

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. -22-Ind-619
2. Name of Operator Cross Timbers Operating Company		6. If Indian, Allottee or Tribe Name Ute Mountain Tribe
3a. Address 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401	3b. Phone No. (include area code) 505-632-5200	7. If Unit or CA/Agreement, Name and/or No. 14-20-604-62
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2,270' FNL & 1,700' FEL Section 3-T31N-R14W		8. Well Name and No. Mountain Ute Gas Com "A" #1
		9. API Well No. 30-045-20770
		10. Field and Pool, or Exploratory Area Ute Dome Paradox
		11. County or Parish, State San Juan NM

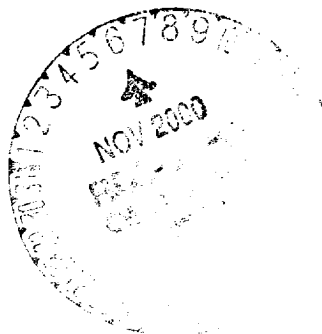
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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 <u>Open</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Additional Pay</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 approximated 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 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 final site is ready for final inspection.)

It is proposed to perforate and acidize the following additional Paradox (Akah) pay intervals:
7,936'-60', 8,012'-23', 8,026'-32', 8,040'-46' & 8,060'-70'

The well will be returned to production from all Paradox perforated intervals.



SEE ATTACHED
CONDITIONS OF APPROVAL

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

Thomas DeLong

Title

Production Engineer

Date

7-12-2000

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ JOHN L. RECOR

ACTING

MINERAL'S STAFF CHIEF

OCT 26 2000

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, 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.

Cross Timbers Operating Company
Tribal Lease: 14-20-604-62
Well: Mountain Ute Gas Com A #1
Location: 2270' FNL & 1700' FEL
Sec. 3, T. 31 N., R. 14 W.
San Juan County, New Mexico

Conditions of Approval:

1. A production log survey or testing of individual Paradox zones correlating perforated intervals with the name of the producing zones must be run within the first three months (not to exceed three months) of production or when production stabilizes. This testing is to determine the contribution each component zone of the Paradox formation contributes to overall production. This test is to be repeated in three years or as required by the UMU Tribe and the BLM. Repeat testing may be required to determine the cause of changes in production. The purpose of this information is to enable reservoir analysis to be performed on the individual productive zones. Records of production from the individual Paradox zones must be maintained by Cross Timbers for review by UMU Tribe and BLM personnel.
2. No additional zones will be commingled without UMU Tribal and BLM approval.
3. Stabilized Bottom hole pressures must be taken from the perforated zones of the Paradox formation. This pressure monitoring will take place within 30 days after the onset of production after the well has cleaned up.
4. Within 30 days after operations have been completed, please send a subsequent report of operations via Sundry Notice and a revised wellbore diagram.