

ACTION OIL COMPANY

3160

Lease Number: 14-20-604-90

Well: Ute Mountain "B" #21

Location: NWNE Sec. 31, T.31N., R.15W.

San Juan County, New Mexico

CONDITIONS OF APPROVAL - SUBSEQUENT REPORT OF ABANDONMENT

1. Please contact the San Juan Resource Area-Bureau of Land Management office at least 24 hours prior to commencing the plugging operations. If work is to commence on Sunday or Monday, please notify this office on Friday.
2. The well must be filled with a wellbore fluid sufficient to stabilize the wellbore. The fluid must be left between all plugs.
3. Sufficient cement shall be on hand to circulate to surface.
4. Approval of this Sundry Notice is for down hole plugging only. Surface reclamation must be completed in accordance with BIA/Ute Mountain Ute Energy Office requirements. Please contact Steve Graham, UMU BIA Agency (303-565-8741) for specific reclamation requirements and seed mixtures.
5. Materials used will be accurately measured.
6. A tank or approved pit must be used for containment of any fluids from the wellbore during plugging operations. All unattended pits are to be fenced.
7. Pits are not to be used for disposal of any unauthorized materials.
8. When the wellsite is ready for final surface inspection, please contact this office and UMU BIA Agency in order that an onsite inspection can be made. Final Abandonment Notice (FAN) can be submitted via Sundry Notice at that time.
9. After the FAN is approved by this office, your liability associated with the subject well will terminated.
10. Plug No. 1 shall be tagged.