

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

FORM APPROVED
CMB NO. 1004-0135
Expires: November 30, 2000

5. Lease Serial No.
NMSF078818A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
USA 2

9. API Well No.
30-045-24503-00-S1

10. Field and Pool, or Exploratory
BASIN FRUITLAND COAL

11. County or Parish, and State
SAN JUAN COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☐ Gas Well ☒ Other: UNKNOWN

2. Name of Operator
TEXAKOMA OIL & GAS CORPORATION

Contact: RODNEY KIEL
E-Mail: rodkiel@netscape.net

3a. Address
5400 LBJ FRWY, SUITE 500
DALLAS, TX 75240

3b. Phone No. (include area code)
Ph: 972.701.9106
Fx: 972.701.9056

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

Sec 24 T32N R13W SWSW 0930FSL 1050FWL
36.96779 N Lat, 108.15950 W Lon

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 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 recompleat 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 recompleat 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.)

Texakoma has replaced the rods, pump, and tubing on the USA #2 and installed a pumping unit and engine. We have also installed two 500-bbl steel tanks for the water. On May 30, 2002 the well was tested at a rate of 300 BWP/D and 20 MCF/D (the gas was vented). A gas line was reconnected to an existing Williams Field Services sales meter and the well did sell 3 MCF during the month of June. A water transfer pump has been installed and a survey has been completed to install a 4105' water line (all on the same lease) to pump the water to a holding pond owned by the San Juan Coal Company. We are awaiting approval from the Office of the State Engineer to amend an existing permit allowing Texakoma to send our water to the San Juan Coal Company. We anticipate approval in the next 30 days, at which point we will install the water line and begin pumping the well.

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

Electronic Submission #13080 verified by the BLM Well Information System
For TEXAKOMA OIL & GAS CORPORATION, sent to the Farmington
Committed to AFMSS for processing by Steve Mason on 07/25/2002 (02SXM0433SE)

Name (Printed/Typed) RODNEY KIEL

Title OPERATIONS ENGINEER

Signature (Electronic Submission)

Date 07/25/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED

STEPHEN MASON
Title PETROLEUM ENGINEER

Date 07/25/2002

Approved By

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

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ****

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