

RECEIVED

Form 3160-5
(September 2001)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SEP 07 2011

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLSTON Field Office

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 ☐ Other2 Name of Operator **M&M PRODUCTION & OPERATION, INC**3a Address
PO BOX 3470, FARMINGTON, NM 87499-34703b Phone No (include area code)
505-327-6908

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

850'FNL & 1980 FWL', SEC. 10, T. 24N., R. 8W

5 Lease Serial No

NMNM-014580

6 If Indian, Allottee or Tribe Name

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

8 Well Name and No.
PAQUENCHE #39 API Well No
30-045-0513610 Field and Pool, or Exploratory Area
DUFERS POINT-GALLUP DAKOTA11 County or Parish, State
SAN JUAN COUNTY, 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 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 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 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 site is ready for final inspection.)

M&M Production will plug the Paquenche #3 well per the attached P&A report, prepared by A Plus Well Services.

RCVD SEP 9 '11

OIL CONS. DIV.

DIST. 3

14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**Teresa D. McCown**Title **President**

Signature



Date

09/02/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason

Title

Date

SEP 07 2011

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 USC Section 1001 and Title 43 USC 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

A

PLUG AND ABANDONMENT PROCEDURE

June 9, 2011

Paquenche A #3

Wildcat

850' FNL and 1980' FWL, Section 10, T-24-N, R-8-W

San Juan County, NM / API 30-045-05136

Lat N _____ / Long W _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. Install and test location rig anchors. Prepare a blow pit. Comply with all State, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
2. Rods: Yes _____, No X, Unknown _____.
Tubing: Yes X, No _____, Unknown _____, Size 2-3/8", Length 5660'.
Packer: Yes _____, No X, Unknown _____, Type _____.
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

NOTE: BLM requires a CBL log to be run on all wells where the cement did not circulate to surface or where a T.S. or CBL log was not previously run. This procedure is prepared with the understanding that it may be modified based on the TOC from the CBL.

3. Round trip 5 5/8" gauge ring or casing scraper to 5632'.
4. **Plug #1 (Gallup Open Hole Interval and top, 5632' – 5532')**: TIH and set 5 5/8" cement retainer at 5632'. Pressure test tubing to 1000 PSI. Load casing with water and circulate well clean. Pressure test 5 5/8" casing to 800 PSI. *If casing does not test, then spot or tag subsequent plugs as appropriate.* Mix 17 sxs Class B cement and spot a plug above CR to isolate the Gallup interval TOH.
5. **Plug #2 (Mancos top, 4882' – 4782')**: Perforate 3 squeeze holes at 4882'. Establish rate into squeeze holes if casing tested. Set 5 5/8" cement retainer at 4832'. Establish rate into squeeze holes. Mix 47 sxs Class B cement, squeeze 30 sxs outside casing and leave 17 sxs inside to cover the Mancos top. TOH with tubing.
6. **Plug #3 (Mesaverde top, ³¹⁴⁴4171' – ³⁰⁴⁴4071')**: Perforate 3 squeeze holes at ³¹⁴⁴4171'. Establish rate into squeeze holes if casing tested. Set 5 5/8" cement retainer at ³¹⁴⁴4121'. Establish rate into squeeze holes. Mix 47 sxs Class B cement, squeeze 30 sxs outside casing and leave 17 sxs inside to cover the Mesaverde top. TOH with tubing.
7. **Plug #4 (Pictured Cliffs and Fruitland tops, 2345' – 1984')**: Perforate 3 squeeze holes at 2345'. Establish rate into squeeze holes if casing tested. Set 5 5/8" cement retainer at 2295'. Establish rate into squeeze holes. Mix 154 sxs Class B cement, squeeze 107 sxs outside casing and leave 47 sxs inside to cover the Pictured Cliffs and Fruitland tops. TOH with tubing.

- 8 **Plug #5 (Kirtland and Ojo Alamo tops, 1746' – 1498'):** Perforate 3 squeeze holes at 1746' Establish rate into squeeze holes if casing tested. Set 5 5" cement retainer at 1696' Establish rate into squeeze holes Mix 107 sxs Class B cement, squeeze 73 sxs outside casing and leave 34 sxs inside to cover the Kirtland and Ojo Alamo tops TOH and LD tubing
9. **Plug #6 (8.625" Surface casing shoe, 239' to Surface):** Perforate 3 squeeze holes at 239' Establish circulation out bradenhead with water and circulate the BH annulus clean Mix approximately 80 sxs Class B cement and pump down 5 5" casing, circulate good cement out 5 5" casing and 5.5" x 8.75" annulus. Shut in well and WOC
- 10 ND BOP and cut off wellhead below surface casing flange Install P&A marker with cement to comply with regulations RD, MOL and cut off anchors. Restore location per BLM stipulations.

Paquenche A #3

Current

Wildcat

850' FNL & 1980' FWL, Section 10, T-24-N, R-8-W

San Juan County, NM / API #30-045-05136

Today's Date 6/9/11

Spud 12/3/59

Completed 12/31/59

Elevation 7064' GI

7075' KB

Nacimiento @ surface

Lat: _____ / Long: _____

12 25" hole

Ojo Alamo @ 1548'

Kirtland @ 1696'

