

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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. IMDA 751-05-1025, Tract A |
| 2. Name of Operator Elk San Juan, Inc. | | 6. If Indian, Allottee or Tribe Name Ute Mountain Ute |
| 3a. Address 1401 17th. Street, Suite 700, Denver Colorado, 80202 | 3b. Phone No. (include area code) 303-296-4505 | 7. If Unit or CA/Agreement, Name and/or No. |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) I: 1605' FSL, 945 FEL, CSE Section 35-T31N-R15W | | 8. Well Name and No. Ute Mountain Tribal 35-D |
| | | 9. API Well No. 3004533562 |
| | | 10. Field and Pool, or Exploratory Area Basin Dakota |
| | | 11. County or Parish, State San Juan County, NM |

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 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 checked="" type="checkbox"/> Other Surface Casing Report |
| | <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 recomplate 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 site is ready for final inspection.)

The subject well was spudded on 2/11/2006. Drilled a 12 1/4" hole to 380'. Set 8 5/8", 24#, J55 surface casing @ 372'. Cement 8 5/8" csg w/ 290 sx Class B cmt w/ 2% CaCl & 1/4# flocele, mixed at a 15.6 ppg & 1.18 yield, 61 bbls slurry, circulated cmt to surface. Test csg to 1000# for 30 min., held ok.

ACCEPTED FOR RECORD

By: *Dr. DL 5/16/06*
San Juan Resource Area
Bureau of Land Management

JUN 2006

| | | |
|--|--|-------------------------------------|
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Karin Kuhn | | Title Engineering Technician |
| Signature <i>Karin Kuhn</i> | | Date 05/02/2006 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------------|------------|
| Approved by _____ | Title _____ | Date _____ |
| 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 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.

(Instructions on page 2)

OPERATOR'S COPY

MAY - 5 2006

Bureau of Land Management
Durango, Colorado

RECEIVED