

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. Jicarilla Contact 238
2. Name of Operator Benson-Montin-Greer Drilling Corp.		6. If Indian, Allottee or Tribe Name Jicarilla Apache Tribe
3a. Address 4900 College Blvd., Farmington, NM 87401	3b. Phone No. (include area code) 505-325-8874	7. If Unit or CA/Agreement, Name and/or N EPCMU NM 78389X
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec. 17-T27N-R1E 660' FSL & 1980' FEL		8. Well Name and No. EPCMU #17 (O-17)
		9. API Well No. 30-039-06905
		10. Field and Pool, or Exploratory Area East Puerto Chiquito Mancos
		11. County or Parish, State Rio Arriba, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input checked="" type="checkbox"/> Water Shut-Off
<input 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 type="checkbox"/> Other
	<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 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 recomple 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.)

As per discussion with Henry Villanueva (NMOCD) regarding the proper procedure for isolating a water flow behind casing on January 8, 2006. BMG proposes to isolate the source of the water flow by running Blue Jet's acoustic "noise" log. We will then isolate by circulating cement from the base of the existing cement @ 1980' to surface. The noise log will allow the surface owner to re-enter the well after it is no longer capable of commercial production. The surface owner can perforate/complete the well as a water well, if he chooses by complying with all NMOCD, BLM & Jicarilla Apache Indian regulations.

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Trudy Grubelnik	Title Production Technician
Signature <i>Trudy Grubelnik</i>	Date January 24, 2006

THIS SPACE FOR FEDERAL OR STATE 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, makes 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)

NMOCD

QCCWN