

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.

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

5. Lease Serial No.
NMNM-108021

6. If Indian, Allottee or Tribe Name

OCNA 2008

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

8. Well Name and No.
LAGUNA COLORADO 2/3 #1

9. API Well No.
30-039-30272

10. Field and Pool, or Exploratory Area
W. PUERTO CHIQUITO MANCOS

11. County or Parish, State
RIO ARriba COUNTY, NM

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator U.S. ENERCORP, LTD.

3a. Address
P. O. BOX 17098, SAN ANTONIO, TX 78217

3b. Phone No. (include area code)
210 829 4888

4. Location of Well (Footage, Sec, T., R., M., or Survey Description)
SHL: 3250' FSL & 1220' FEL 3-23N-1W NMPM

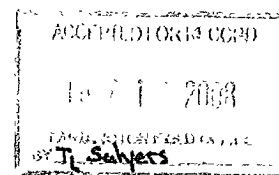
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

Well has been completed.
Pumping unit arrived today.
Will produce well upon approval of C-104 by NMOCD.

cc: BLM, Rodriguez



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

BRIAN WOOD

(PHONE 505 466-8120)

Title CONSULTANT

(FAX 505 466-9682)

Signature

Date

10/10/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Date

Office

RECEIVED

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)

NMOCA OPERATOR

86 10/22/08

U.S. ENERCORP, LTD.

U.S. ENERCORP, LTD.
Daily Sidetrack Completion Report

Operator : U.S. Enercorp, LTD. Elevation : 7295' GR
Well Name : LAGUNA COLORADO 2/3 #1 TD : 9088' (MD)
Field/Prospect : West Puerto Chiquito Mancos TVD : 6589'
Lease Serial # : NMNM-108021 API# : 30-039-30272
Location : 3250' FSL & 1220' FEL; SECTION 3 T23N, R1W, RIO ARriba COUNTY

LAGUNA COLORADO 2/3 #1 REPORT DATE: 10/03/08
AFE: CUBLST REPORT BY: US ENERCORP, LTD.
PRESENT OPERATION: SWABBING
ACTIVITY: SICP-45 SITP-45. RU AND SHOOT FLUID LEVEL.
TWO SHOTS 5308' AND 5284'. RU AND SWAB WELL. SEE ATTACHED
SWAB REPORT. WELL SECURE. CASING OPEN TO RIG TANK - SDFN.

LAGUNA COLORADO 2/3 #1 REPORT DATE: 10/06/08
AFE: CUBLST REPORT BY: US ENERCORP, LTD.
PRESENT OPERATION: SWABBING
ACTIVITY: SICP-75 SITP-75. BLOW DOWN WELL TO RIG PIT.
OPEN WELL. POH & LD 2-3/8 TUBING. CHANGE RAMS TO 2-7/8. RIG
UP FLOOR TO RUN 2-7/8 TUBING. UNLOAD AND TALLY 2-7/8 TBG
AND PRODUCTION BHA. WELL SECURE - SDFN.

LAGUNA COLORADO 2/3 #1 REPORT DATE: 10/07/08
AFE: CUBLST REPORT BY: US ENERCORP, LTD.
PRESENT OPERATION: SWABBING
ACTIVITY: SICP-75. BLOW DOWN WELL TO RIG PIT-OPEN WELL.
PU & GIH W/ TBG ANCHOR, CRP PACKER, OIL/GAS SEP, 2' PUP, SN,
AND 2-7/8 TBG TO 6300'. RIG DOWN RIG FLOOR & TOOLS. WAIT ON
TRUCK TO PLACE PUMP & RODS NEAR RIG. WELL SECURE - SDFN.

Sharp, Karen, EMNRD

From: Katy Rodriguez [Katy@usenercorp.com]
Sent: Wednesday, October 15, 2008 10:05 AM
To: Sharp, Karen, EMNRD; brian wood
Cc: brian wood
Subject: RE: Laguna Colorado 2/3 #1...30-039-30272

Karen,

I have answered your questions in your email below. Please let me know if you need further clarification/info.

Thanks again for your help!

Thanks,

Katy Rodriguez
U.S. Enercorp, LTD.
8610 N. New Braunfels, Suite 405
P.O. Box 17098
San Antonio, TX 78217
Office: 210-829-4888
Fax: 210-824-3950

From: Sharp, Karen, EMNRD [mailto:karen.sharp@state.nm.us]
Sent: Wednesday, October 15, 2008 8:43 AM
To: brian wood
Cc: Katy Rodriguez
Subject: Laguna Colorado 2/3 #1...30-039-30272

I have reviewed the copies of sundries sent to the BLM for the completion of this well which you faxed on 10/10. There is information which needs to be provided or clarified:

9/14 Hole size? (6-3/4")

9/23 Where is liner set? Top of liner? Type of liner? Weight? Grade?

4-1/2" 11 6# J-55 set @ 9088'. Slotted 8843'-9088', Plain 8758'-8843', Slotted 7308'-8758', Plain 5818'-7308'

9/30 What is your producing interval? This information should also be on your C-104.
(7338' - 9088')

10/6 Daily Drilling Report states 2-3/8" tubing was pulled and 2-7/8" was run back in hole. C-104 states 2-3/8" production tubing. What size, grade, and weight tubing is actually in the hole? The Daily Drilling report has a tubing depth of 6300'. The C-104 stipulates tubing set @ 6307'. Which is correct?

2-7/8" 6.4# J-55 EUE tbg @ 6307' is currently in the well. When we swab tested the well, we had 2-3/8" tbg in there

The C-104 shows 10/9/08 as the well's Ready to Produce date. What work was done or circumstances rendered on that date to justify that date?

I would say the true ready to produce date is 10/10/08, as that is the date the pumping unit was installed. The tbg, rods, and pump were in the well on 10/09/08 though.

Please advise how this information will be provided. Thank you.

Karen Sharp
(505) 334-6178 x 12

10/15/2008