Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR RECEIVED BUREAU OF LAND MANAGEMENT

FORM APPROVED OM R No. 1004-013 Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS () 1 2011

5 Lease Senal No. NMNM 104606

If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for Buchaproposals Management Farmington Field Office
7 If Unit or CA/Agreement. Name and/or No SUBMIT IN TRIPLICATE- Other instructions on reverse side. NMNM 112 1 Type of Wel ✓ Gas Well Other 8. Well Name and No. 2. Name of Operator Coleman Oil & Gas, Inc. Juniper Com 10 #31 9. API Well No 30-045-33044 3a Address 3b Phone No (include area code) P.O. Drawer 3337 505-327-0356 10 Field and Pool, or Exploratory Area Basin Fruitland Coal 4 Location of Well (Footage, Sec., T., R., M., or Survey Description) 11 County or Parish, State 1145' FNL, 1405' FEL B, Section 10, T24N, R10W Latitude 36° 19' 57", Longitude 107° 52' 43" San Juan, New Mexico 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE. REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deenen Production (Start/Resume) Water Shut-Off Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Casing Repair New Construction Other Recomplete Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back ■ Water Disposal 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 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) RETURNED WELL TO PRODUCTION AUGUST 29, 2011. RCVD SEP 6'11 SPUD WELL DECEMBER 17, 2006 ATT CONS. DIV. **RELEASED ROTARY TOOLS DECEMBER 22, 2006** DIST. 3 14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) MICHAEL T. HANSON Title OPERATIONS ENGINEER Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Title Date Approved by 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 Office which would entitle the applicant to conduct operations thereon

(Instructions on page 2)

SEP 0 5 2011



Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212. make it a crime for any person knowingly and willfull Montake to Land department of tagency 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-104606 (WC) 3162.3-2 (21110)

August 5, 2010

Mr. Michael T. Hanson Coleman Oil & Gas, Inc. PO Drawer 3337 Farmington, NM 87499-3337

Dear Mr. Hanson:

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

- 1) No. 31 Juniper com 10, 1145' FNL & 1405' FEL sec. 10, T. 24 N., R. 10 W., San Juan County, New Mexico, Lease NMNM-104606. The well last produced in April, 2010.
- 2) No. 34 Juniper com 10, 1200' FSL & 2000' FEL sec. 10, T. 24 N., R. 10 W., San Juan County, New Mexico, Lease NMNM-104606. The well last produced in April, 2010.
- 3) No. 31 Juniper com 18, 1000' FNL & 1600' FEL sec. 18, T. 24 N., R. 10 W., San Juan County, New Mexico, Lease NMNM-104606. The well last produced in March, 2010.

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