

RECEIVED

AUG 19 2009

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Farmington Field Office

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
NO-G-0611-1749

6. If Indian, Allottee or Tribe Name
Navajo Allotment

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Pro NM Energy, Inc.

3a. Address
460 St. Michaels Dr, Suite 402, Bldg 300
Santa Fe, NM 87505

3b. Phone No. (include area code)
505/988-4171

4. Location of Well (Fortage, Sec., T., R., M., or Survey Description)
980' FNL, 1910' FWL
Section 25-T25N-R11W

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

8. Well Name and No.
Bisti Otero 25 # 1

9. API Well No.
30-045-34731

10. Field and Pool or Exploratory Area
Bisti Lower Gallup & Basin Dakota

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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>SET SURFACE</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>CASING</u>
	<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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat 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.)

On 8/7/09, in 12-1/4" hole, ran 8 joints of new 8-5/8", 24#, J-55 STC surface casing set at 338' GL. Cemented with 220 sacks Econo cement with 3% cacl, plus 1/4#/BBJ polyflake (46 BBIs, yield 1.17 ft³/sk and wt = 15.8 lb/gal) Displaced with 20 BBIs of water. Returned approximately 1 BBI of good cement to surface. Shut in well with 200 psi.

Total depth of 12-1/4" surface hole = 347', reached on 8/7/09.
Pressure test of casing will be reported on next sundry. ✓

Drilling of surface hole completed, waiting on larger drilling rig to commence drilling of 7-7/8" hole. BLM will be notified when drilling commences. ✓

RCVD AUG 26 '09

OIL CONS. DIV.

DIST. 3

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

Carla S. Shaw

Title Agent for Pro NM Energy, Inc.

Signature

Carla S. Shaw

Date

8/14/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

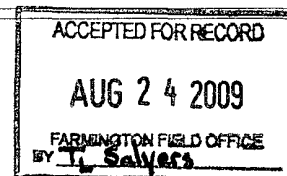
Date

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.

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)

NMOCD



HALLIBURTON

PRO NM ENERGY INC

Bisti Otero 25 1

San Juan County , New Mexico

Cement Surface Casing ✓
07-Aug-2009

Job Site Documents

HALLIBURTON

Cementing Job Summary

The Road to Excellence Starts with Safety

Sold To #: 316007		Ship To #: 2738480		Quote #:		Sales Order #: 6822414	
Customer: PRO NM ENERGY INC				Customer Rep: Davis, Glen			
Well Name: Bisti Otero 25		Well #: 1		API/UWI #:			
Field:		City (SAP): BLOOMFIELD		County/Parish: San Juan		State: New Mexico	
Contractor: D & D DRILLING		Rig/Platform Name/Num: D & D 1					
Job Purpose: Cement Surface Casing							
Well Type: Development Well		Job Type: Cement Surface Casing					
Sales Person: SNYDER, RANDALL		Srvc Supervisor: EDWARDS, QUINCY		MBU ID Emp #: 372378			
Job Personnel							
HES Emp Name		Exp Hrs	Emp #	HES Emp Name		Exp Hrs	Emp #
EDWARDS, QUINCY			372378				
Equipment							
HES Unit #	Distance-1 way	HES Unit #	Distance-1 way	HES Unit #	Distance-1 way	HES Unit #	Distance-1 way
Job Hours							
Date	On Location Hours	Operating Hours	Date	On Location Hours	Operating Hours	Date	On Location Hours
TOTAL							
				Total is the sum of each column separately			
Job				Job Times			
Formation Name				Date		Time	
Formation Depth (MD)		Top	Bottom	Called Out		Time Zone	
Form Type		BHST		On Location		07 - Aug - 2009	
Job depth MD		347. ft	Job Depth TVD	347. ft		08:00	
Water Depth		Wk Ht Above Floor	4. ft	Job Started		07 - Aug - 2009	
Perforation Depth (MD)		From	To	Job Completed		07 - Aug - 2009	
				Departed Loc		07 - Aug - 2009	
						11:50	
						12:30	
						CST	
Well Data							
Description	New / Used	Max pressure psig	Size in	ID in	Weight lbm/ft	Thread	Grade
Open Hole			12.25	24.			J-55
8 5/8 Casing	Unknown		8.625	8.097			
Sales/Rental/3 rd Party (HES)							
Description				Qty	Qty uom	Depth	Supplier
PLUG,CMTG,TOP,WOODN,TWO CUP TY,8 5/8 IN				1	EA		
Tools and Accessories							
Type	Size	Qty	Make	Depth	Type	Size	Qty
Guide Shoe					Packer		
Float Shoe					Bridge Plug		
Float Collar					Retainer		
Insert Float							
Stage Tool							
Miscellaneous Materials							
Gelling Agt		Conc	Surfactant	Conc	Acid Type	Qty	Conc %
Treatment Fld		Conc	Inhibitor	Conc	Sand Type	Size	Qty

