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Form 3160-5  
(August 2007)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

DEC 30 2009

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 20105. Lease Serial No.  
N0001C-14-20-7471

6. If Indian, Allottee or Tribe Name

**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 page 2.

## 1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

## 2. Name of Operator

Running Horse Production Co.

## 3a. Address

PO Box 369 Ignacio, CO 81137

## 3b. Phone No. (include area code)

970-563-5167

## 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1740' FSL 870' FEL, Section 35 T27N R12W

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

8. Well Name and No.  
Pete #1R9. API Well No.  
30-045-25663

## 10. Field and Pool or Exploratory Area

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 type="checkbox"/> Other          |  |
|                                                       | <input type="checkbox"/> Change Plans         | <input checked="" 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            | 12/10/09                                |  |

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.)

Please see attached P&amp;A rig reports

Surface reclamation not complete.

RCVD JAN 7 '10  
OIL CONS. DIV.

DIST. 3

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

Title Engineer II

Signature

Date 12/28/2009

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)

NMOCD

## Daily Report

## A - PLUS WELL SERVICE

P.O. BOX 1979 • FARMINGTON, NM 87499  
505-325-2627 • FAX (505) 325-1211

34255

Rig No. 9Date 12-10-09 Day THURWell Name Pete #1R Sec. 35 T27N, R11W Company Running Horse Production  
1740 FSL 570 FEL 90 Red Willow

| FROM  | TO    | DESCRIPTION OF OPERATION                                                    |
|-------|-------|-----------------------------------------------------------------------------|
| 7:00  | 7:30  | SERV Rig + P.T. HSM on JSA                                                  |
|       |       | Hook-up to DOB-HOUSE + Pusher trailer                                       |
| 7:30  | 8:30  | RODE Rig + equip to loc. + spot                                             |
| 8:30  | 9:00  | HSM on JSA + rigging-up                                                     |
| 9:00  | 10:00 | RU Rig                                                                      |
| 10:00 |       | CK PRESSURES, tbg, csg & no B.H.                                            |
|       |       | RU ROD TOOLS, P.H. on rods, did not feel or see pump unseat                 |
|       |       | LD 1-5/8 polished rod w/stuffing box + 1-5/8 1' pony rod                    |
|       |       | LD 1-8', 1-6', 1-4' pony rods, LD 44 5/8 rods                               |
|       | 12:00 | 5-3/4 K-BARS, 1- tbg pump barrel                                            |
| 12:00 |       | WD wellhead, P.H. on tbg to remove slips                                    |
|       |       | slips welded onto 2 3/8 sub, tbg is 2 1/16                                  |
|       |       | Strip off wellhead down to 4 1/2 csg collar                                 |
|       |       | Strip on 4 1/2 x 5 1/2 swedge, 5 1/2 x 8 5/8 HEAD 8 5/8                     |
|       |       | companion flange + BOP, change rams to 1 1/2 rams                           |
|       | 2:30  | function TEST BOP RU floor + tongs                                          |
| 2:30  |       | P.H. on tbg Brake Handle would not go down                                  |
|       |       | TRKZ Brake linkage, Remove Brake cover on tony side                         |
|       |       | BRKZ BAND Hung-up on Brake linkage, repair &                                |
|       | 3:30  | test brakes Brakes OK.                                                      |
| 3:30  |       | LD 1 1/2 w/pretension, LD 1 1/2 w/hole, stamperback + trolley 37fts (1182') |
|       |       | 1-2 1/2 T. sub, 1- tbg pump, 40fts 2 1/16 EUE TBL TOTAL                     |
|       | 5:00  | S.I.W + secure loc.                                                         |
| 5:00  | 6:00  | TRAVEL BACK TO YARD                                                         |
|       |       | LARRY PIXLEY W/BHM ARRIVED on loc about 12:00 PM                            |
|       |       | + was notified about no B.H. valve, called S. Mason                         |
|       |       | + requiring to Perf. at 445, CR at 390,                                     |
|       |       | maybe 320 CR at 260, surface + 150'                                         |

Fuel & Motor Oil \_\_\_\_\_ Water Hauled 2 Lds A-Plus

Rental Equipment \_\_\_\_\_ Cement Retainers \_\_\_\_\_

Cementing \_\_\_\_\_ NOTIFIED BLM AT 9:05 A.M. on 12-7-09

Wireline \_\_\_\_\_

| CREW       | NAME        | UNIT # | MILEAGE | HOURS |
|------------|-------------|--------|---------|-------|
| Supervisor | B. RANDALL  | 44     | 64      |       |
| Operator   | D. COMANCHE | 47     | 64      | 11    |
| Derrick    | R. PARDO    |        |         | 11    |
| Floors     | A. LOZANO   |        |         | 11    |
| Floors     | R. Melendez |        |         | 11    |
| Floors     |             |        |         | 11    |

