

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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 reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM013642
2. Name of Operator Peoples Energy Prod. - TX, L.P.		6. If Indian, Allottee or Tribe Name NA
3a. Address 909 Fannin, Ste. 1300 Houston, Texas 77010	3b. Phone No. (include area code) 713-890-3600	7. If Unit or CA/Agreement, Name and/or No. NA
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) S25, T32N, R9W (G) 2610 RSL, 1550 FWL		8. Well Name and No. Gardner 10
		9. API Well No. 30-045-33053
		10. Field and Pool, or Exploratory Area Blanco Mesaverde
		11. County or Parish, State San Juan, New Mexico

12. CHECK 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 checked="" type="checkbox"/> Other Intermediate Casing
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Cement, and PSI
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Test

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 recomplate 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.)

10/12/05 - Drilled 8-3/4" hole and ran 7", J-55 23# LTC casing and landed @ 3711' KB. KB = 13' 4"

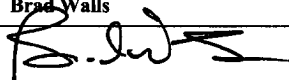
Ran centralizers 1 joint above float collar at 3325, 1 @ 189', 1 @ 101', and 1 @ 57'. Also ran 7 turbulizers from 1822' to 2087'.

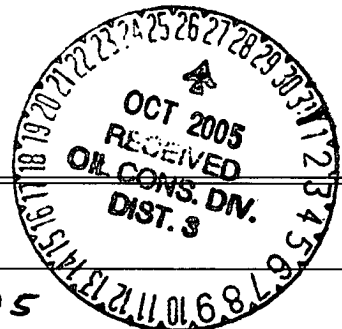
1st Stage - Lead 75 sks Class G TXI 25:75 blend with 25#/sks of D29, 3% D79, 2% D46, 5#/sks D24.

1st Stage Tail - 50 sks 50:50 Class G Poz 2% Gil, 25#/sks D29, 5#/sks D24, 1% S-1, 15% D65.

2nd Stage - 375 sks Class G TXI 25:75 blend with .25#/sks D25, 3% D79, .2% D46, 5#/sks D24. Density 11.7, Yield 2.11 Circulate 38 bbls

10/14/05 - Tested BOP and casing to 750# held O.K.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Brad Walls		Title Agent/Consultant
Signature 		Date 10/20/05



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 _____	ACCEPTED FOR RECORD OCT 20 2005 FARMINGTON FIELD 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)

NMOC