HALLIBURTON

Cementing Job Summary

Fluid Data									
Stage/Plug #: 1									
Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density lbm/gal	Yield ft ³ /sk	Mix Fluid Gal/sk	Rate bbl/min	Total Mix Fluid Gal/sk
1	water		10.00	bbl	.	.0	.0	.0	
2	Primary Cement	ECONOCEM (TM) SYSTEM (452992)	220.0	sacks	15.8	1.17	5.01		5.01
	3 %	CALCIUM CHLORIDE - HI TEST PELLET (100005053)							
	0.125 lbm	POLY-E-FLAKE (101216940)							
	5.013 Gal	FRESH WATER							
3	Displacement			bbl	.			.0	
Calculated Values		Pressures		Volumes					
Displacement		Shut In: Instant		Lost Returns		Cement Slurry		Pad	
Top Of Cement		5 Min		Cement Returns		Actual Displacement		Treatment	
Frac Gradient		15 Min		Spacers		Load and Breakdown		Total Job	
Rates									
Circulating		Mixing		Displacement		Avg. Job			
Cement Left In Pipe	Amount	40 ft	Reason	Shoe Joint					
Frac Ring # 1 @	ID		Frac ring # 2 @	ID		Frac Ring # 3 @	ID	Frac Ring # 4 @	ID
The Information Stated Herein Is Correct				Customer Representative Signature					

HALLIBURTON

Cementing Job Log

The Road to Excellence Starts with Safety

Sold To #: 316007	Ship To #: 2738480	Quote #:	Sales Order #: 6822414
Customer: PRO NM ENERGY INC		Customer Rep: Davis, Glen	
Well Name: Bisti Otero 25	Well #: 1	API/UWI #:	
Field:	City (SAP): BLOOMFIELD	County/Parish: San Juan	State: New Mexico
Legal Description:			
Lat: N 0 deg. OR N 0 deg. 0 min. 0 secs.		Long: E 0 deg. OR E 0 deg. 0 min. 0 secs.	
Contractor: D & D DRILLING		Rig/Platform Name/Num: D & D 1	
Job Purpose: Cement Surface Casing		Ticket Amount:	
Well Type: Development Well		Job Type: Cement Surface Casing	
Sales Person: SNYDER, RANDALL		Srv Supervisor: EDWARDS, QUINCY MBU ID Emp #: 372378	

Activity Description	Date/Time	Cht #	Rate bbl/min	Volume bbl		Pressure psig		Comments
				Stage	Total	Tubing	Casing	
Call Out	08/07/2009 05:00							
Depart Location Safety Meeting	08/07/2009 06:25							
Depart from Service Center or Other Site	08/07/2009 06:30							
Arrive At Loc	08/07/2009 08:00							
Assessment Of Location Safety Meeting	08/07/2009 08:05							
Pre-Rig Up Safety Meeting	08/07/2009 08:10							
Rig-Up Equipment	08/07/2009 08:15							
Rig-Up Completed	08/07/2009 08:30							
Other	08/07/2009 08:35							waitting on rig to run csg
Other	08/07/2009 11:15							csg on bottom ready for hes
Pre-Job Safety Meeting	08/07/2009 11:20							
Start Job	08/07/2009 11:25							
Test Lines	08/07/2009 11:27							test lines to 1000 psi
Pump Spacer 1	08/07/2009 11:28		2	5			200.0	fresh water spacer
Pump Cement	08/07/2009 11:30		4	46			200.0	pumped 220 sks of cmt at 15.8 ppg
Pump Displacement	08/07/2009 11:45		4	20			50.0	displaced with fresh water circulated 1 bbl 5 sks of cmt to surface
Other	08/07/2009 11:50							shut well in at 20 bbl of displacement for a 30 ft shoe joint

Sold To #: 316007

Ship To #: 2738480

Quote #:

