Form 3160-5

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED	4
FORM APPROVED	•
OM R No. 1004-0137	

OM B	No. 1004-0137
Expire	s: March 31, 200
Lesse Serial No.	

SUNDRY NOTICES AN	ID REPORTS	ON V	VELLS
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Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

	31-0/8311
1	6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE- Other instructions on reverse side.				A Section Co. Co. Co.	CA/Agreement, Name and/or No.	
1. Type of Well Oil Well	Gas Well Other		210	NA 8. Well Nam	e and No.	
2. Name of Operator Koch Explora	ation Company, LLC			Quinn 3		
3a Address PO Box 489, Aztec, NM 874	3b. Phone No. (include area code) 505-334-9111		30-045-3	Pool, or Exploratory Area		
4. Location of Well (Footage, Sec., 7	T., R., M., or Survey Description)				ruitland Coal	
S18, T31N, R8W 675' FSL	& 900' FEL "P" SE/4 SE/4			11. County o	r Parish, State	
				San Jua	n, NM	
12. CHECK AF	PPROPRIATE BOX(ES) TO	INDICATE NATUR	E OF NOTICE, RE	EPORT, OR	OTHER DATA	
TYPE OF SUBMISSION		TYP	E OF ACTION			
Notice of Intent ✓ Subsequent Report	Acidize Alter Casing Casing Repair	Deepen Fracture Treat New Construction	Production (Star Reclamation Recomplete	t/Resume)	Water Shut-Off Well Integrity Other Cleanout wellbore	
Final Abandonment Notice	Change Plans Convert to Injection	Plug and Abandon Plug Back	Temporarily Aba Water Disposal	Temporarily Abandon Water Disposal		
If the proposal is to deepen dire		y, give subsurface location	is and measured and true	e vertical depths	rk and approximate duration thereof. s of all pertinent markers and zones.	

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.)

This well has not produced to anticipated volumes since being put on production. We plan to pull the perforated line, and clean out with air. An earthen reserve pit and blow pit will be required. The reserve pit will be built and closed according to Koch Exploration CO, LLC (KEC) General Pit Guidelines on file with NMOCD, Aztec Office. Pit will be constructed on previously disturbed area. Pit will be closed according to KEC General Pit Guidelines, and seeded with BLM approved seed mix, as soon as possible after work is completed. After cleanout, 5 1/2" liner will be run as close as possible to original depths. Production tubing will be run and well put on production. Work is scheduled to start after July 1, 2007.

The current pipe configuration is:

9 5/8" 36# J-55, set @ 367'

7" 23# J-55, set @ 2974'

5 1/2" 15.5# J-55, Perforated Liner, top @ 2932', bottom @3400'

2 3/8" 4.7# J-55, Production Tubing, set @ 3341'

See attached Condutums of Approval

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14. I hereby certify tha Name (Printed/T) John C	yped)	going is true a	nd correct	Title	District Superinte	ndent			
Signature	H	mOD	NK	Date		03/20/2007			
THIS SPACE FOR FEDERAL OR STATE OFFICE USE									
Approved by		mlov			Title Pet	Eng	Date	4/9	707
Conditions of approval, if certify that the applicant has which would entitle the a	holds legal	br equitable ti	tle to those rights in th		Office				
THE 10 110 0 0 11 100		40 110 0 0						-	C.1 11 1. 1

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 anymatter within its jurisdiction.

(Instructions on page 2)





BLM CONDITIONS OF APPROVAL

CASING REPAIR OPERATIONS:

1. A properly functioning BOP and related equipment must be installed prior to commencing cleanout operations and/or recompletion operations.

SURFACE USE OPERATIONS:

The following Stipulations will apply to this well unless a particular Surface Managing Agency or private surface owner has supplied to BLM and operator a contradictory environmental stipulation. The failure of operator to comply with these requirements may result in assessments or penalties pursuant to 43 CFR 3163.1 or 3163.2. A copy of these conditions of approval shall be present on location during construction, drilling and reclamation activity.

An agreement between operator and fee landowner will take precedence over BLM surface stipulations unless (in reference to 43 CFR Part 3160) 1) BLM determines that operator's actions will affect adjacent Federal or Indian surface, or 2) operator does not maintain well area and lease premises in a workmanlike manner with due regard for safety, conservation and appearance, or 3) no such agreement exists, or 4) in the event of well abandonment, minimal Federal restoration requirements will be required.

STANDARD STIPULATIONS: All surface areas disturbed during work-over activities and not in use for production activities will be reseeded. This should occur in the first 90 days after completion of work-over activities.

SPECIAL STIPULATIONS:

- 1. Pits will be fenced during work-over operation.
- 2. All disturbance will be kept on existing pad.
- 3. All pits will be pulled and closed immediately upon completion of the work-over activities.
- 4. Pits will be lined with an impervious material at least 12 mils thick.