Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| SUNDRY NOTICES AND REPORTS ON WELL | |
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| - MINDING A LOCALISTING TANDS INCLUDED AS CILC. AS WILLIAM | |

5. Lease Serial No.

| SUNDRY | NOTICES AND RI | EPORTS ON WE | LLS | NM-052931 | |
|--|--|--|--|--|--|
| Do not use ti | nis form for proposals ell. Use Form 3160 - 3 | to drill or to re-e | enter an | 6. If Indian, All | ottee or Tribe Name |
| SUBMIT IN TR | IPLICATE- Other ins | tructions on rever | se side. | 7. If Unit or CA | /Agreement, Name and/or No. |
| I. Type of Well Oil Well (| Gas Well Other | | | 8. Well Name a | |
| 2. Name of Operator BC&D Oil 8 3a. Address | Gas Corp | 3b. Phone No. finchude | area code) | Hanson #35 9. API Well N 30-031-205 | 0,7/2 |
| 3001 Knox Street, Suite 403 D 4. Location of Well (Footage, Sec., 750' FWL & 1340' FSL Sect | T., R., M., or Survey Description | 214-389-9800 | | Hospah-Ga | |
| · · · · · · · · · · · · · · · · · · · | PPROPRIATE BOX(ÈS) T | · · · · · · · · · · · · · · · · · · · | <u> </u> | EPORT, OR OT | HER DATA |
| TYPE OF SUBMISSION | | TY | PE OF ACTION | · | |
| Notice of Intent Subsequent Report | Acidize Alter Casing Casing Repair | Deepen Fracture Treat New Construction | Production (Star Reclamation Recomplete | rt/Resume) | Water Shut-Off Well Integrity Other |
| Final Abandonment Notice | Change Plans Convert to Injection | Plug and Abandon Plug Back | Temporarily Ab Water Disposal | andon' | |
| Attach the Bond under which t | ed Operation (clearly state all pe ectionally or recomplete horizont he work will be performed or pro volved operations. If the operation | ally, give subsurface location wide the Bond No. on file was a contract of the subsurface of the subsu | ns and measured and tru vith BLM/BIA. Require | e vertical depths of ad subsequent report | all pertinent markers and zones. is shall be filed within 30 days |

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.)

Please see the attached plugging plan:

JAN 7 2008

Bureau of Land Management Farmington Field Office

RCVD JAN 9 '08

OTL CONS. DTV. DIST. 3

| 14. Thereby certify that the foregoing is true and correct Name (Printed/Typed) Mike Allen | | Title | Operation | s Manager | ,e,ì | | | |
|--|---|---------|-------------|---|----------|-----------|----------------------|--------|
| Signature De | | Date | | 01/07/2 | 800 | ì | | |
| THIS SPACE F | OR FEDERAL | OR | STATE | OFFICE USE | | | | |
| Approved by Original Signed: Stephen Mason | | | | nd Maria Balanca da sa Lucas per a maria a | Da | te | JAN 0 9 2028 | 3 |
| Conditions of approval, if any, are attached. Approval of this certify that the applicant holds legal or equitable title to those rewhich would entitle the applicant to conduct operations thereo | notice does not warran rights in the subject lea | | Office | | | | | |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 min | ike it a crime for any i | sercion | knowingly : | and willfully to mak | ito anvi | lenarfmèr | at 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)



Plug and Abandonment Plan

BC&D Oil &Gas Corp.

Hanson #35
1340' FSL & 750' FWL

Sec. 6 T17N R8W

McKinley County, New Mexico

- 1. Comply to all BLM, MSPC and contractor safety rules and regulations. Hold safety meetings each morning.
- 2. MIRU, check tubing, casing annulus and Braden head for pressure. Bleed pressure off of well if necessary.
- 3. Unseat pump, POOH and LD rods. Break rods down to singles for hauling purposes. POOH with tubing and tally. RIH with 45 degree cut nipple and collar with 1644' of 2 3/8" work string. Circulate hole clean to 1644' or as deep as possible. Circulate fluids into Mountain States water truck. Place contents into BLM approved storage. POOH with 2 3/8" work string LD.
- 4. Plug # 1- (Lower Hospah & Gallup Top. 1644'-1200') RIH with perforating shot. Perforate one 3/8" shot in casing @650' to serve as a squeeze hole. POOH with perforating gun, LD. RIH with 2 3/8" workstring to approximately 1644'. Pump Class B cement from 1644'to approximately 1200' (50' above Gallup Sand plus 50' excess). POOH with approximately 300' of workstring LD. Load casing with 8.33 ppg water through workstring from 1200' to 650'. POOH with workstring LD and attach 5 1/2" J-Packer.
- 5. Plug #2-(Squeeze and Surface plug 650' to Surface) RIH with approximately 620' of workstring with packer, J set packer. Pump approximately 79 sks. of Class B cement through squeeze hole and circulate cement into 7 7/8" hole and around 5 ½" casing to surface. At successful surface circulation, un-J Packer POOH with workstring LD. Pump cement to within 3' of surface. Allow cement to stabilize, top off cement within 3' of surface.
- 6. Cut off well 3' below ground and install P&A marker per BLM specifications. RD, cleanup MOL.
- 7. Restore location to BLM specifications