Sales Order #: 6822414

SUMMIT Version: 7.20.130

Friday, August 07, 2009 01:22:00

HALLIBURTON***Cementing Job Log***

Activity Description	Date/Time	Cht #	Rate bbl/ min	Volume bbl		Pressure psig		Comments
				Stage	Total	Tubing	Casing	
End Job	08/07/2009 11:51							
Post-Job Safety Meeting (Pre Rig-Down)	08/07/2009 11:55							
Rig-Down Equipment	08/07/2009 12:00							
Rig-Down Completed	08/07/2009 12:15							
Depart Location Safety Meeting	08/07/2009 12:20							
Depart Location for Service Center or Other Site	08/07/2009 12:30							

Sold To # : 316007

Ship To # :2738480

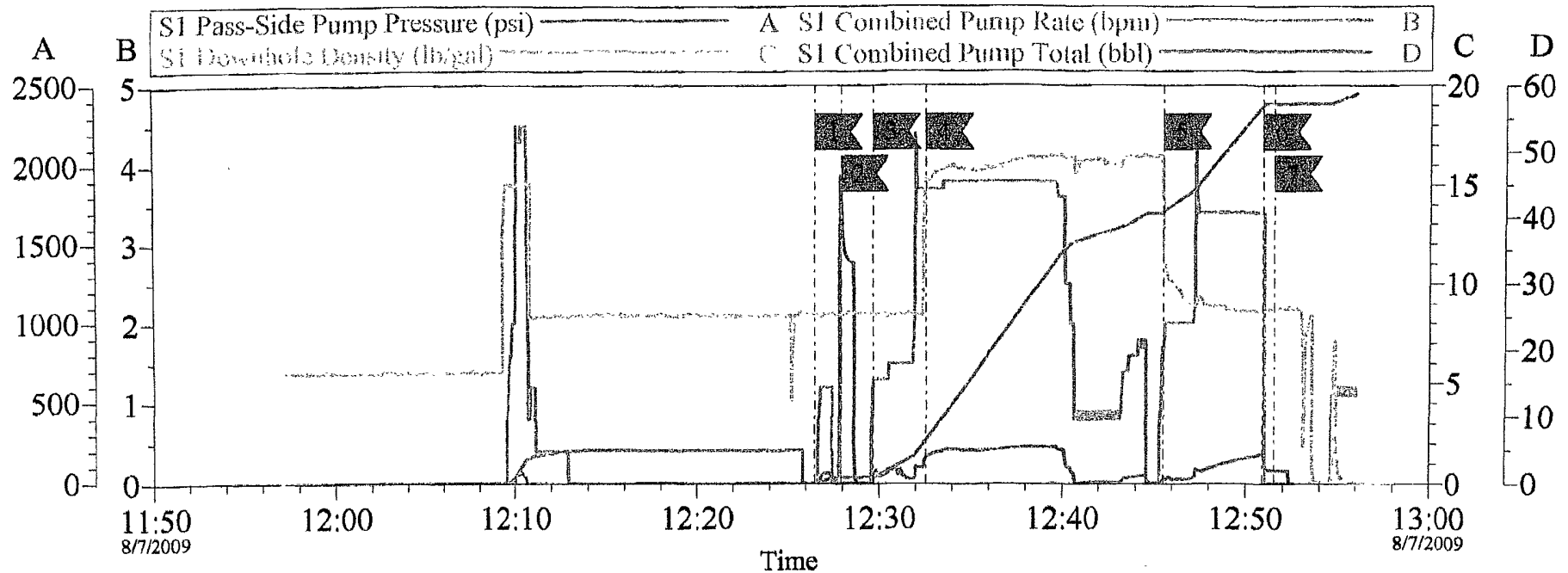
Quote # :

Sales Order # : 6822414

SUMMIT Version: 7.20.130

Friday, August 07, 2009 01:22:00

Pro N.M. Surface



Local Event Log					
Intersection		SPPP	SCPR	DD	SCPT
Start Job	12:26:30	-1.000	0.000	8.440	0.000
Test Lines	12:27:55	1761	0.000	8.425	0.900
Spacer	12:29:40	24.40	1.255	8.370	1.000
Cmt	12:32:33	167.0	3.700	15.27	6.496
Displacement	12:45:32	40.47	1.700	17.38	40.98
Shut in	12:50:55	187.0	3.400	8.555	56.95
End job	12:51:32	81.81	0.000	8.786	57.30

Customer: PRO NM ENERGY INC	Job Date: 07-Aug-2009	Sales Order #: 6822414
Well Description: Bisti Otero 25 1	UWI: AFEYSACHDIJZ1EJNAAA	

OptiCem v6.3.4
07-Aug-09 13:05