

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.

AUG 13 2010

Farmington Field Office
Bureau of Land Management

SUBMIT IN TRIPLICATE – Other instructions on page 2.		5. Lease Serial No. NMNM-0560223
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator Running Horse Production Co.		7. If Unit of CA/Agreement, Name and/or No.
3a. Address PO Box 369 Ignacio, CO 81137	3b. Phone No. (include area code) 970-563-5167	8. Well Name and No. Frew Federal #1 Pc
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1800' FSL, 1600' FEL, Sec 20 T28N R12W		9. API Well No. 30-045-22052
		10. Field and Pool or Exploratory Area
		11. Country or Parish, State San Juan County, NM

12. CHECK THE 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 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 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Red Willow Production Company proposes to plug and abandon this well per the following procedure:

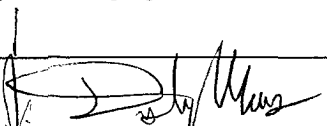
Move on and rig up a pulling unit. Pump 20 bbls water.

Plug #1 from 1156' - 675' with 52 sxs Class B cement (40% excess, long plug) to fill the Pictured Cliffs perforations and cover the PC and Fruitland tops. WOC and tag cement. Top off plug #1 as necessary. Circulate the well clean; pressure test the casing to 800 PSI. Perforate at 136'. Establish circulation. Plug #2 spot approximately 45 sxs from 130' to surface to cover the surface casing shoe and Kirtland top, circulate good cement out bradenhead. Cut off the wellhead. Top off cement if necessary and set a p&a marker. RD and MOL.

Notify NMOCD 24 hrs
prior to beginning
operations

RCVD AUG 24 '10

OIL CONS. DIV.
DIST. 3

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) J. Dusty Mars		Title Acting Drilling & Production Manager
Signature 		Date 08/12/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason	Title	Date AUG 16 2010
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 to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOCD

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 1 Frew Federal

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.
3. The following modifications to your plugging program are to be made:
 - a) Bring the top of the Pictured Cliffs/Fruitland plug to 660'.
 - b) Place the Kirtland/Surface plug from 182' to surface inside and outside the 4 ½" casing.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.