

Form 3160-5  
(August 1999)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**SUNDRY NOTICES AND REPORTS ON WE**  
Do not use this form for proposals to drill or to re-  
abandoned well. Use Form 3160-3 (APD) for such proposals.

Post-it Fax Note 7671

To: Brian Pauli	Date: 4-8-02	# of pages: 5
Co./Dept: BLM	From: Randy Thill	
Phone #	Co: Bilco Energy	
Fax # 505-761-8911	Phone # 324-2384	
	Fax # 325-8228	

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Bilco Energy

3a. Address

2800 E. Cedar Farming, NM 87004

3b. Phone No. (include area code)

505-326-6015

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

1000' ESH & 970' EWH, Sec. 6, T-32-N, R4-W  
23

Jicarilla Apache

7. If Unit or C/A Agreement, Name and/or No.

8. Well Name and No.

M &amp; M #2

9. API Well No.

30-039-23042

10. Field and Pool, or Exploratory Area

Ballard PL

11. County or Parish, State

Rio Arriba, N.M.

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"/> After 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	

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 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.)

Bilco Energy plans to plug & abandon this well per the attached procedure.

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

Name (Printed/Typed)

Randy K. Thill

Title

President

Signature

Randy K. Thill

Date

7-23-01

Date

4/8/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Lands and Mineral Resources

Title

Date

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 in any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

# **M&M #2**

## **Proposed P&A**

Ballard Pictured Cliffs

SW, Section 6, T-23-N, R-4-W, Rio Arriba County, NM

Jicarilla Contract #362

Long: / Lat:

Today's Date: 07/18/01

Spud: 07/09/82

Completed: 08/27/82

Elevation: 6084' GI

8-5/8" hole

7" 17#, J-55 Casing set @ 97'  
Cemented with 90 sxs (106 cf),  
(Circulated to Surface)

Plug #2 540' - Surface  
Cmt with 120 sxs

Nacimiento @ 490'

Perforate @ 540'

TOC @ 1571' (Calc. 75%)

Ojo Alamo @ 1980'

Plug #1 2445' - 1930'  
Cement with 28 sxs  
(2 stages)

Kirtland @ 2130'

Fruitland @ 2335'

Set CIBP @ 2445'

Pictured Cliffs @ 2495'

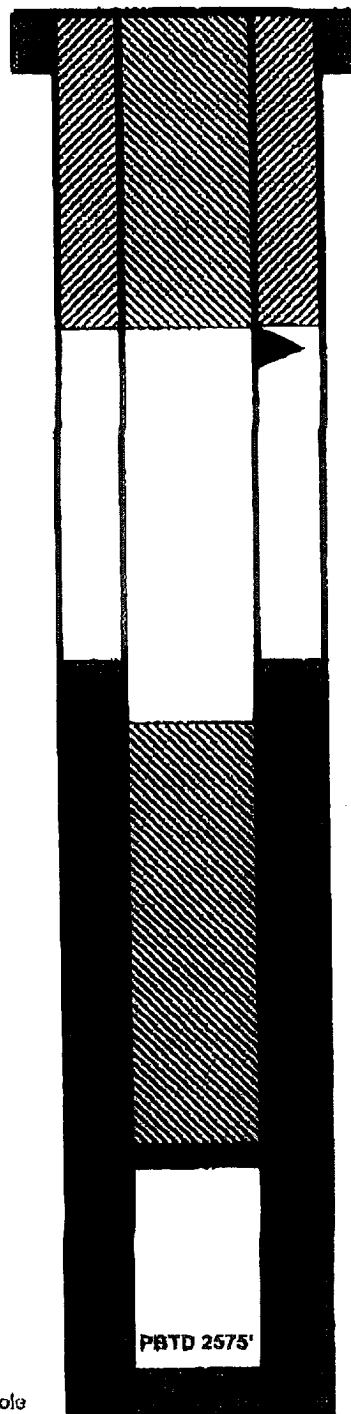
Pictured Cliffs Perforations:  
2495' - 2516'

PBTD 2575'

5-5/8" hole

TD 2602'

2-7/8" 6.4#, J-55 Casing set @ 2602'  
Cement with 150 sxs (177 cf)



**M&M #2****Current**

Ballard Pictured Cliffs

SW, Section 6, T-23-N, R-4-W, Rio Arriba County, NM

Jicarilla Contract #382

Long: / Lat:

Today's Date: 07/18/01

Spud: 07/09/82

Completed: 08/27/82

Elevation: 6884' G

8-5/8" hole

7" 17#, J-55 Casing set @ 97'  
Cemented with 90 sxs (106 cf),  
(Circulated to Surface)

Nacimiento @ 490'

**WELL HISTORY**

No workover history in NMOCD records.

