

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on reverse side)

Budget Bureau No. 1004-0135
Expires August 31, 1988

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT" for such proposals.)

5. LEASE DESIGNATION AND SERIAL NO.

SF 078362

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Federal

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Grace Federal 1

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

Lybrook Gallup

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec. 1-T23N-R7W

12. COUNTY OR PARISH 13. STATE

Rio Arriba NM

1. ON WELL ☒ XX ☐ WELL ☐ OTHER ☐

2. NAME OF OPERATOR

Bannon Energy Incorporated

3. ADDRESS OF OPERATOR

P. O. Box 2058, Farmington, New Mexico 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface

Unit E; 1650' FNL and 840' FWL NMPM

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

7098' GL; 7110' KB

16. Check Appropriate Box To Indicate Nature of Notice Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT OFF

PULL OR ALTER Casing

WATER SHUT OFF

REPAIRING WELL

FRAC TURE TREAT

MULTIPLE COMPLETION

FRAC TURE TREATMENT

ALTERING CASING

ABANDON OR PLUG

ABANDON

SHOOTING OF A PLUG

ABANDONMENT

X

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE IN DETAIL OR COMPLETION OPERATIONS. Check all pertinent details and give pertinent data including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to the work.

1. Started plugging operation on August 22, 1989.
2. Circulated hole with mud laden fluid.
3. Spot 30 sx class "B" from 5480' to 5084'.
4. Spot 90 sx class "B" from 4425' to 3237'.
5. Shot 4 circulating shots at 2350', unable to break circulation with 1250 psig; shoot 4 holes at 2090', unable to break circulation; spot 127 sx from 2411' to 721'.
6. Perforate holes at 385', circulate cement to surface with 162 sx.
7. Cut off 4½" and 8-5/8" casing strings 4' below ground level, weld on plate and P&A marker on August 24, 1989.
8. Location has not been rehabilitated; a replacement well, the Grace Federal 1-1R will be drilled and the existing production facility will be utilized for separation, metering and storage. The location will be rehabilitated when the replacement well is plugged and abandoned.

Approval to plugging of the well.
Liability under bond is retained until
surface restoration is completed.

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

SIGNED

W. J. Holcomb

TITLE Engineer, Bannon Energy Inc. DATE 9-5-89

(This space for Federal, or State office use)

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

DATE

Ken Townsend

AREA MANAGER
FARMINGTON RESOURCE AREA

*See Instructions on Reverse Side