

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Running Horse Production, LLC

3a. Address

PO Box 369, Ignacio, CO 81137

3b. Phone No. (include area code)

970-563-5100

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

500' FNL & 790' FEL, Section 3, T26N-R12W

5. Lease Serial No.

NMSF 080384B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Hickman #7R

9. API Well No.

30-045-25646

10. Field and Pool, or Exploratory Area

Basin FR Coal

11. County or Parish, State

San Juan County, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☒ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zone. 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 (if Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.)

Running Horse Production Company plans to plug and abandon this well according to the following procedures.

MIRU Service Unit

NU 5 1/2" relief line. Blow well down. Kill with water if necessary

Laydown tubing

Connect cement truck to 5 1/2" casing and fill casing with 128sx(150cu ft) of class H cement w 1/4#/sx celloflake

Pump cement until casing stands full

Cut off wellhead and install dryhole marker

Reclaim location as per BLM specifications

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

James Keene

Title

Senior Petroleum Engineer

Date

October 27, 2005

Approved by

Original Signed: Stephen Mason

Title

Date

NOV 04 2005

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, 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)

NMOC