

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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 page 2**

| | | |
|--|--|--|
| 1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: COAL BED METHANE | | 5. Lease Serial No. N0G96061302 |
| 2. Name of Operator COLEMAN OIL & GAS INCORPORATED | | 6. If Indian, Allottee or Tribe Name EASTERN NAVAJO |
| 3a. Address FARMINGTON, NM 87499 | | 7. If Unit or CA/Agreement, Name and/or No. NMNM99331 |
| 3b. Phone No. (include area code) Ph: 505-327-0356 Ext: 106 Fx: 505-327-9425 | | 8. Well Name and No. STACEY 2 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 6 T26N R12W SENE 2045FNL 790FEL 36.518810 N Lat, 108.145860 W Lon | | 9. API Well No. 30-045-29473-00-S1 |
| | | 10. Field and Pool or Exploratory Area BASIN FRUITLAND COAL |
| | | 11. County 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 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"/> Hydraulic Fracturing | <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 recomplete 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 recompletion 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.

See the attached P&A Report for the Stacey #2. Dry hole marker installed. Access and location have been reclaimed.

OIL CONS. DIV DIST. 3

FEB 27 2017

| | |
|---|-----------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #365079 verified by the BLM Well Information System For COLEMAN OIL & GAS INCORPORATED, sent to the Farmington Committed to AFMSS for processing by ABDELGADIR ELMADANI on 02/23/2017 (17AE0045SE) | |
| Name (Printed/Typed) MICHAEL T HANSON | Title ENGINEER |
| Signature (Electronic Submission) | Date 01/26/2017 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|---|-------------------|
| Approved By ACCEPTED | ABDELGADIR ELMADANI Title PETROLEUM ENGINEER | Date 02/23/2017 |
| 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 |

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.

(Instructions on page 2)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

NMOCD TV

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A-PLUS WELL SERVICE, INC.

P.O. BOX 1979
Farmington, New Mexico 87499
505-325-2627 *fax: 505-325-1211

Coleman Oil & Gas Inc.
Stacey #2

November 8, 2016
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2045' FNL and 790' FEL, Section 6, T-26-N, R-12-W
San Juan County, NM
Lease Number: NOG96061302
API #30-045-29473

Plug and Abandonment Report Notified NMOCD and BLM on 11/4/16

Plug and Abandonment Summary:

- Plug #1 (combined #2)** with CR at 1061' spot 26 sxs (30.68 cf) Class B cement from 1061' to 725' to cover the Fruitland perforations and tops.
- Plug #3** with 20 sxs (23.6 cf) Class B cement from 175' to surface to cover the surface casing shoe.
- Plug #4** with 16 sxs Class B cement top off casings and install P&A marker with coordinates N 36° 31' 8" / W 108° 8' 48".

Plugging Work Details:

- 11/7/16 Road rig and equipment to location. Spot in and RU. Check well pressures: tubing and casing 30 PSI, bradenhead 0 PSI. Blow well down. X-over to rod tools. LD 1 polish rod, 2 – 4' ¾" pumps, 1 – 8' ¾" pup, 34 ¾" plain rods, 10 ¾" guided, 1 top hold pump 44 ¾" rods total. X-over to 2-3/8" tools. ND wellhead. NU A-Plus 4-1/2" x 8-5/8" companion flange. NU BOP and function test. PU on tubing, LD tubing hanger 1-4', 1-6' 2-3/8" sub, SB and tally 34 jnts 2-3/8" EUE tubing with 1 SN, 1 4' perf sub, 1 15' M/A jnt, total tally 1126'. TIH with A-Plus 4-1/2" string mill to 1126'. PU 4-1/2" DHS CR and set at 1061'. Pressure test tubing to 1000 PSI, OK. Pressure test casing to 800 PSI, OK. Attempt to pressure test bradenhead, no test. Note: Bill Diers, BLM rep and Bobby Espinoza, Coleman rep approved procedure change. Spot plug #1 combined #2 with calculated TOC at 725'. Spot plug #3 with TOC at surface and circulate good cement out. LD all tubing. SI well. ND BOP. NU wellhead. Dig out wellhead. SDFD.
- 11/8/16 Travel to location. Held safety meeting. Open up well; no pressures. Tag TOC down 15' in 4-1/2" casing. RU A-Plus cut off. Monitor well. Write Hot Work Permit. Cut off wellhead. Found cement down 13' in 4-1/2" x 7". Spot plug #4 to top off casings and install P&A marker with coordinates N 36° 31' 8" / W 108° 8' 48". RD and MOL.

Bobby Espinoza, Coleman O&G representative, was on location.
Bill Diers, BLM representative, was on location.