOR **Durango, Colorado**  
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  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
 Elk San Juan, LLC

3a. Address  
 1401 17th Street, Suite 700, Denver Colorado, 80202

3b. Phone No. (include area code)  
 303-296-4505

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

J: 1990' FSL, 1545 FEL, CSE Section 22-T31N-R14W

5. Lease Serial No.  
 IMDA 751-05-1025, Tract C

6. If Indian, Allottee or Tribe Name  
 Ute Mountain Ute

7. If Unit or CA/Agreement, Name and/or No.  
 NA

8. Well Name and No.  
 Ute Mountain Tribal 22D

9. API Well No.  
 3004533423

10. Field and Pool, or Exploratory Area  
 Verde Field

11. County or Parish, State  
 San Juan County, NM

**12. CHECK 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"/> Water Shut-Off
<input 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 checked="" 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 recompleat 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 recompletion 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.)

Elk San Juan, LLC requests permission to temporarily abandon perforations in the Dakota section from 3654' to 3675' as uneconomic and recompleat the subject well to behind pipe Verde Field Pay intervals. The Dakota is capable of some gas and oil production, but uneconomic at rates observed during completion operations. Prior to commencement of the recompletion additional swab testing will be done to quantify future production potential from the Dakota should commingling be desired. This zone will be TA'd under a wireline set packer or bridge plug set just above 3650' for consideration to commingle with the Verde Pays in the Mancos formation at a later time if swab tests confirm potential.

For the recompletion, pay intervals within the Gallup section of the Mancos between 2667' and 3290' will be perforated and frac stimulated in three stages using nitrogen foam fracs. Following flowback and swab testing, the well will be put on rod pump for extended testing.

Dependent on results of the Mancos completion to determine timing for commingling, it is anticipated that an application to commingle will be made to request permission to reopen the Dakota section in the wellbore at a future time.

It is Elk's desire to commence the recompletion operations as soon as approval can be obtained, preferably early August 2008. The project is expected to require approximately one week to complete.

**SEE ATTACHED  
CONDITIONS OF APPROVAL**

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

Karin Kuhn

Title Sr. Engineering Technician

Signature

Date

07/22/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

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

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)

**HOLD C104 FOR G-102 for Verde Gallup Oil Pool**

RCVD AUG 22 '08  
OIL CONS. DIV.

DIST. 3

Elk San Juan, LLC  
Tribal Lease: 751-05-1025  
Well: UMT 22D  
1990 FSL & 1545' FEL  
Section 22, T. 31 N., R. 14 W.  
San Juan County, New Mexico

**Conditions of Approval: Sundry Notice to recomplete:**

1. No activities may take place outside of the originally disturbed surface area.
2. Within 30 days of the recompletion, submit to this office a Sundry Notice, Subsequent Report of all activities that took place. Daily drillers or activities reports should be provided. At this time also submit a new Completion Report reflecting the new completion. Please enclose a revised wellbore diagram with formation tops.
3. A Subsequent Report must be filed indicating the Temporary Abandonment of the Dakota Formation. Again, this form must be filed within 30 days.
4. Submit a copy of all logs run during the recompletion of this well.

## **Additional Condition of Approval**

**Well File Information:** All tests and operations on any well in the subject lands shall be conducted at the Operators sole discretion, and the information requirements of Article 8.02(b) of the Agreement and this exhibit shall not be interpreted to obligate Lessee to conduct any tests or operations with respect to any well.

- a. All wire line logs – Field and Final Print (Electrical, Radioactive, Sonic, Porosity, Velocity, etc. with digitized log analysis, if available).
- b. Drill Stem tests - field data
- c. Core analysis - field data
- d. Mud Log - final prints
- e. Drill Stem tests - final prints
- f. Core analysis - final prints
- g. Revised Structure and Isopach maps
- h. Location (Surveyor's Plat & Drilling Permit
- i. Daily Drilling Report, Daily Workover report and final Drilling Summary
- j. Directional Survey
- k. Geological Report
- l. Completion Report
- m. Production Test Data (AOF Potential, GOR, etc.)
- n. 30 Day Well Production Test Record
- o. Bottom Hole Pressure Surveys
- p. Gas, Oil, and/or Water Analysis
- q. Monthly Oil, Gas, and/or Plant Products Purchasing Statements
- r. MMS Monthly OGOR and/or 4054 Monthly Report of Operations
- s. Sundry Notices to the BLM
- t. Wellbore profile
- u. Division Orders/Title Opinion
- v. Plug and Abandon Reports
- w. AFEs
- x. Other Information Requested by the Tribal Energy Department.