

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.**

5. Lease Serial No.
CDCO 0365

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **Premium Oil Company**

3a. Address **2005 So 300 West**

3b. Phone No. (include area code)

Salt Lake City, Utah 84115 801-487-4721

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

8. Well Name and No. **600't 7**

9. API Well No.
0510306007

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

560' N/S; 2,660' E/W. (SW 1/4 SE 1/4) SEC 4. T 1 N. R 10 W.

10. Field and Pool or Exploratory Area

Rangely, Mancos

11. Country or Parish, State

Rio Blanco, County

12. CHECK THE 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

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other **status**

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.)

We ask that the 600't 7 well remain as a shut-in or very limited producing gas well.

The No 7 Well will no longer produce oil but will produce 30-50 mcm/day. The well is tied into a gas gathering system with also the No 8 and Billow 16 wells, which are also gas producers. Because the wells are in close proximity to the Billow No. 14 Well, a producing Oil Well, Premium Oil Co. has been reluctant to produce gas in order to maintain reservoir pressures. The Billow No 14 Well is the longest, consistent producing oil well in the Rangely, Mancos Field. We believe our policy of trying to maintain reservoir pressures is a factor for its continued oil production. COA - Approved granted as requested. Please move any unused/excess equipment on the well pad to the storage yard - MUE

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

JAN E CALLISTER

Title **Geologist**

Signature

Date **Feb. 26, 2007**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Vernon Rhell

Title

Supervisory NRS

Date

3/21/07

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

White River Field Office-Meeker CO

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.