

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

MAY 21 2012

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.

Farmington Field Office
Bureau of Land Management

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
NAVAJO NATION OIL & GAS COMPANY3a. Address
PO BOX 5069
WINDOW ROCK, AZ 865153b. Phone No. (include area code)
(303)534-83004. Location of Well (Footage, Sec., T, R., M., or Survey Description)
1017' FSL & 1131' FWL SWSW Sec. 29, T. 27N, R. 14W5. Lease Serial No.
NO-G-1008-17736. If Indian, Allottee or Tribe Name
NAVAJO NATION

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

8. Well Name and No.
CBM 29-27-14 #139. API Well No.
30-045-3534510. Field and Pool or Exploratory Area
BASIN FRUIT. COAL11. Country or Parish, State
SAN JUAN, 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 BP	<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 Spud and Casing Report
	<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 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 must 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 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.)

04/21/2012: Spud well at 22:00 hrs. w/ bit #1 (12-1/4", SEC, RT). TD 12-1/4" surface hole at 357' at 04:30 hrs 4/22/2012. Run 8 jts of 8-5/8", 24, J-55, ST&C casing. Land casing at 351.89' KB. Precede cement w/ 20 bbls of gel water. Mix & pump 265 sx (310 cu.ft.) of Class "G" w/ 1/8#/sx of Polyflake & 2% CaCl2. Bump plug to 500 psi - held OK. Release pressure & check floats - held OK. Circulated 20 bbls of good cement to surface. NU BOP, choke manifold and related equipment. 3rd party pressure test (Well Check) BOP, choke manifold & all related valves. 250 psi - low for 5 min & 1500 psi - high for 10 min. All tests OK. TIH w/ Kelly cock & pressure test casing to 650 psi - for 30 min. Test OK. RD testers. TIH w/ bit #2 (7-7/8", Halliburton, FX55M). Tag up on cement at 311'. Break circulation & drill out cement, float & shoe jt. Notified Val Uentillie from NN Minerals Department of intent to spud.

05/03/2012: TD well in Morrison formation at 5878' at 22:30 hrs 5/3/2012. Circulate & condition mud. Bring viscosity up to 75. Lay down 40 jts of 5-1/2" drill pipe, stand remaining drill pipe & drill collars back. Finish TIH. TOH, laying down drill pipe & drill collars. Ran 141 jts of 5-1/2", 15.5#, J-55, LT&C casing. Land casing at 5878' KB, float collar at 5863' KB, marker jt at 5428' KB & DV tool at 3824' KB. Pressure test pumps/ lines to 3000 psi. Precede cement w/ 5 bbl water, 20 bbls of gel/chem was & 5 bbl water space. Mix & pump 150 sx (292.5 cf) of Halliburton Light Premium w/ 5#/sx of Kol-Seal, 1/8#/sx of Poly Flake & 0.4% HR-5. Tail in w/ 180 sx (235 cf) of 50/50 Poz w/ 5#/sx of Kol-Seal, 1/8#/sx of Poly Flake, 0.15% CFR-3 & 0.3% Halad R-9. Pump slurry at 5 bpm. Drop plug & displace cement w/ 60 bbls of water & 80 bbls of mud (total displacement: 140 bbls). Bump plug to 1400 psi - release pressure to check floats, held OK. Continue pumping and circulate out 20 bbls of good cement to surface. Precede cement w/ 5 bbl water, 20 bbls of gel/chem was & 5 bbl water space. Mix & pump 400 sx (776 cf) of Halliburton Light Premium w/ 5#/sx of Kol-Seal, 1/8#/sx of Poly Flake & 0.4% HR-5 Tail in w/ 200 sx (230 cf) of 50/50 Poz w/ 5#/sx of Kol-Seal, 1/8#/sx of Poly Flake, 0.15% CFR-3 & 0.3% Halad R-9. Pump slurry at 5 bpm. Drop plug & displace cement w/ 91.3 bbls of water. Circulated 25 bbls of good cement to surface. Bump plug to 2500 psi (close DV tool) - held OK. Release pressure to check float, held OK

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

Racheal Dahozy

Title Regulatory Analyst

RCVD JUN 1 '12
OIL CONS. DIV.

Signature

Date 05/08/2012

DIST. 3

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

FARMINGTON FIELD OFFICE
BY SW