

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS

MAY 16 2011

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUBMIT IN TRIPLICATE - Other instructions on reverse side

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|--|--|
| 1. <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | 5. Lease Serial No. NMNM-036253 |
| 2. Name of Operator Elm Ridge Exploration Company LLC | 6. If Indian, Allottee or Tribe Name N/A |
| 3a. Address P.O. Box 156, Bloomfield NM 87413 | 7. If Unit or CA/Agreement, Name and/or No. N/A |
| 3b. Phone No. (include area code) 505-632-3476 ext. 203 | 8. Well Name and No. E.W. Mudge Coal 8 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FSL X 1770' FEL "J" Sec. 16-T25N-R11W | 9. API Well No. 30-045-26217 |
| | 10. Field and Pool, or Exploratory Area Bisiti Lower Gallup |
| | 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 type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input checked="" 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 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 Operations (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 ELM/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 recompleation 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.)

The above well has been returned to production as of May 3, 2011.

RCVD MAY 20 '11

OIL CONS. DIV.

DIST. 3

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| 14. I hereby certify that the foregoing is true and correct | |
| Name (Printed/Typed) Sharla Bemrose | Title Administrative Specialist |
| Signature <i>Sharla Bemrose</i> | Date May 11, 2011 |
| THIS SPACE FOR FEDERAL OR STATE USE | |
| Approved by | Title Date MAY 17 2011 |
| 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 FARMINGTON OFFICE |
| Title 18 U.S.C. Section 1001, makes 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 reverse)

NMOCD