

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 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<br><input checked="" type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other Oil & Gas Comingle |   | 5. Lease Serial No.<br>7007 APR MOD-C-14203248                               |
| 2. Name of Operator<br>W. M. Gallaway  |   | 6. If Indian, Allottee, or Tribe Name<br>Navyajo Indian                      |
| 3a. Address<br>P.O. Box 307 Farmington, NM 87499   | 3b. Phone No. (include area code)<br>(505) 325-6771 | 7. If Unit or CA Agreement Designation<br>210 FARMINGTON NM                  |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>790' FNL & 790' FEL A, Sec. 22, T-25-N & R-11-W                                      |   | 8. Well Name and No.<br>Canyon # 10 (015033)                                 |
|  |   | 9. API Well No.<br>30-045-22168  |
|  |   | 10. Field and Pool, or Exploratory Area<br>Bist- Lower Gallup / Basin Dakota |
|  |   | 11. County or Parish, State<br>San Juan County, New Mexico                   |

12. CHECK APPROPRIATE BOX(S) 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 type="checkbox"/> Water Shut-off |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Altering 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 checked="" 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 recompleat horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will be performed or provide the Bond No. on file with the 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 recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

W. M. Gallaway plans to Plug & Abandon the Canyon #10 as per the following procedure:  
MIRUSU. TOH rods and pump. NDWH & NUBOP.

TIH tbg to top of liner @ 2423' and fill hole with 8.7 ppg mud. TOH tbg and visually inspect.

TIH tbg to 2100' & pump 200' Type 5 cmt @ 15.6 ppg. TOH tbg to 1700', and WOC 90 minutes.

TIH & tag plug @ 1900' or above.

TOH to 1350' and pump 500' Type 5 cmt @ 15.6 ppg. TOH tbg to 700' and WOC 90 minutes.

TIH & tag plug @ 850' or higher. Inside & outside if no cement is present behind

TOH tbg.

RU wireline & perforate 4 squeeze holes @ 545'.

Establish circulation through squeeze holes & pump adequate Type 5 cmt @ 15.6 ppg to circulate braden head.

Top off cement as necessary.

Cut off well head & erect dry hole marker.

Remove all surface equipment and flow lines. Re-contour and re-seed location.

Notify BLM for final inspection.

Anticipated start date 5-1-07

plug 5785'-5685' In hole  
plug 5065'-4965' liner bottom  
plug 4786'-4686' inside moored  
3 1/2" Gallup  
plug 2473'-1959' measure &  
3 1/2" liner top.  
4 1/2" casing

RCVD APR6'07

OIL CONS. DIV.

DIST. 3

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

Name (Printed/ Typed)

BRODLEY W. SOLZMAN

Title AGENT

Signature

Bradley W. Solzman

Date

APRIL 3, 2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

APR 05 2007

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 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