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Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Durango, Colorado

NOV 17 2008

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.

5. Lease Serial No.
BMDA 751-05-1025, Tract B
6. If Indian, Allottee or Tribe Name
Ute Mountain Ute

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		7. If Unit of CA/Agreement, Name and/or No. NA
2. Name of Operator Elk San Juan, LLC		8. Well Name and No. UMT 14D
3a. Address 1401 17th Street, Suite 700 Denver, CO 80202	3b. Phone No. (include area code) 303-296-4505	9. API Well No. 30-045-33417
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1085' FSL, 1385' FEL CSE Section 14-T31S-R15W		10. Field and Pool or Exploratory Area Verde Gallup
		11. Country or Parish, State San Juan County, NM

12. CHECK THE 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 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 recomplete 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.)

Work began on 10/30/08 to recomplete the subject wellbore from the Dakota Basin to Verde Gallup. Flow tested well. Swabbed well. Set plug @ 3080'. Perf'd well with 3 1/8" guns, 3 SPF, from 2566'-2570', 2511'-2514', 2491'-2494'. Pumped 1000 gals 7.5% HCl acid with 3 bio-balls. Frac'd with 1330 bbls 70Q N2 Foam with 68,312# 20/40 sand, 642# 100 Mesh sand. Set plug @ 2450'. Perf 6 SPF from 2293'-2296', 2312'-2315', 2326'-2328', 2347'-2349', 2369'-2371', 2395'-2397'. Pumped 1000 gals 7.5% HCl acid. Frac with 2355 bbls 70-Quality N2 Foam with 136,653# 20/40 sand, 2046# 100 Mesh sand. Set plug @ 2275'. Perf 3 SPF from 2039'-2042', 2107'-2109', 2126'-2128', 2164'-2166', 2222'-2224', 2246'-2248'. Pumped 1000 gals 7.5% HCl acid with 59 bio-balls. Frac'd with 1503 bbls 70Q N2 Foam with 95,547# 20/40 sand, 2272# 100 Mesh sand. Flow back frac. Ran in hole and drilled out plugs @ 2450' and 2275', EOT @ 3011'. Run rods and pump. Put well on pump 11/8/2008. Currently recovering load water.

ACCEPTED FOR RECORD

By: *Dur* 12/5/08
San Juan Resource Area
Bureau of Land Management

RCVD DEC 11 '08

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Karin Kuhn		OIL CONS. DIV. DIST. 3
Title Sr. Engineering Technician		
Signature <i>Karin Kuhn</i>		Date 11/11/2008

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)

12/15

Elk Production LLC Field Activity Report

UTE MTN UTE RES.

UTE MTN TRIBAL 14D

DK	31N 15W 14 SE	1PDP	30045334170000
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SYNOPSIS: 10/30/08 to 11/8/08: Work began on 10/30/08 to recomplete the subject wellbore from the Dakota Basin to Verde Gallup. Flow tested well. Swabbed well. Set plug @ 3080'. Perf'd well with 3 1/8" guns, 3 SPF, from 2566'-2570', 2511'-2514', 2491'-2494'. Pumped 1000 gals 7.5% HCl acid with 3 bio-balls. Frac'd with 1330 bbls 70Q N2 Foam with 68,312# 20/40 sand, 642# 100 Mesh sand. Set plug @ 2450'. Perf 6 SPF from 2293'-2296', 2312'-2315', 2326'-2328', 2347'-2349', 2369'-2371', 2395'-2397'. Pumped 1000 gals 7.5% HCl acid. Frac with 2355 bbls 70-Quality N2 Foam with 136,653# 20/40 sand, 2046# 100 Mesh sand. Set plug @ 2275'. Perf 3 SPF from 2039'-2042', 2107'-2109', 2126'-2128', 2164'-2166', 2222'-2224', 2246'-2248'. Pumped 1000 gals 7.5% HCl acid with 59 bio-balls. Frac'd with 1503 bbls 70Q N2 Foam with 95,547# 20/40 sand, 2272# 100 Mesh sand. Flow back frac. Ran in hole and drilled out plugs @ 2450' and 2275', EOT @ 3011'. Run rods and pump. Put well on pump 11/8/2008. Currently recovering load water.

