

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**  
Sundry Notices and Reports on Wells

**RECEIVED**

**DEC 11 2012**

1. Type of Well

5. Lease Number  
NM 44546. If Indian, All. or  
Tribe Name2. Name of Operator  
John E. Schalk

*Farmington Field Co.*  
*Bureau of Land Management*

7. Unit Agreement Name

3. Address &amp; Phone No. of Operator

8. Well Name & Number  
Schalk 54 #200S

P.O. Box 25825, Albuquerque, NM 87125

9. API Well No.  
30-039-27622

Location of Well, Footage, Sec., T, R, M

10. Field and Pool  
Basin Fruitland Coal

1545' FSL &amp; 765' FEL, Section 2, T-30-N, R-5-W,

11. County & State  
Rio Arriba County, NM

## 12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

## Type of Submission

☒ Notice of Intent *BP*☐ Subsequent Report☐ Final Abandonment

## Type of Action

☒ Abandonment☐ Recompletion☐ Plugging Back☐ Casing Repair☐ Altering Casing☐ Other -☐ Change of Plans☐ New Construction☐ Non-Routine Fracturing☐ Water Shut off☐ Conversion to Injection

## 13. Describe Proposed or Completed Operations

Schalk Development Co proposes to P&amp;A the above referenced well per the attached P&amp;A procedure.

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

Signed Jack Evans Title For John E. Schalk Date December 7, 2012  
Jack Evans

(This space for Federal or State Office use)

APPROVED BY Original Signed: Stephen Mason Title \_\_\_\_\_Date DEC 13 2012

CONDITION OF APPROVAL, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly 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** *AV*

**A-PLUS WELL SERVICE, INC.**

P.O. BOX 1979

Farmington, New Mexico 87499

505-325-2627 \* fax: 505-325-1211

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December 5, 2012

**John E. Schalk**

P.O. Box 25825

Albuquerque, NM 87125

Re: Cost Estimate -

**Schalk 54 #200S**

Fruitland Coal well

SW, Section 2, T30N, R05W

Rio Arriba County, NM

Gentlemen:

A-Plus Well Service is pleased to provide you with this estimate to plug and abandon the referenced well. We have evaluated the attached plugging procedure and **A-Plus** agrees to provide:

- a steel pit for waste fluid containment,
- a single pulling unit with crew (32 rig hours),
- crew travel (10 hours travel and 400 miles),
- cement services (cementer 4 days and 400 miles)
- 180 sxs cement,
- 7" cement retainer (one),
- perforations (once, if necessary),
- storage tank and water,
- wellhead removal,
- and an installed P&A marker

necessary for the plugging of this well.

It is our understanding that **Schalk** would provide: tested rig anchors, a CBL if required, waste fluid hauling and disposal and disposal of waste solids.

A-Plus estimates the cost to plug the referenced well at **\$32,138.00 plus tax**. If needed, additional Class B cement is \$14.40 per sack and a 7" cement retainer is \$1490.00. This cost estimate is based on the information that you have provided and the planned plugging procedure. In the event the planned procedure is modified or deviated from, then any additional work or services provided by A-Plus will be paid for by the operator in accordance with A-Plus' current price schedule.

We look forward to the opportunity to work for you.

Sincerely,

*Bill Clark*

# PLUG AND ABANDONMENT PROCEDURE

December 5, 2012

## Schalk 54 #200S

Basin Fruitland Coal

1545' FSL, 765' FWL, Section 2, T30N, R5W, Rio Arriba County, New Mexico

API 30-039-27622 / 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. This project requires the Operator to obtain an approved NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
2. Install and test location rig anchors. Comply with all NMOCD, 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.
3. Rods: Yes   X  , No       , Unknown         
Tubing: Yes   X  , No       , Unknown       , Size   2-3/8"  , Length   3058'    
Packer: Yes       , No   X  , Unknown       , Type                     
If well has rods or a packer, then modify the work sequence in Step #2 as appropriate. Round trip 7" gauge ring to 3040'.

**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.**

4. **Plug #1 (Fruitland interval and 7" shoe, 5.5" liner top and Kirtland and Ojo Alamo tops, 3040' – <sup>2590</sup>2662')**: TIH and set 7" cement retainer at 3040'. Load casing with water and circulate well clean. Pressure tests tubing to 1000#. Mix ~~28~~ sxs Class B cement above CR to isolate the Fruitland interval and cover through the Ojo Alamo top. PUH.
5. **Plug #2 (Nacimiento top, <sup>1315</sup>1687' – <sup>1415</sup>1587')**: Mix and pump 28 sxs Class B cement and spot a balanced plug inside casing to cover the Nacimiento top. PUH.
6. **Plug #3 (Surface Casing shoe, 290' to Surface)**: Connect the pump line to the bradenhead valve and attempt to pressure test the BH annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 60 sxs Class B cement and spot a balanced plug inside the casing from 290' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the 7" casing and the BH annulus to surface. Shut well in and WOC.
7. ND BOP and cut off casing below surface casing flange. Install P&A marker with cement to comply with regulations. RD, move off location, cut off anchors and restore location.

