

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  
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator  
U. S. ENERCCORP, LTD.

3a. Address  
P. O. BOX 17098, SAN ANTONIO, TX 78217

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
SHL: 3250' FSL & 1220' FEL 3-23N-1W NMPM

**RECEIVED**

**NOV 07 2007**

Bureau of Land Management  
Farmington Field Office  
210 829 4888

5. Lease Serial No.  
NMNM-108021

6. If Indian, Allottee or Tribe Name  
N/A

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

8. Well Name and No.  
LAGUNA COLORADO 2/3 #1

9. API Well No.  
30-039-30272

10. Field and Pool, or Exploratory Area  
W. PUERTO CHIQUITO MANCOS

11. County or Parish, State  
RIO ARRIBA 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 <u>Spud, surface casing</u> |
|                                                       | <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 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.)

Spud well at 0300 November 3, 2007. Surface TD = 354 ft  
Set 354' 10-3/4" 40.5# J-55 surface casing November 4, 2007.  
Circulated 35 bbl to surface.  
Test BOP November 5, 2007. → 750 psi, 30 min  
See attached drilling report, cementing report, & casing tally sheet.

RCVD NOV 13 '07  
OIL CONS. DIV.  
DIST. 3

cc: BLM, Rodriguez

ACCEPTED FOR RECORD  
NOV 08 2007  
FARMINGTON FIELD OFFICE  
BY T. Salvors

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

BRIAN WOOD

(PHONE 505 466-8120)

Title CONSULTANT

(FAX 505 466-9682)

Signature

B. Wood

Date

11/05/2007

**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

Date

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)

**NMOCD**

U.S. ENERCORP, LTD.  
Daily Drilling Report

Page 1

Operator : U.S. Enercorp, LTD. Elevation : 7295' GR  
Well Name : LAGUNA COLORADO 2/3 #1 PTD : 9832' (MD)  
Field/Prospect : West Puerto Chiquito Mancos Contractor: Pin Point /Rig#10  
Lease Serial # : NMNM-108021 API# : 30-039-30272  
Location : 3250' FSL & 1220' FEL; SECTION 3 T24N, R1W, RIO ARRIBA COUNTY

| <u>WELL NAME</u>       | <u>DEPTH</u> | <u>FOOTAGE</u> | <u>DAYS</u> |
|------------------------|--------------|----------------|-------------|
| LAGUNA COLORADO 2/3 #1 | 140'         | 140'           | 1           |

AFE: CUBALI

REPORT DATE: 11/03/07

REPORT BY: US ENERCORP, LTD.

CONTRACTOR: PATTERSON UTI RIG #754

MW: 8.4

VISC: 48

PRESENT OPERATION: DRLG.

**ACTIVITY:**

17.0 HRS. MIRU PIN POINT RIG #10. OFF LOAD EQUIP, MUD, CSG, & BHA TOOLS.  
2.0 HRS. DRILL RAT & MOUSE HOLES.  
2.0 HRS. P/U 14-3/4" BHA.  
3.0 HRS. SPUD WELL AT 3:00 AM ON 11/3/07. DRLG F/0' T/140'.

DC: [REDACTED]

CC: [REDACTED]

LAGUNA COLORADO 2/3 #1  
AFE: CUBALI

|      |      |   |
|------|------|---|
| 354' | 214' | 2 |
|------|------|---|

REPORT DATE: 11/04/07

REPORT BY: US ENERCORP, LTD.

CONTRACTOR: PATTERSON UTI RIG #754

MW: 8.4

VISC: 48

PRESENT OPERATION: INSTALLING 11" 3M WELLHEAD.

