

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.*

5. Lease Serial No.
751-05-1025

6. If Indian, Allottee or Tribe Name

Ute Mountain Ute Tribe

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Elk San Juan, LLC

3a. Address
1401 17th Street, Suite 700
Denver, CO 80202

3b. Phone No. (include area code)
303-296-4505

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

8. Well Name and No.
Ute Mountain Tribal No. 24-43

9. API Well No.
30-045-34114

10. Field and Pool or Exploratory Area
Verde Field, Gallup

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660' FSL, 1650' FEL
SWSE Section 24-T31N-R15W

11. Country or Parish, State
San Juan County, NM

12. CHECK THE 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 Operations Update
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Swabbing operations began 7/29/09 for the subject well. Moved in, rigged up Key Rig #2028. Swabbed well (15 runs), recovered 30.5 bbls fluid total. Rig down rig. Waiting on completions.

ACCEPTED FOR RECORD

By: *DWR* 6/4/09
San Juan Resource Area
Bureau of Land Management

RCVD SEP 10 '09
OIL CONS. DIV.
DIST. 3

RECEIVED

AUG 31 2009

Bureau of Land Management
Durango, Colorado

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

Name (Printed/Typed)
Karin Kuhn

Title Sr. Engineering Technician

Signature

Date 08/28/2009

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 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)

RECORDED

Elk Production LLC Field Activity Report

UTE MTN UTE RES.

UTE MTN TRIBAL 24-43 "A"

GAL

31N 15W 24 SWSE

8RSC

30045341140000

SYNOPSIS: Swabbing operations began 7/29/09 for the subject well. Moved in, rigged up Key Rig #2028. Swabbed well (15 runs), recovered 30.5 bbls fluid total. Rig down rig. Waiting completions.

7/7/09: RU Tefteller. (NA csg; 30# tbg) Ran 1.25 sampler to 2648', recovered oil sample. Ran 1.25 sampler to 3660' & recovered wtr sample. POOH. RD.

Intermediate Casing: Elk drilled from 1689' to 2877' (5/13/09). Set 7", 23#, J-55 casing @ 2877'. Cemented 7" casing with 246 sx (84.6 bbls) 65/35 HSR/Poz w/ additives lead at 12.3 ppg, tail with 100 sx HRS w/ additives at 15.2 ppg. Drop plug and circulated cement to surface. Wait on cement. Presuress tsted 7" csg @ 1500 psi for 30 mins, held good. Pressure test BOPE to 2M specs (no BLM supervision). Drill out cement; drill new hole from 2877' to 3716'. Reached TD on 5/17/09. Received permission to open-hole complete well from BLM. Lay down drill pipe and collars. Set packer. Rlstd drlg rig on 5/19/09, Nipple down BOPE. Rig down and move off drilling rig.

Spud 5/7/2009. MIRU Bearcat Rig #1. Drld 12 1/4" hole to 272'. Set 9 5/8" 36#, J-55 surface casing @ 215'. The 9 5/8" surf pipe was cemented with 42 bbls cement (200 sx) HSR, displaced cement with 13 bbls fresh water. Did not bump plug, FCP was 95 psi/shut in with 35 psi, 20 bbls cement back. On 5/10/09, tested BOPE, pressure tested casing to 1500 psi for 30 min with Rodney Brasher, BLM representative, witnessing tests. Drill out cement from 145' to 224'. Currently drilling ahead at 1679'.

Daily Detail:

7/7/2009 RU Tefteller. (NA csg; 30# tbg) Ran 1.25 sampler to 2648', recovered oil sample. Ran 1.25 sampler to 3660' & recovered wtr sample. POOH. RD.

7/29/2009 Spot Key rig & RU. Remove blind flange (tbg 0#; csg 45#). Install BOP. Talley pipe. Prep to swab. RIH w/ tbg to tag btm. Did not tag btm; ran tbg to 3703' (TD @ 3705'). TOOH 2 jts tbg. RU to swab; attach flowline. RIH to swab. Tag fluid @ 2200'. Gauge tank (2.0"), 3bbls. SD for weather.

7/30/2009 Ck pressure (0# tbg; 0# csg). Prep to swab. RIH to swab (FL @ 2200'). Throttle not functioning, WO repairs. Swab well (15 runs). Total fluid 30.5 bbls. LD 24 jts pipe (to original tbg depth of 2889'). Remove BOP, install upper half of well head. Do partial RD due to high winds.

7/31/2009 Finish RD.