

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

5. Lease Serial No.

NMM 03486A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Lloyd A #1

9. API Well No.

30-045-13360

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

11. County or Parish, State

San Juan NM

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ 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 _____

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.)

We intend to plug and abandon the Lloyd A #1. Plugging procedures are attached.



2006 MAY 26 AM 10 00
RECEIVED
070 FARMINGTON NM

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

Vicki Donaghey

Title

Regulatory Analyst

Date **05/23/06**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

JUN 02 2006

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 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

NR1000

PLUG AND ABANDONMENT PROCEDURE

May 22, 2006

Lloyd A #1

Basin Fruitland Coal

990' FNL & 990' FWL, Section 11, T29N, R11W

San Juan County, New Mexico, API #30-045-13360

Note: All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Type III, mixed at 14.8 ppg with a 1.32 cf/sx yield.

1. Install and test location rig anchors. Prepare blow pit. Comply with all NMOCD, BLM, and Energen safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. NU relief line and blow down well; kill with water as necessary.
2. PU on tubing and release pump. Re-seat pump. Pressure test tubing to 1000#. Release pump and TOH with rods and pump. ND wellhead and NU BOP. Test BOP. TOH and tally 2-3/8" tubing, total tally 1880' with SN at 1866'. If necessary LD tubing and PU workstring.
3. **Plug #1 (Pictured Cliffs, Fruitland perforations and top, 1930' – 1530')**: TIH and tag existing CR at 1930'. Mix 80 sxs cement and spot a plug inside the casing above CR to isolate the Pictured Cliffs top and fill the Fruitland Coal perforations and cover the Fruitland top. PUH and WOC. TIH and tag cement at 1530' or higher. TOH and LD tubing.
4. **Plug #2 (9.625" casing shoe and surface, 797' - Surface)**: Perforate 3 squeeze holes at 797'. Establish circulation out the bradenhead valve with water. Mix and pump approximately 340 sxs cement down the 6.625" casing to circulate good cement out bradenhead valve. Shut well in and WOC.
5. 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.