Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

SUNDRY NOTICES AND REPORTS ON WELLS

| FORM APPROVED | |
|-----------------------|----|
| OM B No 1004-0137 | |
| Expires: March 31, 20 | 07 |

| i. | Lease Ser | | | |
|----|-----------|--------------|-------|---|
| | IMDA | 751-05-1025, | Tract | C |

| Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. | | | | 6. If Indian, Allottee or Tribe Name Ute Mountain Ute | | |
|---|--|---|--|---|-------------------------------------|--|
| SUBMIT IN TRIPLICATE- Other instructions on reverse side. | | | | 7. If Unit or CA/Agreement, Name and/or No. NA 8. Well Name and No. Ute Mountain Tribal 21D 9. API Well No. | | |
| 1. Type of Well Gas Well Other | | | | | | |
| 2 Name of Operator Elk San Juan, Inc. | | | | | | |
| 3a. Address 1401 17th Street, Suite 700, D | 3b. Phone No. (include area code) 303-296-4505 | | 3004534113 10 Field and Pool, or Exploratory Area | | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) J: 1700' FSL, 1645' FEL, Section 21-T31N-R14W | | | | Basin Dakota 11. County or Parish, State San Juan County, NM | | |
| 12. CHECK AI | PPROPRIATE BOX(ES) TO | INDICATE NATUR | E OF NOTICE, R | EPORT, OR | OTHER DATA | |
| TYPE OF SUBMISSION | | TYI | PE 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 (Statement of Statement of Statem | ŕ | Water Shut-Off Well Integrity Other | |
| 13. Describe Proposed or Complete | ed Operation (clearly state all pert | inent details, including estin | mated starting date of an | y proposed wor | k and approximate duration thereof | |

If the proposal is to deepen directionally or recomplete 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 recompletion 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.)

Due to size restraints on the drilling rig, Elk San Juan is requesting to use a 2M BOP on the production hole. Verbal approval given on 4/25/2008 by Dan Rabinowitz, BLM.

RCVD MAY 9'08

OIL CONS. DIV.

DIST. 3

| 14. Thereby certify that the foregoing is true and correct Name (Printed/Typed) Karin Kuhn | Title | Sr. Engineering Technician | | | | |
|--|--------|----------------------------|------|--|--|--|
| Signature Varin Kuhw | Date | 05/06/2008 | | | | |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | | | | | |
| Approved by | | Title | Date | | | |
| Conditions of approval, if any, are attached Approval of this notice does not warrant 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)

NO Durango Blan Aproval