RCI - 090576A

## Daily Report

## A - PLUS WELL SERVICE

P.O. BOX 1979 • FARMINGTON, NM 87499  
505-325-2627 • FAX (505) 325-1211

34256

Rig No 9Date 12-11-09 Day FRI.Well Name PZL #1BCompany Running Horse Production  
90 Red Willow

| FROM  | TO    | DESCRIPTION OF OPERATION                                         |
|-------|-------|------------------------------------------------------------------|
| 6:00  | 7:00  | TRAVEL TO LOC.                                                   |
| 7:00  | 7:30  | SERV. SQUIB + HSM on JSA, proper lifting                         |
| 7:30  |       | CHK PRESSURE 4 1/2 csg                                           |
|       |       | PU 1-A-Plus 4 1/2 csg scraper, T1H w/37-ft to 1182'              |
|       | 9:00  | LD 37-ft + scraper                                               |
| 9:00  |       | X-over tools to 2 3/8                                            |
|       | 10:45 | WAIT on 2 3/8 WORKSTRING, HELP SPOT Flants                       |
| 10:45 |       | TALLY 32-ft A-Plus 2 3/8 WORKSTRING                              |
|       |       | PU 1-4 1/2 DHS CR + 33-ft 2 3/8, set C.R. at 1035'               |
|       | 12:00 | PT T86 TO 1000' HLD CR. STING-OUT                                |
| 12:00 |       | LOAD + circulate 4 1/2 csg clean w/25 BBLs                       |
|       |       | ATTEMPT to PT 4 1/2 csg, NO TEST, pump 2 BBLs P/m at 0'          |
|       |       | STING back into C.R. est rate at 2 BBLs P/m at 0'                |
|       |       | Pump Plug #1 w/675xs 79.06 cu/ft w/290 cat. 15-6" CLASS B cement |
|       |       | 1350-861 TOL 785', pump 48xs below C.R.                          |
|       |       | 19xs above                                                       |
|       | 1:30  | LD ALL TBL + STINGER                                             |
| 1:30  |       | RD Floor, dig-out AROUND 7" surface csg                          |
|       |       | ISSUE HOT-work permit + HSM                                      |
|       | 2:45  | Cut 7" level, weld on cap onto 4 1/2 x 7" w/2" outlet            |
| 2:45  |       | RD Black window wireline, R/H w/CBL tool, Run CBL                |
|       | 3:45  | FROM 750-100' TAG TOL 755' good cement RD W.L.                   |
| 3:45  |       | PU 15-ft EDT AT 471, water circulating out B.H while T1H         |
|       |       | LOAD csg w/1/2 bbl, Pump Plug #2 w/215xs 24.78 cu/ft 15-6"       |
|       |       | CLASS B cement 471-200 TOL 195'                                  |
|       | 4:30  | LD All tbg, S.L.W. PRAVU-up                                      |
| 4:30  | 5:20  | TRAVEL BACK TO YARD                                              |
|       |       | OK'd by BLM Rep to pump inside from 471-200'                     |
|       |       | LARRY DIXLEY w/BLM on loc.                                       |

Fuel &amp; Motor Oil \_\_\_\_\_ Water Hauled \_\_\_\_\_

Rental Equipment \_\_\_\_\_ Cement Retainers 1-4 1/2 DHSCementing Plug #1 675xs w/290 cat. Plug #2 215xs

Wireline \_\_\_\_\_

| CREW       | NAME               | UNIT #                  | MILEAGE   | HOURS         |
|------------|--------------------|-------------------------|-----------|---------------|
| Supervisor | <u>B. RANDALL</u>  | <u>44</u>               | <u>64</u> |               |
| Operator   | <u>D. COMANCHE</u> | <u>47</u>               | <u>64</u> | <u>11 1/2</u> |
| Derrick    | <u>R. PARDO</u>    |                         |           | <u>11 1/2</u> |
| Floors     | <u>A. LOZANO</u>   |                         |           | <u>11 1/2</u> |
| Floors     | <u>R. Melendez</u> | <u>6:00-8:30 (SICK)</u> |           | <u>2 1/2</u>  |
| Floors     | <u>A. Reyes</u>    |                         |           | <u>11 1/2</u> |

RCL - 090576A

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