Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires Inovember 30, 2000

Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS NMSF 080384B Do not use this form for proposals to drill or reenter an 6. If Indian, Allottee or Tribe Name abandoned well. Use Form 3160-3 (APD) for such proposals. SUBMIT IN THIPLICATE = Other instructions on reverse side 7. If Unit or CA/Agreement, Name and/or No. Type of Well **X** Gas Well 8. Well Name and No. Oil Well Other Hickman 7R Name of Operator Running Horse Production, LLC API Well No. 30-045-25646 Address Phone No. (include area code PO Box 369, Ignacio CO 81137 970-563-5000 10. Field and Pool, or Exploratory Area Location of Well (Footage, Sec., T., R., M., or Survey Description) **Basin Fruitland Coal** 500' FNL, 790' FEL 11. County or Parish, State Sec. 3. T26N-R12W San Juan, New Mexico 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Notice of Intent Acidize Production (Start/Resume) Water Shut-Off Deepen Alter Casing Fracture Treat Reclamation Well Integrity Recomplete Subsequent Report Casing Repair **New Construction** Other Evaluate Well Temporarily Abandon Change Plans Plug and Abandon Water Disposal Final Abandonment Notice Convert to Injection Plug Back 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 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.) The Hickman 7R was completed in October of 1985, but waited on pipeline until 1993. Once it was tied in, production stayed around 11 MFCD until June of 1998. The well hasn't produced anything since. Running Horse Production Company, LLC recently took over operatorship of this well and we respectfully request time to evaluate the economic alternatives for this well.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)
Robert J. Voorheles
Vice President of Engineering
Signature
THIS SPACE FOR FEDERAL OR STATE/USE

Approved by
Original Signed: Stephen Mason

Title

Date
MAR 2 1 2005

Title 18 U.S.C. Section 1001, 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 reverse)

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.