108 M FORM APPROVED **UNITED STATES** Form 3160-5 Budget Bureau No. 1004-0135 (November 1994) DEPARTMENT OF THE INTERIOR Expires November 30, 2000 REAU OF LAND MANAGEMENT 5. Lease Serial No. RECEIVED NOTICES AND REPORTS ON WELLS Ute 14-20-0604-0078 BLM 6. If Indian, Allottee or Tribe Name 2 001911 use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposed JUL -6 PM 3:5 Ute Mountain Ute Tribe IN TRIPLICATE - Other instructions on reverse side 7. If Unit or CA/Agreement, Name and/or No. 1. Type of Well X Gas Well Oil 8. Well Name and No. Well Ute Mountain 2. Name of Operator |Tribal J #7 Cross Timbers Operating Company 9. API Well No. 3a. Address 2700 Farmington Ave., 3b. Phone No. (include area code) 30-045-29864 Bldg K, Suite 1, Farmington, NM 87401 505/324-1090 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Ute Dome (Paradox) 575' FNL & 625' FWL, Unit Ltr D Sec. 12, T31N, R14W 11. County or Parish, State San Juan NM OF NOTICE, REPORT, OR OTHER DATA CHECK APPROPRIATE BOX(ES) TO INDICATE 12. urango Oč AND CHARMACH TYPE OF SUBMISSION Notice of Intent Acidize Production (Start/Resume) Water Shut-Off Alter Casing Fracture Treat Reclamation Well Integrity Subsequent Report Other Spud and Casing Repair New Construction Recomplete Plug and Abandon Change Plans Temporarily Abandon Surface Casing Final Abandonment Notice Convert to Injection Water Disposal Plug Back 13. Describe Proposed or Coommpleted 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/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.) MIRU Key Energy Services Rig #54. Spudded 12-1/4" hole @ 5:30 pm (MST), 6/27/99. Drilled 12-1/4" hole to 857'. Ran new 8-5/8", 24#, J-55, STC csg & set @ 857'. RU Dowell/Schlumberger & cmt'd w/175 sx Cl B cmt w/2% D79, 2% CaCl<sub>2</sub>, 1/4#/sx celloflake (11.4 ppg, 2.87 cuft/sx, 17.63 gals wtr/sx) followed w/150 sx Cl B cmt w/2% CaCl, 1/4#/sx celloflake (14.8 ppg, 1.34 cuft/sx, 6.29 gals wtr/sx). Disp cmt w/52 BFW. Plug down @ 7:15 am, 6/29/99. Bumped plug to 500 psig (400 psig over final disp press). Float held OK. Circ 101 sx cmt to surface. Cut off csq. WOC 26 hrs. Tested BOP equipment to 500/3000 psig. OK. Prep to drill out cement w/7-7/8" bit and drill ahead. Administrative Order NSL-4169

14. I hereby certify that the foregoing is true and correct Title Name (Printed/Typed) Drilling/Operations Manager Bobby L Recented For Record THIS SPACE FOR FEDERAL OR STATE OFFICE USE Title TG 7/19/99 Date Approved by อกเลยา กิจออนเ**ซอ Area** 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 Glasso of Land Management which would entitle the applicant to conduct operations thereon.

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.