7/2007: Removed compressor, SWI. Pmp'r occasionally turns well on.

MIRU Patterson Rig 753. Spud well on 1/6/06. Set 8 5/8", 24#, J55, csg @ 370'. Cmt w/ 290 sx STD. Drld to 3300' & ran logs. RIH w/ 5 1/2", 15.5#, J-55, LT&C csg to 3296'. Cmt w/ 65 sx 65/35 Poz and 200 sx 50/50 Poz, followed by 160 sx 65/35 Poz followed by 50 sx 50/50 Poz. Rlsd rig 1/27/06. MIRU completion rig. RIH w/ impression block. RIH w/ pressure bombs set in SN @ 3084'. Shut-in for bottom-hole pressure survey. Perf 3 SPF f/ 3102'-3110'. Foam frac Dakota formation. Flow back frac. Run 2 3/8" tbg to 3111'. Hooked up to pipeline & put on production 6/19/06.

Daily Detail:

11/3/2008 RU, flow tst, TP @ 200#, CP @ 240#. Flow tbg, 3-5#, flwd bakc 16 bbls fluid. Chgd over to csg, pressure on csg @ 90#. Free flow overnight to bring dn pressure, 8# thru 28/64" chk. Moved rig to location & spotted up. Break dn flow lines to flow-back tanks. Chg out flow-back tank, leak on btm. Hook up flow lines & manifold. Unload BOP & tbg equipment, RU swab & made 1st run, tagged SN @ 3,000', 2nd run w/ 1 cup no fluid in hole. NU BOP, set up to pull tbg. TOO, w/ 101 total jts 2 3/8" j-55 tbg w/ 14' sub & SN, 1 mud anchor & mule shoe sub. ND BOP, 4 bolted BOP & traveled to 222 to get bolts for frac valve. NU frac valve & put well flwg to tank overnight. RU wireline, run 4.688 gauge ring, tagged @ 3,118'. Set tool change to set plug. RIH w/ Graco BP correlated to Blue Jet bond log & set plug @ 3,080'. POOH. RU BJ to pressure tst csg, pmpd 73 bbls 2% KCL, tstd csg to 3,680#s, held 5 min @ 3,670#, bleed back. RIH w/ 3 1/8" perf guns & perf zones, 2566-2570, 2511-2514, 2491-2494. Pmpd 1000 gal 7.5% HCL, pressure break @ 3,315 4 bbls into job, 9 bbls acid, then 3 bio balls per bbl @ 4-5 BPM, 638 ISIP, 5min 36, 15 min, 278, SI & RD BJ. Hooked up flow back lines & flow back to tank overnight.

11/4/2008 "Flow bck. Move in frac crew & set up to frac 14D. Tst lines to 5066#s, N2 pmp not wrkg, hydraulics froze retest to 5285#s. Start 1st stag, 1045 pressure break, 34 BPM @ 1# PG 100 mesh sand, stagged out from .5# to 4#, total pmpd, sand 75,762#, fluid 495.3 bbls, average rate @ 33 BBPM, N2 525.7 MSCF, average pressure 1876#s, ISIP 599, 5min 228, 10min 164, 15min 127. RIH set plug @ 2450'. RIH w/ select fire guns, corrlate off blue jet log shot 2395-97, 2369-71, 2347-49, 2326-28, 2312-15, 2293-96, 42 holes. POOH set up to pmp acid, started stag pressure climbed to max pressure 3800#, surged several times, tried pmpg @ 2 BPM, pressure max. Ordered out drop bailer & return duns to reperf. SDFN."