**ACTIVITY:**

2.5 HRS. DRLG F/140' T/230'.  
0.5 HR. W/L SURVEY @ 190' - 0.25°.   
1.5 HRS. DRLG F/230' T/354'.  
1.0 HR. CIRC WELLBORE CLEAN.  
0.5 HR. W/L SURVEY @ 340' - 0.25°.   
1.5 HRS. POOH. STAND BACK 6-1/2' DC'S. LD 8" & BHA.  
3.5 HRS. R/U CSG CREW. P/U SHOE, 1 JT 10-3/4" 40.5# J-55 STC CSG. INSTALLED 3 BOW SPRING CENTRALIZERS ON FLAT JT. INSTALLED BAFFEL FLOOR & RAN 8 ADDITIONAL JTS OF 10-3/4" CSG. CENTRALIZERS INSTALLED EVERY 4<sup>TH</sup> JT TO 354'.  
1.0 HR. R/D CSG CREW EQUIP.  
2.0 HRS. MIRU HALLIBURTON CMT EQUIP. S/M. TEST PUMPS & LINES TO 1500 PSI. PUMP 20 BBLS FW SPACER, 355 SX TYPE V AT 15.6 PPG, 1.18 YIELD WITH 2% CACL, 0.125 LBM POLY FLAKE. FULL RETURNS. 35 BBLS OF CMT TO SURFACE. DROPPED PLUG. DISPLACE W/32 BBLS FW. BUMPED PLUG. TESTED CSG TO 500 PSI. FLOAT HELD. APPLIED 100 PSI TO CSG. SI. RDMO HALLIBURTON.  
4.0 HRS. WOC.  
6.0 HRS. RELEASED PRESSURE. CUT CSG & INSTALLED 11" 3M X 10-3/4" CAMERON WELLHEAD. PREHEAT CSG. WELDED & TESTED TO 750 PSI FOR 30 MINS.

DC: [REDACTED]

CC: [REDACTED]

Daily Drilling Report

Operator : U.S. Enercorp, LTD. Elevation : 7295' GR  
Well Name : LAGUNA COLORADO 2/3 #1 PTD : 9832' (MD)  
Field/Prospect : West Puerto Chiquito Mancos Contractor: Pin Point /Rig#10  
Lease Serial # : NMNM-108021 API# : 30-039-30272  
Location : 3250' FSL & 1220' FEL; SECTION 3 T24N, R1W, RIO ARRIBA COUNTY

| WELL NAME              | DEPTH | FOOTAGE | DAYS |
|------------------------|-------|---------|------|
| LAGUNA COLORADO 2/3 #1 | 377'  | 23'     | 3    |

AFE: CUBAL1

REPORT DATE: 11/05/07

REPORT BY: US ENERCCORP, LTD.

CONTRACTOR: PATTERSON UTI RIG #754

MW: 8.4 VISC: 48

PRESENT OPERATION: DRLG @ 377'.

## ACTIVITY:

5.0 HRS. S/M. N/U 11" 3M SPACER SPOOL, DRILLING CROSS, 11" 3M BOP'S, ROT HEAD, CHOKE MANIFOLD, & KILL LINE.

9.0 HRS. R/U TESTING COMPANY. TEST BOP'S TO 250 LOW/2000 HIGH FOR 10 MIN EACH TEST. TEST CSG TO 500 PSI FOR 30 MINS. FUNCTION TEST ACCUMULATOR. ALL TESTS CONDUCTED TO BLM STANDARDS. ALFANZO ATENCIO WITH THE BLM WITNESSED ALL TESTS. RDMO TESTERS.

3.0 HRS. P/U 9-7/8" INTERMEDIATE HOLE SECTION BHA. GIH TO 300'. TAGGED CMT.

0.5 HR. R/S.

0.5 HR. CIRC GREEN CMT TO TOP OF FLOAT COLLAR @ 318'. DRILLED HARD CMT AT 310'.

5.0 HRS. DRLG WIPER PLUG, INSERT FLOAT COLLAR, & CMT TO 354'.

1.0 HRS. DRLG F/354' T/377'.

DC:

CC:

# U. S. Enercorp. Ltd.

## CEMENTING REPORT

|                                   |  |  |  |                                       |  |  |  |
|-----------------------------------|--|--|--|---------------------------------------|--|--|--|
| WELL: Laguna Colorado 2/3 No.1    |  |  |  | COUNTY, STATE: Rio Arriba, NM         |  |  |  |
| RIG: Pin Point Rig 10             |  |  |  | CEMENT COMPANY: Halliburton           |  |  |  |
| R-K.B. to WELLHEAD FLANGE: 12 ft. |  |  |  | LAST CASING: in. SET @ ft.            |  |  |  |
| T.D.: 354 ft.                     |  |  |  | T.V.D.: 354 ft. HOLE SIZE: 14 3/4 in. |  |  |  |

| No. OF JOINTS RECEIVED | SIZE (in.) | WEIGHT (lb/ft.) | ID (in.) | GRADE | LENGTH THREADS OFF (feet) | API EST MAKE-UP TORQUE (ft-lb.) | ACTUAL MAKE-UP TORQUE (ft-lb.) |
|------------------------|------------|-----------------|----------|-------|---------------------------|---------------------------------|--------------------------------|
| 10                     | 10 3/4     | 40.5            |          | J-55  | 398.88                    | 4200                            | 4200                           |

