

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FEB 28 2010

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or re-enter abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

NM NM 104606

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or N

N/A

8. Well Name and No

Monument # 1

9. API Well No

30-045-21912

10. Field and Pool, or Exploratory Area

Mesa Verde

11. County or Parish, State

San Juan County, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. ☐ Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Coleman Oil & Gas, Inc.

3a. Address

P O Drawer 3337, Farmington, NM 87499-3337

3b. Phone No. (include area code)

(505) 327-0356

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

1656 ' FNL and 942' FEL, Unit G, Section 17, Twp 24N, Rge 10W

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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans <input checked="" type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> See below
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operations (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 site is ready for final inspection.)

As per the New Mexico Oil Conservation Division's Case # 13812, Order # R-12820-A Coleman Oil & Gas, Inc. is required to re-enter the Monument #1 and place a cement plug across the entire Cliff House and La Ventana Tounge members of the Mesa Verde Formation and re-plug the Monument # 1 back to surface. Please see the attached procedure for the specifics of the re-entering and re-plugging operations. Coleman Oil & Gas, Inc. currently has a permit for the construction of a reserve pit however to reduce impact has decided to use a closed loop system and is in the process of obtaining approval for the closed loop system from the Oil Conservation Division Aztec Field Office. It is our intention to use the original access to location and existing location to re-enter the Monument #1. All activities will remain on previously disturbed areas. Coleman Oil & Gas, Inc. intends to reclaim access and location as soon as possible. It is anticipated that this will be done within thirty to forty five days with weather permitting. Seeding requirements will take place during seasonal periods as per recommendations and approvals by the Farmington BLM Field Office.

RCVD MAR 2 '10
OIL CONS. DIV.

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

Name (Printed/Typed)

Bryan Lewis

Title

Landman

DIST. 3

Signature

Bryan Lewis

Date

February 24, 2010

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Original Signed: Stephen Mason

Title

Date

FEB 24 2010

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, 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.

(Instructions on reverse)

NMOCD 16

Notify NMOCD 24 hrs
prior to beginning
operations

Coleman Oil & Gas, Inc.

Proposed P&A Procedure

Friday, February 19, 2010

Well: **Monument #1**
Location: 1650' FNL & 990' FEL (SENE)
Sec 17, T24N, R10W, NMPM
San Juan County, New Mexico
By: Michael T. Hanson

Field:
Elevation: 6776' RKB
6764' GL
Lease: NMNM - 104606

Procedure: (Note: This procedure will be adjusted on site based upon actual conditions)

MIRU Rotary Rig

1. MIRU Rotary Rig with closed loop system.
2. Nipple up BOP Equipment and hold Safety Meeting.
3. Pressure test BOP and surface equipment to 250 psig low pressure and 500 psig high pressure.
4. Drill out remainder of plugs and clean out to \pm 3100 Feet KB.
5. Condition hole to plug back to surface starting at 3100 Feet KB.
6. After hole has been conditioned POOH and lay down bottom-hole assembly.
7. TIH open ended and plug back to surface as follows.
8. Place 325 sack plug (490.75 cubic feet) from 3100 to 1650. (This plug may have to be placed in stages due to length of interval).
9. Place 112 sack plug (169.12 cubic feet) from 1450 to 950 feet KB. (This plug may have to be placed in stages due to length of interval).
10. Place 45 sack plug (67.95 cubic feet) from 730 to 530 feet KB.
11. Place 24 sack plug (35.20 cubic feet) from 275 to 175 feet KB.
12. Place 15 sack plug (22.65 cubic feet) from 60 feet KB to surface.
13. Release rig.
14. Install dry hole marker.
15. Reclaim location and access road.

Cement Premium Class "G" with 4% Bentonite (Yield = 1.51 cu. ft. /sack; slurry weight = 14.2 PPG). Compressive strength of cement to meet or exceed minimum requirements for Bureau of Land Management and New Mexico Oil Conservation Commission Plugging and Abandonment requirements.