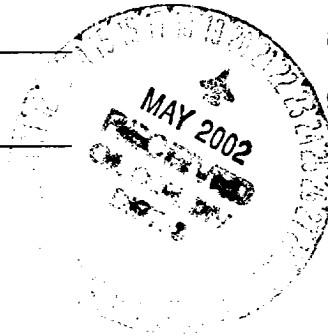


submitted in lieu of Form 3160-5

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**
Sundry Notices and Reports on Wells

1. Type of Well Gas	5. Lease Number Contract #55 6. If Indian, All. or Tribe Name Jicarilla Apache 7. Unit Agreement Name
2. Name of Operator Billco Energy	
3. Address & Phone No. of Operator 2800 E. Cedar, Farmington, NM 87401, 505-326-6015	8. Well Name & Number Jicarilla A 55 #1 9. API Well No.
Location of Well, Footage, Sec., T, R, M 1850' FNL and 790' FWL, Sec. 35, T-23-N, R-3-W,	10. Field and Pool Ballard Pictured Cliffs 11. County & State Sandoval County, NM



12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission	Type of Action	
<input checked="" type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Re-completion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other -	

13. Describe Proposed or Completed Operations

Billco Energy plans to plug and abandon this well per the attached procedure.

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

Signed Randy K. Thile Title Operator Date 4/15/02
Randy Thile

(This space for Federal or State Office use)
APPROVED BY /s/ David B. Sizler Title Lands and Mineral Resources Date MAY 16 2002
CONDITION OF APPROVAL, if any:

PLUG AND ABANDONMENT PROCEDURE

4/15/02

Jicarilla A-55 #1

Ballard Pictured Cliffs

1850' FNL & 790' FWL, Section 35, T23N, R3W

Sandoval County, New Mexico

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 test rig anchors. Prepare blow pit. Comply with all NMOCD, BLM and Bilco safety rules and regulations. MOL and RU daylight pulling unit. Blow well down; kill with water if necessary. ND wellhead and NU BOP and stripping head; test BOP.
2. TOH with 1-1/4" tubing, total 2835'. Inspect tubing, if necessary LD and PU workstring. Round-trip 4-1/2" gauge ring or casing scraper to 2790.
3. **Plug #1 (Pictured Cliffs perforations and Fruitland, Kirtland and Ojo Alamo tops, 2790' – 2440')**: TIH and set a 4-1/2" CR at 2790'. Pressure test tubing to 1000#. 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 31 sxs cement and spot a balanced plug inside casing above the CR to isolate the Pictured Cliffs perforations and to cover the Fruitland, Kirtland and Ojo Alamo tops. TOH with tubing.
4. **Plug #2 (Nacimiento, 1400' – 1300')**: Perforate 3 squeeze holes at 1400'. If the casing tests, then establish circulation into squeeze holes. Set 4-1/2" CR at 1350'. Mix and pump 36 sxs cement, squeeze 24 sxs outside casing and leave 12 sxs inside casing to cover the Nacimiento top. TOH and LD tubing.
5. **Plug #3 (8-5/8" Casing shoe, 171' - Surface)**: Perforate 3 squeeze holes at 171'. Establish circulation out bradenhead with water. Mix and pump approximately 70 sxs cement down 4-1/2" casing to circulate good cement out the bradenhead valve. Shut in and WOC.
6. BOP and cut off wellhead below surface casing. Install P&A marker to comply with regulations. RD, MOL, cut off anchors, and restore location.

Jicarilla A-55 #1

Current

Ballard Pictured Cliffs

1850' FNL, 790' FWL, Section 35, T-23-N, R-3-W
Sandoval County, NM

Today's Date: 4/15/02

Spud: 11/21/66

Completed: 12/1/66

Elevation: 7220' GL
7282' KB

10-3/4" hole

8-5/8" 24# Casing set @ 121'
Cmt w/ 60 sxs (Circulated to Surface)

WELL HISTORY

No workover history of record.