|                                                |     |     |                                                  |                        |                 |         |          |
|------------------------------------------------|-----|-----|--------------------------------------------------|------------------------|-----------------|---------|----------|
| FLOAT SHOE @                                   | 354 | ft. | TOTAL PIPE ON LOCATION                           | 10                     | jts.            | 398.88  | ft.      |
| FLOAT COLLAR @                                 | 318 | ft. | TOTAL PIPE ON SLIPS                              |                        | jts.            |         | ft.      |
| MARKER JOINT @                                 |     | ft. | WEIGHT OF STRING IN MUD (LESS BLOCKS)            |                        |                 | 14,050  | lb.      |
| D. V. TOOL @                                   | N/A | ft. | WEIGHT HUNG ON SLIPS (LESS BLOCKS)               |                        |                 |         | lb.      |
| TOP of LINER @                                 |     | ft. | MUD DATA: 8.4 ppg. Visc. 48 sec. PV - YP - Gels. |                        |                 |         |          |
| TOP PLUG: YES X NO                             |     |     | OTHER:                                           |                        |                 |         |          |
| BTM. PLUG: YES NO X                            |     |     | CEMENTING DATA FIRST STAGE                       |                        |                 |         |          |
| LATCH DOWN                                     |     |     | SPACER TYPE                                      | Fresh water            | VOL.            | 20      | bbl.     |
| PLUG: YES NO x                                 |     |     | MIXED @                                          | 8.33 ppg.              | PUMP RATE       | 3 @ 100 | psi.     |
| CSG. VOL.: 0.0981 bbl/ft.                      |     |     | LEAD SLURRY: 355 sx. CLASS                       | Type V                 |                 | 2% CaCl |          |
| CSG. CAP.: 31.1 bbl. (to:FC)                   |     |     | + .125 lbm Poly Flake                            |                        |                 |         |          |
| BIT SIZE: Caliper                              |     |     | MIXED @                                          | 15.6 ppg.              | PUMP RATE       | 4 BPM @ | 130 psi. |
| ANNULAR VOLUME: 0.5666 ft <sup>3</sup> /ft.    |     |     | YIELD - 1.18 ft <sup>3</sup> /sk.                | WATER - 5.25 gal/sk.   | FINISH MIXING @ | 17.45   | Hrs.     |
| EXCESS: 100% %                                 |     |     | TAIL SLURRY: sx. CLASS                           |                        |                 | w/      |          |
| ANNULAR VOLUME w/ EXCESS: ft <sup>3</sup> /ft. |     |     | MIXED @                                          | ppg.                   | PUMP RATE       | BPM @   | psi.     |
| DESIRED TOC: ft.                               |     |     | YIELD - ft <sup>3</sup> /sk.                     | WATER - gal/sk.        | FINISH MIXING @ |         | Hrs.     |
| ANNULAR CAPACITY: ft <sup>3</sup> .            |     |     | DISPLACEMENT FLUID TYPE                          | FW                     | VOL.            | 32      | bbl.     |
| THEOR. LIFT PRESSURE                           |     |     | DENSITY - 8.3 ppg.                               | STARTING PUMP RATE - 3 |                 | BPM     |          |
|                                                |     |     | @ 130 psi.                                       | FINAL PUMP RATE - 3    | BPM @           | 170     | psi.     |
|                                                |     |     | BUMPED PLUG w/ 500 psi.                          | @                      | 17.45           |         | Hrs.     |

|                             |                                                        |
|-----------------------------|--------------------------------------------------------|
| CENTRALIZERS:               |                                                        |
| TOTAL NO. RUN: 6            | FLOAT(S) HELD: YES x NO FULL RETURNS: YES x NO         |
| TYPE: Turbaco               | CEMENT TO SURFACE: YES x NO VOLUME TO SURFACE: 35 bbl. |
| PLACEMENT: 3 on float jt.   | TOP OF CEMENT: ft. (RKB)                               |
| 1 on every 3rd jt o surface | REMARKS: Full returns throughout job.                  |

