*Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB No 1004-0137 Expires July 31, 2010

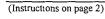
5 Lease Serial No. MOO-C-1420-4388

6 If Indian, Allottee or Tribe Name

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.					UTE MOUNTAIN UTE TRIBE		
SUBMIT IN TRIPLICATE – Other instructions on page 2.					7. If Unit of CA/Agreement, Name and/or No		
1. Type of Well							
Oil Well Gas Well Other					8. Well Name and No Ute Mountain Ute 27 #44		
2. Name of Operator PRIORITY ENERGY, LLC					9 API Well No 3004526834		
3a Address	3b. Phone No. (include area code)			10. Field and Pool or Exploratory Area			
P O Box 663, Summerland, CA 93067		(805) 969-9941			Basin Dakota		
4 Location of Well (Footage, Sec., T., R., M., or Survey Description) . 995 FSL & 1055 FEL Sec 27, T31N, R14W, NMPM					11. Country or Parish, State San Juan County, NM		
12 CHEC	K THE APPROPRIATE B	OX(ES) TO INDIC	ATE NATURE	OF NOTIC	E, REPORT OR OTHE	ER DATA	
TYPE OF SUBMISSION	TYPE OF ACT				ON		
✓ Notice of Intent	Alter Casing		racture Treat Recla		ction (Start/Resume)	Water Shut-Off Well Integrity	
Subsequent Report	Casing Repair		onstruction		nplete	Other OFF-LEASE MEASUREMENT	
Final Abandonment Notice	Change Plans Convert to Injection	~	Plug and Abandon Plug Back		orarily Abandon Disposal	WEAGONEMENT	
Attach the Bond under which the was following completion of the involve testing has been completed. Final determined that the site is ready for Use "Off-lease Measurement" thru to Gas to be allocated back to the well ACCEPTED FOR PACCEPTED.	ed operations If the opera Abandonment Notices mus- final inspection.) EFM at Wintershall CDP s using the same allocat	tion results in a mul t be filed only after meter #91901127 ion procedure as p	itiple completion all requirement located on Ut performed in the second	n or recompl s, including te Mt. Leaso he past.	etion in a new interval, reclamation, have been #751-88-0001 for a	a Form 3160-4 must be filed once completed and the operator has	
14. I hereby certify that the foregoing is t	rue and correct Name (Prin	ited/Typed)					
WEST HAHN			Title Contract Production Supervisor for Priority Energy, LLC				
Signature West VOA			Date 03/01/2012				
	THIS SPACE	FOR FEDER	AL OR ST	ATE OF	ICE USE		
Conditions of approval, if any, are attache that the applicant holds legal or equitable entitle the applicant to conduct operations	atle to those rights in the sub		tify	Msc	I	Date 3/14/2012	

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





Priority Energy, LLC.

Tribal Lease: MOO-C-1420-4388 Well: Ute Mountain Ute #27-44

Surface Location: 995' FSL & 1055' FEL

Sec. 27, T. 31 N., R. 14 W. San Juan County, New Mexico

Conditions of Approval: Sundry Notice (Off Lease Measurement):

1. Approval is granted for a period of five years until March 13, 2017, at which time a request for extension of this approval and the other wells in this gathering system will be required.

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- 2. This office reserves the right to rescind this approval at any time should gross inefficiencies in the measurement and allocation of production arise.
- 3. Contact this office in the event of any lost hydrocarbons between the lease and the off-lease measurement point.
- 4. A sign must be installed at the master meter location which (a) clearly identifies it as the CDP (Central Delivery Point), (b) gives the legal location of the master meter, and (c) lists all wells which are served by the CDP.
- 5. Provide to this office with monthly reports of allocated vs. well head meter volumes on a quarterly basis. Include gas analysis for each well if available.
- 6. No other wells can be added to this off-lease measurement approval without prior approval of this office.