

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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 070 FARMINGTON NM		5. Lease Serial No. NMNM013642
2. Name of Operator Peoples Energy Production - Texas, L.P.		6. If Indian, Allottee or Tribe Name NA
3a. Address 1301 McKinney, Ste. 3200 Houston, Texas 77010	3b. Phone No. (include area code) 713-890-3600	7. If Unit or CA/Agreement, Name and/or No. NA
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Surface S26, T32N, R9W (O) 795' FSL & 1600' FEL Production Zone S26, T32N, R9W (I) 1920' FSL & 690' FEL		8. Well Name and No. Gardner 14
		9. API Well No. 30-045-33631
		10. Field and Pool, or Exploratory Area Blanco Mesaverde
		11. County or Parish, State San Juan, 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 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 Production
	<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 recomplate 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.)

6/9/06 - Drilled 6-1/4" hole to 6434' MD and ran 4-1/2", K-55 10-1/2" # LTC casing and landed @ 6393' MD KB. KB = 14'.

Stage: 1, Lead, 0, 135 sk, TXI .25#/Sk D29, 5#/Sk D24, .2% D46, 10% D154, .5% D153, .2% D800, .15% D65, .3% D167, Yield 2.28, Density 11.4 #/gal.

Stage: 1, Tail, 0, 220 sk, 50/50 Poz 4% D20, .25#/SK D29, .3% D167, .15% D65, .25#/sk D29, .1% D46, .25% D800, Class G, Yield 1.25, Density 13.5 #/gal. Plug down held 500 psi.

6/20/06 - Ran CBL log found top of cement behind 4-1/2" production casing @ 1900'. Intermediate casing set @ 3833'.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Brad Walls

Title Agent/Consultant

Signature

Date

7/3/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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.	Title _____ Office _____	Date _____
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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)

NMOC

JUL 10 2006

FARMINGTON FIELD OFFICE