

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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.  
IMDA 751-05-1025, Tract C

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

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

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, CO 80202

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
J 1700' FSL, 1645' FEL  
NWSE Section 21-T31N-R14W

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

8. Well Name and No.  
Ute Mountain Tribal 21D

9. API Well No.  
30-045-34113

10. Field and Pool or Exploratory Area  
Verde Field, 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 type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Notice of Written Order #SJWO-106
	<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 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.)

Per Dave Swanson, BLM, Elk has been granted an extension to 9/30/09 to complete the remaining requested corrective work for the subject location. The following work has been completed: Item #2: The dike around the oil tanks has been built up. Item #3: Lease number (#751-05-1025) has been added to signs posted at the location. Item #1: Bids are being solicited to complete the surface reclamation.

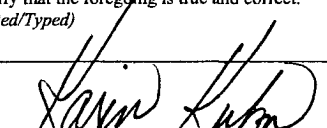
RCVD SEP 11 '09

OIL CONS. DIV.  
DIST. 3

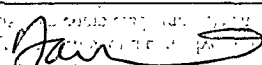
**RECEIVED**

AUG 31 2009

Bureau of Land Management  
Durango, Colorado

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Karin Kuhn	Title Sr. Engineering Technician
Signature 	Date 08/28/2009

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

Approved by 	Title Physical Sci	Date 9/2/09
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 SJPLC	

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)

**RECEIVED**

☒ Certified Mail - Return  
Receipt Requested  
70060810000399870088

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
NOTICE OF WRITTEN ORDER**

IDENTIFICATION	
IID	
Lease	9751051025
CA	
Unit	
PA	

Bureau of Land Management Office <b>SAN JUAN FIELD OFFICE</b>				Operator <b>ELK SAN JUAN INC</b>			
Address <b>15 BURNETT COURT DURANGO CO 81301</b>				Address <b>1401 17TH STREET, SUITE 700 DENVER CO 80202</b>			
Telephone <b>970.247.4874</b>				Attention			
Inspector <b>SWANSON</b>				Attn Addr			
Site Name <b>UMT</b>	Well or Facility <b>21-D</b>	1/4 1/4 Section <b>NWSE 21</b>	Township <b>31N</b>	Range <b>14W</b>	Meridian <b>NMP</b>	County <b>SAN JUAN</b>	State <b>NM</b>
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State

The following condition(s) were found by Bureau of Land Management Inspectors on the date and at the site(s) listed above

Date	Time (24-hour clock)	Corrective Action to be Completed by	Date Corrected	Authority Reference
07/02/2009		8/22/09 PER 08/08/2009 DAVE SWANSON		Onshore Order 1 3.G.2

**Remarks**

(1) Reference. Onshore Order #1 III, G.2

Soil piles on west of road, east and north sides of pad shall be included in surface reclamation to proximity of wellbore anchors. The berms shall be contoured to blend with surrounding terrain, topsoil spread evenly, prepared for seeding and drill seeded with BIA weed free seed mix & mulch such as crimped straw

(2) Reference 43CFR 3162.5-2

Dike around Oil tanks shall be constructed so as to hold the contents of the largest tank and volume of liquids from a storm event. This general is considered to be 120%. Current capacity is (Remarks continued on following page(s))

When the Written Order is complied with, sign this notice and return to above address.

Company Representative Title	Signature	Date
Company Comments		

**Warning**

The Authorized Officer has authority to issue a Written Order in accordance with 43 CFR 3161.2. Written Order correction and reporting time frames begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each stipulation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management Office at the address shown above. If you do not comply as noted above under "Corrective Action to be Completed By", you shall be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163.1(a). Failure to comply with the INC may result in assessments as outlined in 43 CFR 3163.1 and may also incur civil penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time frame for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

**Review and Appeal Rights**

A person contesting a decision shall request a State Director review of the Written Order. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer	Date	Time
<i>[Signature]</i>	7/6/09	1130

**FOR OFFICE USE ONLY**

Number <b>3</b>	Date	Type of Inspection <b>ES</b>
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*Original*

BLM Remarks, continued

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approximately 200 bbls or less than 2/3 of one tank size (remember to subtract the volume of the second tank as it does take up space within the containment area No extra containment allowance has been made The metal Walkway must be used to avoid the current eroding of the berm by walking on the containment itself.

(3)Reference 43CFR3162.6(a)

Well sigh must properly identify lease number (751-05-1025)