11/6/2008 Run dump bailer, spot acid @ 2397-2293. RIH & reshot zone 2 under press. Press dropped after 1st shot f/ 2K-1200, shot remainig run 5 bbls acid spot on perfs 10min, pmpd 750 gal 7.5 HCL w/ 100 rubber balls, 56 bbls into displacement ball out strtd ball action up 3800#, SD, pmpd into perfs @ 770#, ISIP @ 333, 5min @ 132, 10min @ 99, 15min @ 75. RIH w/ gauge ring 4.668 to sweep perfs, 92 balls rcvrd. Press tst to 4700#, pmpd pad, .5# 750#, pad, 1# 100 mash pr. @ 1080, spacer pr @ 1100, .5# of 20/40 sand pr. @ 1137 40 BPM 1# pr. @ 1151# @ 50 BPM, 2# pr @ 1191# 52 BPM, 3# pr @ 1236# 58 BPM, 4# pr @ 1287# 53 BPM, flush @ 24 BPM, ISIP 392, 5-28, 10-23, 15-199 total sand pmpd 143,637#, total fluid 976 bbls, N2 MSCF 688.5. RIH w/ Graco plug set @ 2275', set dn on plug & POOH. RIH w/ 3rd stag of perfs f/ 2246-2248, 2222-2224, 2164-2166, 2126-2128, 2107-2109, 2039-2042, 3 SPF, .34 entry, 120°, 12g, 23"" pent set up to pmp acid, 1629# pressure break @ 1.5 BPM, 2nd break @ 2349 @ 5 BPM, dropp 59 bio balls, pressure @ 2028 @ flush @ 7 BPM. Ball action active breaks @ 2086, 2068, 2053, 2052, press balled off to 3007#, surged bck & displaced 5 bbls, over ISIP @ 139, 5-120, 10-11, 15-109, frac grad @ .50. RIH w/ gauge ring to sweep perfs, bobbles @ 2048, 2115, 2190, 2222,2250. 3rd stage frac, press tst lines to 3937#, start pad press @ 955# @ 27 BPM, .5# press @ 975# @ 24 BPM FG @ .54, pad press @ 1025, .5# 100 mesh per @ 978# 28 BPM FG @ .55 spacer pr @ 942# @ 28 BPM, brown 20/40 sand .5# pr @ 965# @ 30 BPM FG @ .52 1# pr @ 972# @ 36 BPM FG @ .52 2# pr @ 978# @ 40 BPM FG @ .55, 3# pr @ 986# @ 40.6 BPM FG .56 flush pr @ 1006# @ 40.5 BPM, ISIP @ 803#, 5-671, 10-654. RD frac crew, change out flow bck tank, transfer wtr to frac tank & hook up lines to flow bck tank, open up @ 8:30pm, press @ 500#. Flow tstg 131 bbls 90#. Move drl collar to location. Press dn to 28#, open to tank. Flow total 159 bbls & 2# press. Flow to tank.

11/7/2008 Flow bck. Service rig, start up. Nipple dn frac valve & nipple up BOP. Pick up drl collars, bumper sub & 3/4" hurricane bit, (2nd well ran on). Tally 1st row on pipe. Tally in hole, tagged fill @ 2195.99', 79.01' of fill, laid out 6 jts & blew dn hole. PU power swivel, circ hole, started washing dn sand, tagged 1st plug @ 2275', drld out press increase f/ 40# to 140#s. Circ hole cln, RIH to 2411' - 39' of fill, washed out & drld up plug, circ hole dln. Stood bck power swivel, laid dn 4 jts. RIH tagged fill @ 3035' - 45' of sand, washed dn 3055', set dn solid, circ hole 1 hr. TOO to 2033' & circ all night. Hauled off 240 bbls to disposal well a total 410 bbls.

11/10/2008 TIH w/ BHA to PBTD & unload hole w/ air foam unit, recovering no fluids. POOH laying dn bit & drl collars. RIH w/ production BHA. ND BOP & hang tbg in tbg head. PU 1 1/2" pmp on 3/4" rod string. RIH to SN. Set pmpg unit. Begin pmpg well @ 5pm 11/8/08. 1300 bbls 100% wtr, remaining @ start of ops. Last 24 hrs recovered 56.49 BW, prior 1/2 day 25 BW.