

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas
 Well Well Other

2. Name of Operator

Questar Exploration and Production Company

3. Address and Telephone No.

1331 17th Street, Suite Denver, CO 80202 (303) 672-6900

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

Sec. 27, T. 24 N, R. 7 W. SW SE
 790' FSL 1708' FEL

5. Lease Serial No.

SF-078562

6. If Indian, Allottee, or Tribe Name

7. If Unit or CA. Agreement Designation

8. Well Name and No.

Federal 1-27 #1

9. API Well No.

30-039-05285

10. Field and Pool, or Exploratory Area

Bisti

11. County or Parish, State

Rio Arriba, NM

12. CHECK APPROPRIATE BOX(S) 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 type="checkbox"/> Recomplete	<input checked="" 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/BLA. 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.

It is recommended by Questar E&P to commingle production from the Federal 1-27 #1 Well with the Lybrook 7-27 #2 Well due to the following reasons:

- 1). The Federal 1-27 #1 Well has an antiquated 2 phase separator and low daily production volumes causing BS & W to build up in the oil tank rendering the rejection of oil sales. By combining both wells through the same separator and into a common tank battery will alleviate this problem.
- 2). By using a common tank battery on the Lybrook 7-27 #2 location, there will be fewer environmental issues in the event of spills due to the steep grade at the Federal 1-27 #1 location.
- 3). Both wells have common working interest and royalty ownership.

14. I hereby certify that the foregoing is true and correct.

Signed

Jim Lovato

Title

Production Foreman

Date

28-Mar-02

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Jim Lovato

Title

Date

MIN - 4

Conditions of approval, if any, are attached. Approval of this notice does not warrant of 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

