

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 reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No 1004-0135
Expires July 31, 1996

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement Name and/or N

NE HOGBACK UNIT
BLM
FARMINGTON NM

8. Well Name and No.

NE HOGBACK UNIT

9. API Well No.

30-045-30361

10. Field and Pool, or Exploratory Area

Horseshoe Gallup

11. County or Parish, State

San Juan

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

PARAWON OPERATING LLC c/o Mike Pippin LLC (Agent)

3a. Address

Pippin, 3104 N. Sullivan, Farmington, NM 87401

3b. Phone No. (include area code)

505-327-4573

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec. 10, 11, 14, 15 T30N R16W

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other TEST EACH UNIT WELL

13 Describe Proposed or Completed Operations (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.)

PARAWON LLC plans to test each of the producing NE Hogback Unit wells to determine their oil & water production rates. We plan to start by installing a ~40 bbl tank on the first location and producing into the tank for 24 hours. The oil & water will then be measured and subsequently pumped back into the flow line to the central Unit tank battery with a portable pump. The tank will then be moved to the next well and the process repeated. We plan to test the following NE Hogback Unit wells in T30N R16W:

#34: 530' FS 365' FW SEC. 10

#35: 660' FS 2310' FW SEC. 10

#36: 360' FS 1730' FE SEC. 10

#40: 2130' FS 1650' FE SEC. 10

#41: 1980' FS 660' FE SEC. 10

#52: 2180' FS 1040' FE SEC. 10

#53: 1350' FS 1120' FE SEC. 10

#60: 1310' FN 1310' FE SEC. 10

#28: 2310' FN 925' FW SEC. 1#7: 875' FN 585' FW SEC. 14

#33: 2120' FS 660' FW SEC. 1#8: 660' FN 1980' FW SEC. 14

#38: 460' FS 860' FW SEC. 11#2: 825' FN 875' FE SEC. 15

#39: 780' FS 2060' FW SEC. 1#21: 410' FN 910' FW SEC. 15

#50: 1940' FN 375' FW SEC. 1#22: 1980' FN 2070' FE SEC. 15

#51: 1585' FS 1050' FW SEC. #5: 1980' FN 1980' FW SEC. 15

#56: 1570' FS 2090' FW SEC. #6: 650' FN 1910' FE SEC. 15

#55: 300' FN 1050' FW SEC. 14

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

Name (Printed/Typed)

Mike Pippin

Title

Petr. Engr. (Agent)

Signature

Date

August 9, 2007

THIS SPACE FOR FEDERAL OR STATE 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, makes 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 reverse)

NMDCD

APPROVED

AUG 10 2007