Fruitland @ 2034' *est

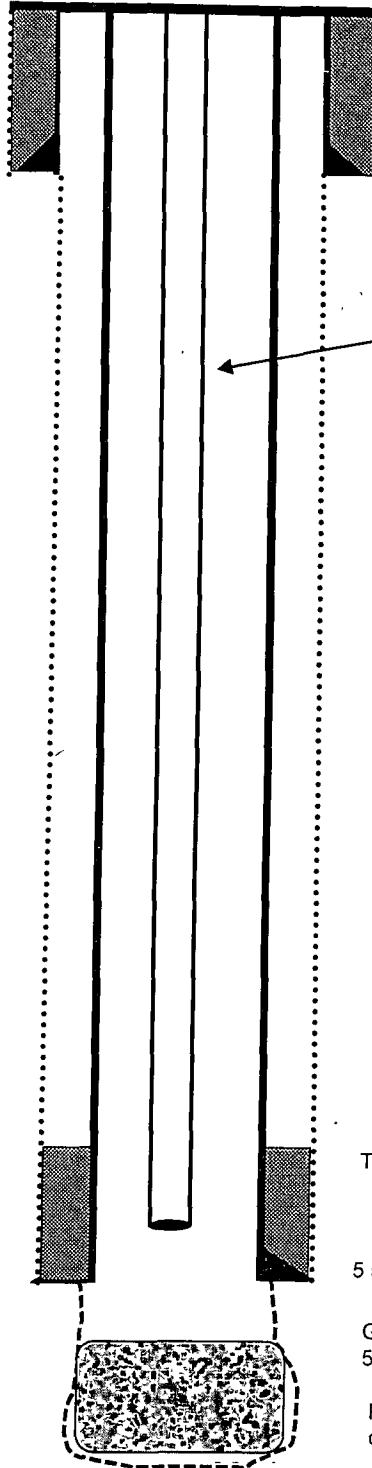
Pictured Cliffs @ 2295'

Mesaverde @ 4121'

Mancos @ 4832'

Gallup @ 5684'

Dakota @ 6766'



8 625" 32# J-55 Casing set @ 189'
Cement with 125 sxs, circulated

2-3/8" tubing @ 5660'
(4 7#, EUE)

TOC @ 5171' (Calc, 75%)

5 5" 17# N80 Casing set @ 5682'
Cement with 100 sxs

Gallup Open Hole Interval
5682' to 5926'

Plugged Back to 5926' during
completion (1959)

TD 6937'
PBTD 5926'

Paquenché A #3

Proposed P&A

Wildcat

850' FNL & 1980' FWL, Section 10, T-24-N, R-8-W

San Juan County, NM / API #30-045-05136

Lat: _____ / Long: _____

Today's Date 6/9/11

Spud 12/3/59

Completed 12/31/59

Elevation 7064' GI

7075' KB

Nacimiento @ surface

12 25" hole

Kirtland @ 1548'

Kirtland @ 1696'

Fruitland @ 2034' *est

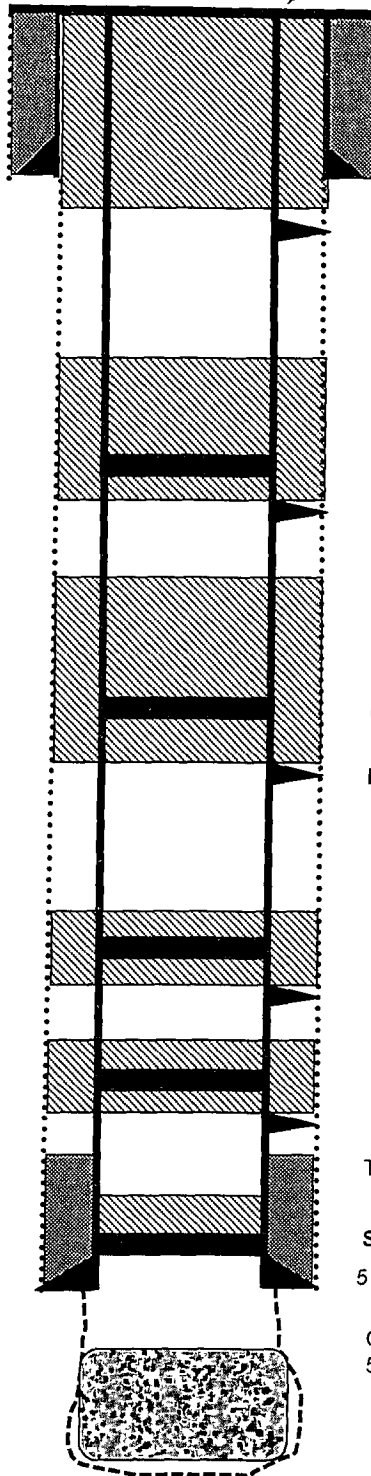
Pictured Cliffs @ 2295'

Mesaverde @ 4121'

Mancos @ 4832'

Gallup @ 5684'

Dakota @ 6766'



8 625" 32# J-55 Casing set @ 189'
Cement with 125 sxs, circulated

Plug #6: 239' - 0'
Class B cement, 80 sxs

Perforate @ 239'

Cmt Retainer @ 1696'

Perforate @ 1746'

Plug #5: 1746' - 1498'
Class B cement, 107 sxs
34 in and 73 out

Cmt Retainer @ 2295'

Perforate @ 2345'

Plug #4: 2345' - 1984'
Class B cement, 154 sxs
47 in and 107 out

Cmt Retainer @ 4121'

Perforate @ 4171'

Cmt Retainer @ 4832'

Perforate @ 4882'

Plug #2: 4882' - 4782'
Class B cement, 47 sxs
17 in and 30 out

TOC @ 5171' (Calc; 75%)

Set CR @ 5632'

Plug #1: 5632' - 5532'
Class B cement, 17 sxs

5 5" 17# N80 Casing set @ 5682'
Cement with 100 sxs

Gallup Open Hole Interval
5682' to 5926'

Plugged Back to 5926' during
completion (1959)

TD 6937'
PBTD 5926'

**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 3 Paquenche

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) Place the Mesaverde plug from 3144' – 3044' inside and outside the 5 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.