|                                                                                |                         |
|--------------------------------------------------------------------------------|-------------------------|
| CASING RECIPROCATED DURING?                                                    |                         |
| SPACER: YES NO X                                                               | MIXING CEMENT: YES NO X |
| DISPLACEMENT: YES NO X                                                         |                         |
| CASING ROTATED DURING?                                                         |                         |
| SPACER: YES NO X                                                               | MIXING CEMENT: YES NO X |
| DISPLACEMENT: YES NO X                                                         |                         |
| REMARKS: Good returns throughout cmt. Job.<br>BLM Alfanzo Atencio witness job. |                         |

|                   |            |
|-------------------|------------|
| TOOLPUSHER        | Mark Cable |
| U.S. Enercorp Rep | Roy Heflev |
| DATE: 11/3/07     | CmtRep.xls |

# U.S. ENERCCORP

Casing Tally Worksheet

WELL NAME: Laguna Colorado 2/3 No 1  
 FIELD: \_\_\_\_\_  
 DATE: 11/5/07

CASING SIZE: \_\_\_\_\_  
 TOTAL DEPTH: 350 feet 10 75

|    | CUM    | OFF    |        | CUM    | OFF    |  | CUM    | OFF    |  | CUM    | OFF    |  | CUM    | OFF    |  | CUM    | OFF    |
|----|--------|--------|--------|--------|--------|--|--------|--------|--|--------|--------|--|--------|--------|--|--------|--------|
|    | CASING | BOTTOM |        | CASING | BOTTOM |  | CASING | BOTTOM |  | CASING | BOTTOM |  | CASING | BOTTOM |  | CASING | BOTTOM |
| 1  | 40.40  | 40.40  | 309.60 | 51     |        |  | 101    |        |  | 151    |        |  | 201    |        |  | 251    |        |
| 2  | 40.43  | 80.83  | 269.17 | 52     |        |  | 102    |        |  | 152    |        |  | 202    |        |  | 252    |        |
| 3  | 39.76  | 120.58 | 229.42 | 53     |        |  | 103    |        |  | 153    |        |  | 203    |        |  | 253    |        |
| 4  | 38.66  | 159.24 | 190.76 | 54     |        |  | 104    |        |  | 154    |        |  | 204    |        |  | 254    |        |
| 5  | 40.44  | 199.68 | 150.32 | 55     |        |  | 105    |        |  | 155    |        |  | 205    |        |  | 255    |        |
| 6  | 37.26  | 236.94 | 113.06 | 56     |        |  | 106    |        |  | 156    |        |  | 206    |        |  | 256    |        |
| 7  | 40.50  | 277.44 | 72.56  | 57     |        |  | 107    |        |  | 157    |        |  | 207    |        |  | 257    |        |
| 8  | 40.50  | 317.94 | 32.06  | 58     |        |  | 108    |        |  | 158    |        |  | 208    |        |  | 258    |        |
| 9  | 40.52  | 358.46 | -8.46  | 59     |        |  | 109    |        |  | 159    |        |  | 209    |        |  | 259    |        |
| 10 | 40.42  | 398.88 | -48.88 | 60     |        |  | 110    |        |  | 160    |        |  | 210    |        |  | 260    |        |
| 11 |        |        |        | 61     |        |  | 111    |        |  | 161    |        |  | 211    |        |  | 261    |        |
| 12 |        |        |        | 62     |        |  | 112    |        |  | 162    |        |  | 212    |        |  | 262    |        |
| 13 |        |        |        | 63     |        |  | 113    |        |  | 163    |        |  | 213    |        |  | 263    |        |
| 14 |        |        |        | 64     |        |  | 114    |        |  | 164    |        |  | 214    |        |  | 264    |        |
| 15 |        |        |        | 65     |        |  | 115    |        |  | 165    |        |  | 215    |        |  | 265    |        |
| 16 |        |        |        | 66     |        |  | 116    |        |  | 166    |        |  | 216    |        |  | 266    |        |
| 17 |        |        |        | 67     |        |  | 117    |        |  | 167    |        |  | 217    |        |  | 267    |        |
| 18 |        |        |        | 68     |        |  | 118    |        |  | 168    |        |  | 218    |        |  | 268    |        |
| 19 |        |        |        | 69     |        |  | 119    |        |  | 169    |        |  | 219    |        |  | 269    |        |
| 20 |        |        |        | 70     |        |  | 120    |        |  | 170    |        |  | 220    |        |  | 270    |        |
| 21 |        |        |        | 71     |        |  | 121    |        |  | 171    |        |  | 221    |        |  | 271    |        |
