

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

5. Lease Serial No.
SF-078505 **SEP 2006**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Seymour 718S

9. API Well No.
30-045-32557

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

11. County or Parish, State
San Juan, New Mexico

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

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

2. Name of Operator
Koch Exploration Company, LLC

3a. Address
PO Box 489, Aztec, NM 87410

3b. Phone No. (include area code)
505-334-9111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1585' FSL & 955' FEL, S14, T31N, R9W "I"
Lat 36.53.7009, Long 107.44.6111**

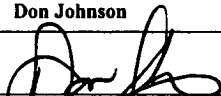
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 Extension to
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Approved APD
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

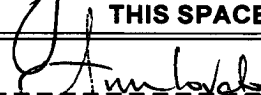
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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.)

An extension to the original APD was granted through April 8, 2007. We will not be able to obtain a drilling rig until after the December 1, 2006 deadline for the wintering area, and the April 8, 2007 date does not allow us time after the wintering restrictions to build the location, and obtain a rig. Therefore, we are requesting another extension to the Application For Permit to Drill (APD). We would like to extend the APD until December 31, 2007.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) **Don Johnson** Title **Field Operations Manager**

Signature  Date **09/08/2006**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by  Title **Petr. Eng.** Date **9/20/06**

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)

NMCCD