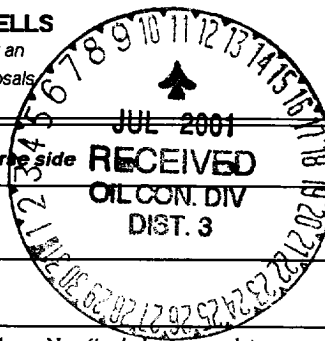


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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



FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

5. Lease Serial No.

SF-080377

6. If Indian, Allottee or Tribe Name

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

San Juan 29-6 Unit

8. Well Name and No.

SJ 29-6 Unit #78

9. API Well No.

30-039-07578

10. Field and Pool, or Exploratory Area
Blanco Mesaverde and
Basin Dakota

11. County or Parish, State

Rio Arriba, NM

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

TYPE OF SUBMISSION

☒ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Deepen

☐ Production (Start/Resume)

☐ Water Shut-Off

☐ Alter Casing

☐ Fracture Treat

☐ Reclamation

☐ Well Integrity

☐ Casing Repair

☐ New Construction

☐ Recomplete

☒ Other Set CIPB &

☐ Change Plans

☐ Plug and Abandon

☐ Temporarily Abandon

test MV only

☐ Convert to Injection

☐ Plug Back

☐ 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 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 Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Originally this well was a Dakota only well, and has always had a history of water problems. We added the MV interval and the tried to commingle the Dakota and Mesaverde in hopes of making a good well. We haven't had any success producing this well as commingled and have decided to set a CIPB above the Dakota perfs and see if the MV will produce alone. Details of setting the CIPB as follows:

2/24/01 MIRU Key Energy #18. ND WH & NU BOP. PT-OK. Pull tubing. Blue Jet ran an audio log across the Dakota perfs from 7730' - 7390'. RIH w/4-1/2" CIPB & set @ 5710'. RIH w/tubing and set @ 5531' & "F" nipple set @ 5497'. ND BOP & NU WH. RD & released rig 3/1/01.

Plans are to leave the CIPB in place until the Dakota partners & PPCo can work out a compromise or plan that would solve the water lifting problem of the Dakota interval.

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

Patsy Clugston

Title

Sr. Regulatory/Proration Clerk

Date

3/5/01

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date JUL 09 2001

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

FARMINGTON FIELD OFFICE
BY MN