Nacimiento @ 1350'

TOC @ 2245' (Calc, 75%)

Ojo Alamo @ 2490'

1-1/4" Tubing set at 2835'
(? Joints, IJ)

Kirtland @ 2614'

Fruitland @ 2695'

Pictured Cliffs @ 2839'

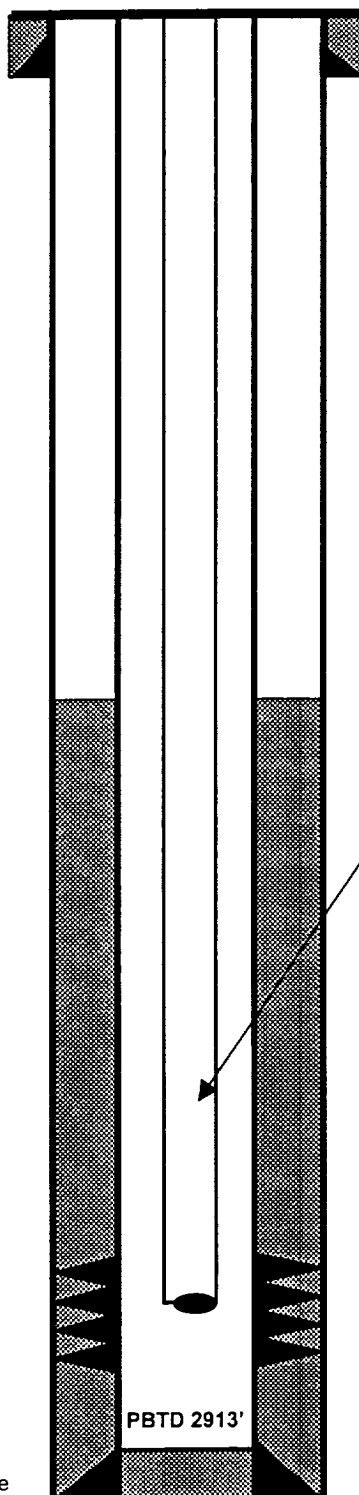
Pictured Cliffs Perforations:
2840' - 2860'

PBTD 2913'

6-3/4" hole

4-1/2" 9.5# Casing set @ 2933'
Cement with 100 sxs (126 cf)

TD 2950'



Jicarilla A-55 #1

Proposed P&A

Ballard Pictured Cliffs

1850' FNL, 790' FWL, Section 35, T-23-N, R-3-W
Sandoval County, NM

Today's Date: 4/15/02

Spud: 11/21/66

Completed: 12/1/66

Elevation: 7220' GL
7282' KB

Nacimiento @ 1350'

Ojo Alamo @ 2490'

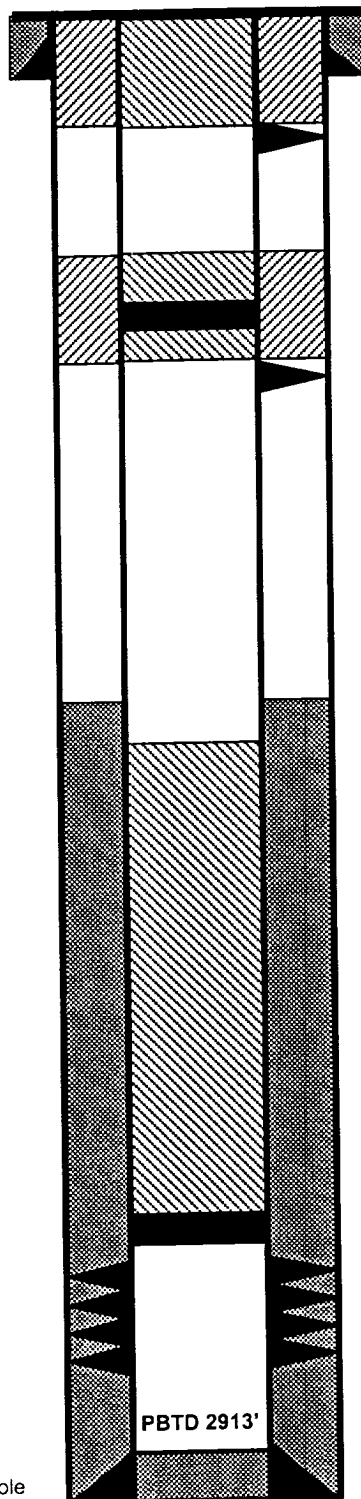
Kirtland @ 2614'