Well was TA in 1991 due to low volume and low prices.

Tubing was pulled recently.

TOC @ 1571' (Calc. 75%)

Ojo Alamo @ 1980'

Kirtland @ 2130'

Fruitland @ 2335'

Pictured Cliffs @ 2495'

Pictured Cliffs Perforations:  
2495' - 2516'

PBTD 2575'

5-5/8" hole

2-7/8" 6.4#, J-55 Casing set @ 2602'  
Cement with 150 sxs (177 cf)

TD 2602'

## PLUG AND ABANDONMENT PROCEDURE

07/18/01

**M & M #2**

Ballard Pictured Cliffs

1000' FSL &amp; 970' FWL, Section 6, T23N, R4W

Rio Arriba County, New Mexico API #30-039-

Long: / Lat:

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 II, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. Install and/or test rig anchors. Prepare blow pit. Comply with all NMOCD, BLM and V&R Production safety rules and regulations. ND wellhead and NU BOP, test BOP.
2. Prepare a 1-1/4" tubing workstring. Round-trip a 2-7/8" gauge ring to 2445' or as deep as possible.
3. **Plug #1 (Pictured Cliffs perforations and Fruitland, Kirtland and Ojo Alamo tops, 2445' - 1930')**: Set a 2-7/8" wireline CIBP at 2445'. TIF with open ended tubing and tag CIBP. Load casing with water and circulate the well clean. Pressure test casing to 500#. If casing does not test, then spot or tag subsequent plugs as necessary. Mix 28 sxs cement and spot a balanced plug (in two 14 sack stages) inside casing above the CIBP to isolate the Pictured Cliffs perforations and Fruitland, Kirtland and Ojo Alamo tops. TOH and LD tubing.
4. **Plug #2 (Nacimiento top and 7" Surface casing, 540' - surface)**: Perforate 2 bi-wire squeeze holes at 540'. Establish circulation out bradenhead valve. Mix and pump approximately 120 sxs cement down 2-7/8" casing to circulate good cement out bradenhead valve. Shut well in and WOC.  
  
If unable to establish circulation to surface or the casing does not pressure test after plug #1, then do the Nacimiento plug from 540' to 440' by setting a cement retainer at 490' and use 22 sxs cement outside the casing and 5 sxs inside the casing. Then for the surface plug, perforate at 147' and establish circulation to surface with water. Then circulate cement to surface out the bradenhead valve.
5. ND BOP and cut off casing below surface. Install P&A marker with cement to comply with regulations. RD, move off location, cut off anchors and restore location.

IN REPLY REFER TO  
3162.3-1 (017)

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT  
Albuquerque Field Office  
435 Montano N.E.  
Albuquerque, New Mexico 87107

Company Billco Energy

Well No. M&M No. 2

Location 1000' FSL & 970' FWL Sec. 6, T32N, R4W, NMPM

Lease No. Jicarilla Contract 362

Government Contacts:

Bureau of Land Management , Albuquerque Field Office Office 505.761.8700  
Manager: Steve Anderson, Assistant Field Manager 505.761.8982  
Petroleum Engineer: Brian W. Davis 505.761.8756, Home 505.323-8698,  
Pager 505.969-0146, Cell 505.249.7922,  
Petroleum Engineering Technician: **Bryce Hammon, Office 505.759.1823, x-31, Cell 505.320.9741**  
BLM Geology / Environmental Contact: Patricia M. Hester 505.761.8786

**GENERAL REQUIREMENTS**  
**FOR**  
**OIL AND GAS OPERATIONS FEDERAL & INDIAN LEASES**

1. Plugging operations authorized are subject to the "General Requirements for Permanent Abandonment of Wells on Federal and Indian Leases."
2. For wells on Indian leases, Bryce Hammond with the Jicarilla Nation Tribal Oil and Gas Office is to be notified at least 24 hours (48 hours if possible) before the plugging operations commence. His phone number is (505) 759-1823, x-31 office, (505) 320-9741 cell. Office hours are 7:45 a.m. to 4:30 p.m.
3. Blowout prevention equipment is required.
4. The sundry is approved with the following change:  
  
n/a