

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

JAN 8 2008

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

Bureau of Land Management
Albuquerque Field Office
210 829 4888

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

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 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 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.)

Daily reports & swabbing reports for Dec. 21 - Jan. 3 attached.
Directional profiles & measurements attached.
Built tank battery and will sell first oil once C-104 is approved.

RCVD JAN 16 '08
OIL CONS. DIV.

DIST. 3

PLEASE KEEP ALL DETAILS CONFIDENTIAL

cc: BLM, Rodriguez

ACCEPTED FOR RECORD
JAN 14 2008
BLM FIELD OFFICE
BY [Signature]

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

[Signature]

Date

01/06/2008

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, or to any matter within its jurisdiction.

(Instructions on page 2)

NMOCD

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LAGUNA COLORADO 2/3 #1 **REPORT DATE: 12/27/07**
AEE: CUBA11 **REPORT BY: US ENERCORP LTD**

U.S. ENERCORP, LTD.
Daily Completion Report

Page 23

Operator : U.S. Enercorp, LTD. **Elevation** : 7295' GR
Well Name : LAGUNA COLORADO 2/3 #1 **TD** : 8051' (MD)
Field/Prospect : West Puerto Chiquito Mancos **TD** : 6508' (TVD)
Lease Serial # : NMNM-108021 **API#** : 30-039-30272
Location : 3250' FSL & 1220' FEL; SECTION 3 T24N, R1W, RIO ARRIBA COUNTY
12/27/07 CONT.

PRESENT OPERATION: WORKING ON FIREWALL FOR PROD EQUIP.

ACTIVITY:

12/23/07 SITP – 280 PSI.
12/24/07 SITP – 320 PSI.
12/25/07 SITP – 340 PSI.
12/26/07 SITP – 360 PSI.
12/27/07 @ 7:00 AM, SITP – 370 PSI. S/M. MIRU TEFTELLER S/L. GIH W/1-11/16" DUMMY RUN. TAG FLUID @ 5880'. GIH TO 6200'. POOH. P/U & GIH W/PRESSURE BOMB. TAKE READINGS @ 0', 2000', 4000', 5800', 6000', & 6200'. POOH & R/D EQUIP. SECURE WELL. SDFN DUE TO SEVERE WEATHER - 14°. WHITE OUT CONDITIONS. WORKING ON FIREWALL FOR PRODUCTION EQUIP. EQUIPMENT ORDERED. WAITING ON WEATHER TO TRANSPORT.

LAGUNA COLORADO 2/3 #1
AFE: CUBALI

REPORT DATE: 12/28/07
REPORT BY: US ENERCORP, LTD.
PRESENT OPERATION: BUILDING PAD.
ACTIVITY: SITP – 390 PSI. SICP – 0 PSI. S/M. OPEN WELL. R/U & MAKE SWAB RUN TO 5000'. TAG FLUID. PULL FROM 5930'. STRONG OIL & GAS TO TANK. WELL FLOWED 17 BBLs GAS CUT MUD. CLEAN RIG TANK & HOT OIL. SECURE WELL. SDFN.

LAGUNA COLORADO 2/3 #1
AFE: CUBALI

REPORT DATE: 12/29/07
REPORT BY: US ENERCORP, LTD.
PRESENT OPERATION: BUILDING PAD.
ACTIVITY: RIG SHUT DOWN. UNLOADED 400 BBL PRODUCTION TANKS. BUILDING PAD.

LAGUNA COLORADO 2/3 #1
AFE: CUBALI

REPORT DATE: 12/30/07
REPORT BY: US ENERCORP, LTD.
PRESENT OPERATION: BUILDING PAD.
ACTIVITY: RIG SHUT DOWN. SET 400 BBL PRODUCTION TANKS. BUILDING PAD.

LAGUNA COLORADO 2/3 #1
AFE: CUBALI

REPORT DATE: 01/02/08
REPORT BY: US ENERCORP, LTD.
PRESENT OPERATION: BUILDING PAD.

U.S. ENERCORP, LTD.
Daily Completion Report

Page 24

<u>Operator</u>	: U.S. Enercorp, LTD.	<u>Elevation</u>	: 7295' GR
<u>Well Name</u>	: LAGUNA COLORADO 2/3 #1	<u>TD</u>	: 8051' (MD)
<u>Field/Prospect</u>	: West Puerto Chiquito Mancos	<u>TD</u>	: 6508' (TVD)
<u>Lease Serial #</u>	: NMNM-108021	<u>API#</u>	: 30-039-30272
<u>Location</u>	: 3250' FSL & 1220' FEL; SECTION 3 T24N, R1W, RIO ARriba COUNTY		
<u>01/02/08 CONT.</u>			

ACTIVITY: SITP 400 PSI. OPEN WELL TO RIG TANK. WELL FLOWED 2 HRS. MADE 15 BBLS OF OIL. R/U & SWAB WELL. MADE 10 RUNS. TOTAL FLUID SWABBED 42 BBLS OIL. TOTAL 57 BBLS OIL. SECURE WELL & SDFN.

LAGUNA COLORADO 2/3 #1
AFE: CUBALI

REPORT DATE: 01/03/08
REPORT BY: US ENERCORP, LTD.
PRESENT OPERATION: BUILDING PAD.
ACTIVITY: SITP 300 PSI. OPEN WELL TO RIG TANK - NO FLOW, STRONG GAS BLOW. R/U & SWAB WELL. MADE 14 RUNS. TOTAL FLUID SWABBED 62.5 BBLS OIL. SECURE WELL & SDFN.