# Schalk 54 #200S

## Current

Basin Fruitland Coal

1545' FSL, 765' FWL, Section 2, T-30-N, R-5-W,

Rio Arriba County, NM / API #30-039-27622

Lat \_\_\_\_\_ / Long \_\_\_\_\_

Today's Date: 12/5/12

Spud: 09/17/05

Completed: 5/25/06

Elevation: 6557' GL

Nacimiento @ 1637' \*est

Ojo Alamo @ 2712'

Kirtland @ 2835'

Fruitland @ 3245'

12-1/4" hole

8-3/4" hole to 3147'

6-1/4" hole to 3357'

7" TOC circulated to surface per sundry

9-5/8" 36#, J-55 Casing set @ 240'  
Cement with 200 sxs (Circulated to Surface)

2-3/8" tubing at 3058'

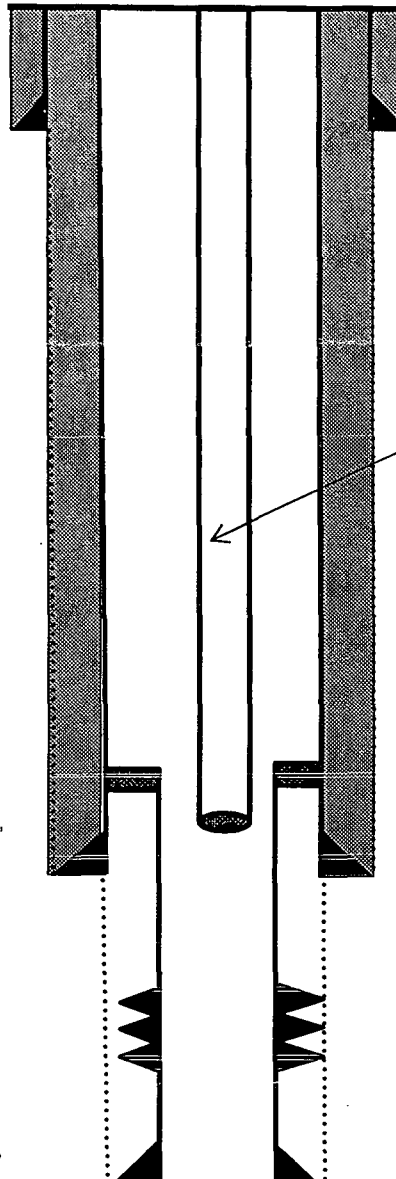
5.5" liner top at 3042'

7", 23#, J-55 Casing set @ 3147'  
Cement with 475 sxs (923 cf)

Fruitland Coal Perforations:  
3249' - 3355'

5.5", 15.5", liner set @ 3357'  
uncemented

TD 3391'  
PBTD 3355'



# Schalk 54 #200S

## Proposed P&A

Basin Fruitland Coal

1545' FSL, 765' FWL, Section 2, T-30-N, R-5-W,

Rio Arriba County, NM / API #30-039-27622

Lat \_\_\_\_\_ / Long \_\_\_\_\_

Today's Date: 12/5/12

Spud: 09/17/05

Completed: 5/25/06

Elevation: 6557' GL

12-1/4" hole

Nacimiento @ 1637' \*est

Ojo Alamo @ 2712'

Kirtland @ 2835'

8-3/4" hole to 3147'

Fruitland @ 3245'

6-1/4" hole to 3357'

7" TOC circulated to surface per sundry

9-5/8" 36#, J-55 Casing set @ 240'  
Cement with 200 sxs (Circulated to Surface)

**Plug #3: 290' - 0'**  
Class B cement, 60 sxs

**Plug #2: 1687' - 1587'**  
Class B cement, 28 sxs

**Plug #1: 3040' - 2662'**  
Class B cement, 80 sxs

**Set CR @ 3040'**

5.5" liner top at 3042'

7", 23#, J-55 Casing set @ 3147'  
Cement with 475 sxs (923 cf)

Fruitland Coal Perforations:  
3249' - 3355'

5.5", 15.5", liner set @ 3357'  
uncemented

TD 3391'  
PBD 3355'

**UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
FARMINGTON DISTRICT OFFICE  
6251 COLLEGE BLVD.  
FARMINGTON, NEW MEXICO 87402**

Attachment to notice of  
Intention to Abandon:

Re: Permanent Abandonment  
Well: 200S Schalk 54

**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) 564-7750.
3. The following modifications to your plugging program are to be made:
  - a) Bring the top of the Fruitland/Kirtland/Ojo Alamo plug to 2590'.
  - b) Place the Nacimiento plug from 1415'- 1315'.

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.