

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: November 30, 2000

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		8. Well Name and No. REGINA RANCH FEDERAL 32 #1
2. Name of Operator Westerly Exploration, Inc.		9. API Well No. 30-043-20989
3a. Address c/o Walsh Engineering & Production Corp. 7415 East Main St. Farmington, NM 87402	3b. Phone No. (include area code) (505) 327-4892	10. Field and Pool, or Exploratory Area WILDCAT ENTRADA
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 435' FSL & 990' FWL Sec. 32, T23N, R1W		11. County or Parish, State Sandoval County, New Mexico

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 checked="" 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 checked="" type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated 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 site is ready for final inspection.)

4/6/06 - 4/10/06: P&A Upper & Lower Gallup formation:
TIH and spotted 50 ft of cement on top of CIBP at 6600'. RIH and set CICR at 6200', stinging out of retainer and spot 50 ft of cement on top of CICR. Pressure test casing to 1500 psi - held OK.

Pictured Cliffs Completion:
Perforations: 2802', 13', 17', 21', 24', 29', 40', 44', 48', 52', 75', 78', 81', & 86'. 4 spf, total of 56 (0.34") holes. Ball of w/ 2500 gal of 15% HCL and 75 ea. 7/8" ball sealers down casing. Good ball action and complete to 3500 psi. Frac Pictured Cliffs formation w/ 15,000 gal pad of 20# cross linked gel in a 70 Quality foam at 40 bpm (downhole rate) followed by 100,000# of 20/40 Brady sand in 1.0 - 6.0 ppg stages. AIR: 41.1 bpm, MIR: 44.8 bpm, ATP: 1,480 psi, MTP: 1,614 psi. Initial flowback pressure was 1,100 psi thru a 1/4" choke. After well flowed back and cleaned up, TIH and landed 2-3/8" tubing at 2808'. ND BOP & NU WH. Set test meter to establish a flowrate. 24 hr test, indicated flowrate to be 1,559 mcf/day. SWI and wait on pipeline.

2006 MAY 10 10:00 AM
 RECEIVED
 070 FIELD OFFICE
 FARMINGTON, NM

PLEASE SUBMIT YOUR COMPLETION REPORT FOR THE PICTURED CLIFFS.

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

Name (Printed/Typed) John C. Thompson	Title Engineer / Agent
Signature <i>[Signature]</i>	Date April 5, 2005

ACCEPTED FOR RECORD
JUN 16 2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title FARMINGTON FIELD OFFICE
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 operation thereon.	Office BY <i>[Signature]</i>

Title 18 U.C.S. Section 1001 and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOCDD

Westerly Exploration, Inc.
Wellbore Schematic
Regina Ranch 32#1
Current Wellbore Configuration

Location: 435' fsl & 990' fwl
 Sec 32, T23N, R1W, NMPM
 Sandoval Co, New Mexico
 Prepared: April 6, 2005

Elevation: 7423' GL
 7439' RKB
 Field: Wildcat

Prepared by: John Thompson