Fruitland @ 2695'

Pictured Cliffs @ 2839'

10-3/4" hole

6-3/4" hole



8-5/8" 24# Casing set @ 121'
Cmt w/ 60 sxs (Circulated to Surface)

Perforate @ 171'

Plug #3: 171' - Surface
Cement with 70 sxs

Cmt Retainer @ 1350'

Perforate @ 1400'

Plug #2: 1400' - 1300'
Cement with 36 sxs,
24 outside casing
and 12 inside.

TOC @ 2245' (Calc, 75%)

Plug #1: 2790' - 2440'
Cement with 31 sxs

Set CR @ 2790'

Pictured Cliffs Perforations:
2840' - 2860'

4-1/2" 9.5# Casing set @ 2933'
Cement with 100 sxs (126 cf)

TD 2950'

CONDITIONS OF APPROVAL FOR PERMANENT ABANDONMENT

Operator Billco Energy Well Name Jicarilla A 55 #1

1. Plugging operations authorized are subject to the "General Requirements for Permanent Abandonment of Wells on Federal Leases."
2. For wells on Federal leases, Al Yepa with the Cuba Field Office is to be notified at least 24 hours (48 hours if possible) before the plugging operations commence. His phone number is (505) 289-3748. Office hours are 7:45 a.m. to 4:30 p.m.

For wells on Jicarilla leases notify Bryce Hammond with the Jicarilla Apache Tribe at least 24 hours (48 hours if possible) before the plugging operations commence. His phone number is (505) 759-1783 ext. 31.

3. Blowout prevention equipment is required.
4. The following modifications to your plugging program are to be made :

None

BLM CONDITIONS OF APPROVAL

The following surface rehabilitation Conditions of Approval must be complied with as applicable, before this well can be approved for final abandonment (see 43 CFR 3162.3-4). Surface rehabilitation work shall be completed within one year of the actual plugging date. Notification for completion of this work should be submitted with a Sundry Notice. Questions? Call Pat Hester at (505) 761-8786.

1. All fences, production equipment, purchaser's equipment, concrete slabs, deadman (anchors), flowlines, risers, debris and trash must be removed from the location. Non-retrieved flowlines and pipelines will be abandoned in accordance with State Rule 714. Information supporting the non-retrieval will be included in the subsequent report or final abandonment Sundry Notice.

2. Production pits will be closed according to the Unlined Surface Impoundment Closure Guidelines, as approved in the Environmental Assessment of December 1993. Any oil stained soils can be remediated on-site according to these guidelines or disposed of in an approved facility.

3. The well pad will be shaped to the natural terrain and left as rough as possible. All compacted areas and areas devoid of vegetation shall be ripped/disked to a minimum of 12" in depth before reseeding.

4. Access roads will be shaped to conform to the natural terrain and left as rough as possible to deter vehicle travel. Access will be ripped to a minimum of 12" in depth, water barred and reseeded. All erosion problems created by the development must be corrected prior to acceptance of release. Water bars should be spaced as shown below along the fall line of the slope:

% Slope	Spacing Interval
Less than 20%	200'
2 to 5 %	150'
6 to 9 %	100'
10 to 15 %	50'
Greater than 15%	30'

5. All disturbed areas will be seeded with the prescribed certified seed mix (reseeding may be required). Seed mix must be certified weed free to avoid the introduction of noxious weeds. Refer to the original APD for seed mix.

6. Notify Surface Managing Agency seven (7) days prior to seeding so that they may be present to witness.

7. The period of liability under the bond of record will not be terminated until the well is inspected and the surface rehabilitation approved.

Other Surface Managing Agencies (SMA's) may vary slightly in their restoration requirements. It is your responsibility, as the operator, to obtain surface restoration requirements from other SMA's. We need to be provided with a copy of these requirements. Any problems concerning stipulations received from other SMA's should be brought to us. On private land, a letter from the fee owner stating that the surface restoration is satisfactory will be provided to the office. Questions? Call Pat Hester at (505) 761-8786.