

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
NMNM-0468126
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No
8. Well Name and No
Callow #3
9. API Well No
30-045-07823
10. Field and Pool, or Exploratory Area
W. Kutz Pictured Cliffs
11. County or Parish, State
San Juan County, NM

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator Elm Ridge Exploration Company, LLC	
3a. Address PO Box 156 Bloomfield, NM 87413	3b. Phone No (include area code) (505) 632-3476 ext. 201
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1650' FSL X 990' FEL  I - Sec.28-T29N-R13W NE/SW	

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 Csg-tbg manifold, possible swabbing operation
	<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 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.)

This well is capable of gas production, but has logged off. On January 4, 2010, field personnel manifolded the casing and tubing together. The well will remain shut in for about a week to see if the casing can build up enough pressure to lift the water in the tubing. If not, we will schedule the well for swabbing operations as weather permits. A sundry will be submitted upon the return of this well to production.

RCVD JAN 6 '10  
OIL CONS. DIV.  
DIST. 3

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Amy Mackey	Title Administrative Manager
Signature	Date January 5, 2010

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.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office  
1235 La Plata Highway, suite A  
Farmington, New Mexico 87401

IN REPLY REFER TO:

NMNM-0468126 et al. (WC)  
3162.3-2 (21110)

December 3, 2009

Mr. Terry Lindeman  
Elm Ridge Resources, Inc.  
PO Box 156  
Bloomfield, NM 87413

RCVD JAN 6 '10  
OIL CONS. DIV.

DIST. 3

Dear Mr. Lindeman:

Our records indicate that you are the operator of the following wells:

- ★ 1) No. 3 Callow located 1650' FSL & 990' FEL sec. 28, T. 29 N., R. 13 W., San Juan County, New Mexico, Lease NMNM-0468126. Well has not produced since August, 2008.  
2) No. 2 Jicarilla Florance D located 790' FNL & 1298' FWL sec. 6, T. 23 N., R. 4 W., Rio Arriba County, New Mexico, Lease Jicarilla Contract 362. Well has not produced since August, 2008.

Title 43 CFR Section 3162.3-4 requires that the lessee shall promptly plug and abandon, condition as a service well, or condition as a water well, any well on a lease that is not used or useful for the purpose of the lease. Accordingly, you are required to advise this office by Sundry Notice within 30 calendar days of your intent to perform one of the following: a) Condition the well to a useful function, b) Temporarily abandon the well, c) Continued shut-in status, d) Permanently plug and abandon the well.

See attached General Requirements for Non-Producing wells on Federal leases.

The 30 calendar days commences upon receipt of this letter or seven days from the date it is mailed, whichever is less. Failure to comply within the 30 calendar days may result in an assessment in accordance with 43 CFR 3163.1.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the orders described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management (NM-93000), P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such request shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions, please contact Stephen Mason with this office at (505) 599-6364.

Sincerely,

Stephen Mason

Petroleum Engineer, Petroleum Management Team

1 Attachment

cc: Jicarilla Apache Nation; BIA, Jicarilla Agency