

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 ☐ Oil Well ☒ Gas Well ☐ Other **NOV 13 2007**

2 Name of Operator **Coleman Oil & Gas, Inc.** **Bureau of Land Management**

3a Address **P.O. Drawer 3337** **Farrington Field Office**
505-327-0356

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)
700' FSL, 1715' FWL N, Section 24, T24N, R11W Latitude 36° 17' 36.7", Longitude 107° 57' 27.7"

5 Lease Serial No
NMNM 104609

6 If Indian, Allottee or Tribe Name
RCVD NOV 16 '07

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

8 Well Name and No
Juniper West SWD #1

9. API Well No.
30-045-33771

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

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 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"/> 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 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.)

ADMINISTRATIVE ORDER SWD - 1055.

COLEMAN OIL & GAS, INC. REQUEST PERMISSION TO RUN A STEP RATE TEST TO DETERMINE THE MAXIMUM ALLOWABLE INJECTION PRESSURE.

SEE ATTACHED PROCEDURE.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed) **MICHAEL T. HANSON** Title **OPERATIONS ENGINEER**

Signature *Michael T. Hanson* Date **November 9, 2007**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *[Signature]* Title **Pet Eng.** Date **11/15/07**

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 **FFO**

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)

NMOCD

Coleman Oil & Gas, Inc.

Procedure Step Rate Test **Blanco Mesa Verde Formation**

Thursday, November 01, 2007

Well:	Juniper West SWD #1	Field:	Blanco Mesa Verde
Location:	700' FSL & 1715' FWL (SESW) Sec 24, T24N, R11W, NMPM San Juan County, New Mexico	Elevation:	6448' RKB 6436' GL
By:	Michael T. Hanson	Lease:	NMNM - 104609

Procedure: (Note: This procedure will be adjusted on site based upon actual conditions)

1. Notify NMOCD and Farmington BLM 24 hours prior to test.
2. Shut in Well 2-4 hours prior to test.
3. Notify and coordinate with OCD BHT.
4. Move in and rig up slick line equipment.
5. RIH with sinker bar and tag up.
6. RIH with Electronic Pressure gauge and set @ \pm 2400 Ft. KB (Record Time When on Bottom).
7. Set and fill five 400 Barrel frac tanks with produced water.
8. MIRU Pump Truck. Record casing and tubing pressure through out job.

Step Rate Test

1. Load tubing with produced water and start injection test @ 1 barrel per minute. Hold each step for 30 minutes. Increase rate in 1 BPM increments up to an estimated 8 BPM.
2. Record Pressures during each step.
3. Record the following pressure ISIP, 5, 10, 15, 20, 25, 30, 35, 40, 45, 50, 55, and 60 minute.
4. Rig down pump truck.
5. Retrieve Bottom hole pressure recorders and rig down slick line equipment.
6. Put well back on injection.

BLM CONDITIONS OF APPROVAL

WORKOVER AND RECOMPLETION OPERATIONS:

- 1. A properly functioning BOP and related equipment must be installed prior to commencing workover and/or recompletion operations.**
- 2. If this well is in a Seasonal Closure Area, adhere to the closure requirements and timeframes.**

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 workover activities.

SPECIAL STIPULATIONS:

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