

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUL 21 2008

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.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator BC&D Oil & Gas Corp.

Mountain States

3a. Address
3001 Knox Street, Suite 403, Dallas TX.3b. Phone No. (include area code)
214-389-9800

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

1370' FSL & 2195' FWL, Section 6 T17N R8W

5. Lease Serial No.

NM-052931

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No

Hanson #39

9. API Well No.

30-031-20810

10. Field and Pool, or Exploratory Area

Hospah-Gallup

11. County or Parish, State

McKinley, New Mexico

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

TYPE OF SUBMISSION

- ☒
- Notice of Intent
-
- ☐
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|--|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <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 shall 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 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.)

Please see the attached plugging procedure:

A COMPLETE C-144 MUST BE SUBMITTED TO AND APPROVED BY THE NMOCD FOR: A PIT, CLOSED LOOP SYSTEM, BELOW GRADE TANK, OR PROPOSED ALTERNATIVE METHOD, PURSUANT TO NMOCD PART 19.15.17, PRIOR TO THE USE OR CONSTRUCTION OF THE ABOVE APPLICATIONS.

RCVD JUL 24 '08

OIL CONS. DIV.

DIST. 3

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

Mike Allen

Title Production Engineer

Signature

Date

07/19/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason

Title

Date

JUL 23 2008

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, 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

Plug and Abandonment Plan
BC&D Oil & Gas Corp.
Hanson #39
1370' FSL & 2195' FWL
Sec. 6 T17N R8W
McKinley County, New Mexico

1. Comply with 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 1559' of 2 3/8" work string. Circulate hole clean to 1559' 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. 1559'-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 1559' 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 1/2" 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

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3001 Knox Street, Suite 403, Dallas TX.

3b. Phone No. (include area code)
214-389-9800

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
630' FSL & 2060' FWL Section 6, T17N, R8W

5. Lease Serial No.
entNM-052931

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Hanson #16

9. API Well No.

10. Field and Pool, or Exploratory Area
Hospah-Gallup

11. County or Parish, State

McKinley, 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 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	

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RCVD JUL 24 '08
OIL CONS. DIV.
DIST. 3

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Name (Printed/Typed)

Mike Allen

Title **Production Engineer**

Signature

Date

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(Instructions on page 2)

NMOCD

Plug and Abandonment Plan

BC&D Oil & Gas Corp.

Hanson #16

630' FSL & 2060' 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 sand line, tag bottom @ 2625'.
4. **Plug # 1-(Bullhead Squeeze from 2625-1000')**
Nipple up to wellhead for bull head squeeze. Displace 10 bbls formation fluid into Dakota (B) formation. Start Class B cement, displace cement to and across perforations from 2496' to 2511'. Fill 3.5" casing to 1000'. Allow cement to stabilize.
5. RIH with perforating shot. Perforate one 3/8" shot in casing @650' through 3.5" casing and through 5.5" casing. POOH with perforating gun, LD.
6. **Plug #2-(Squeeze and Surface plug 650' to Surface)** Fill 3.5" annulus with fresh water. Weld cap with 1" nipple and valve to annulus between 3.5" casing and 5.5" casing. Close valve. Establish circulation through squeeze holes and around 5.5" casing. Bullhead cement through and around 5.5" to surface. Open 1" valve, continue to pump until cement is at surface around 3.5". Allow cement to stabilize, top off if necessary.
7. Cut off well 3' below ground and install P&A marker per BLM specifications. RD, cleanup MOL.
8. Restore location to BLM specifications