| 22 |        |        |        | 72     |        |  | 122    |        |  | 172    |        |  | 222    |        |  | 272    |        |
| 23 |        |        |        | 73     |        |  | 123    |        |  | 173    |        |  | 223    |        |  | 273    |        |
| 24 |        |        |        | 74     |        |  | 124    |        |  | 174    |        |  | 224    |        |  | 274    |        |
| 25 |        |        |        | 75     |        |  | 125    |        |  | 175    |        |  | 225    |        |  | 275    |        |
| 26 |        |        |        | 76     |        |  | 126    |        |  | 176    |        |  | 226    |        |  | 276    |        |
| 27 |        |        |        | 77     |        |  | 127    |        |  | 177    |        |  | 227    |        |  | 277    |        |
| 28 |        |        |        | 78     |        |  | 128    |        |  | 178    |        |  | 228    |        |  | 278    |        |
| 29 |        |        |        | 79     |        |  | 129    |        |  | 179    |        |  | 229    |        |  | 279    |        |
| 30 |        |        |        | 80     |        |  | 130    |        |  | 180    |        |  | 230    |        |  | 280    |        |
| 31 |        |        |        | 81     |        |  | 131    |        |  | 181    |        |  | 231    |        |  | 281    |        |
| 32 |        |        |        | 82     |        |  | 132    |        |  | 182    |        |  | 232    |        |  | 282    |        |
| 33 |        |        |        | 83     |        |  | 133    |        |  | 183    |        |  | 233    |        |  | 283    |        |
| 34 |        |        |        | 84     |        |  | 134    |        |  | 184    |        |  | 234    |        |  | 284    |        |
| 35 |        |        |        | 85     |        |  | 135    |        |  | 185    |        |  | 235    |        |  | 285    |        |
| 36 |        |        |        | 86     |        |  | 136    |        |  | 186    |        |  | 236    |        |  | 286    |        |
| 37 |        |        |        | 87     |        |  | 137    |        |  | 187    |        |  | 237    |        |  | 287    |        |
| 38 |        |        |        | 88     |        |  | 138    |        |  | 188    |        |  | 238    |        |  | 288    |        |
| 39 |        |        |        | 89     |        |  | 139    |        |  | 189    |        |  | 239    |        |  | 289    |        |
| 40 |        |        |        | 90     |        |  | 140    |        |  | 190    |        |  | 240    |        |  | 290    |        |
| 41 |        |        |        | 91     |        |  | 141    |        |  | 191    |        |  | 241    |        |  | 291    |        |
| 42 |        |        |        | 92     |        |  | 142    |        |  | 192    |        |  | 242    |        |  | 292    |        |
| 43 |        |        |        | 93     |        |  | 143    |        |  | 193    |        |  | 243    |        |  | 293    |        |
| 44 |        |        |        | 94     |        |  | 144    |        |  | 194    |        |  | 244    |        |  | 294    |        |
| 45 |        |        |        | 95     |        |  | 145    |        |  | 195    |        |  | 245    |        |  | 295    |        |
| 46 |        |        |        | 96     |        |  | 146    |        |  | 196    |        |  | 246    |        |  | 296    |        |
| 47 |        |        |        | 97     |        |  | 147    |        |  | 197    |        |  | 247    |        |  | 297    |        |
| 48 |        |        |        | 98     |        |  | 148    |        |  | 198    |        |  | 248    |        |  | 298    |        |
| 49 |        |        |        | 99     |        |  | 149    |        |  | 199    |        |  | 249    |        |  | 299    |        |
| 50 |        |        |        | 100    |        |  | 150    |        |  | 200    |        |  | 250    |        |  | 300    |        |
|    | 398.88 |        |        | 0.00   |        |  | 0.00   |        |  | 0.00   |        |  | 0.00   |        |  | 0.00   |        |

Total Casino String Length 398.88  
 Casino Left Out 40.42  
 Casino Run 358.46  
 Float Shoe Length 1.18  
 Float Collar Length 0.00

Landing Collar Length \_\_\_\_\_ feet  
 Liner Hanger Length \_\_\_\_\_ feet  
 Packer & Tie-Back Sleeve Length \_\_\_\_\_ feet  
 Setting Tool Length \_\_\_\_\_ feet  
 Total Casino String Length 359.64 feet  
 Casino Above The Rig Floor 9.64 feet

11/5/07