5. LEASE

## UNITED STATES DEPARTMENT OF THE INTERIOR

DEPARTMENT OF THE INTERIOR  GEOLOGICAL SURVEY	NM-29560  6. IF INDIAN, ALLOTTEE OR TRIBE NAME  NONE
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 Form 9–331–C for such proposals.)	7. UNIT AGREEMENT NAME NONE 8. FARM OR LEASE NAME
1. oil gas other	JEFFERS FED 2 9. WELL NO.
2. NAME OF OPERATOR  KENAI OIL AND GAS INC.	#23  10. FIELD OR WILDCAT NAME
<ol> <li>ADDRESS OF OPERATOR         717 17th Street, Ste. 2000, Denver, CO 80202</li> <li>LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)</li> </ol>	Wildcat - Gallup  11. SEC., T., R., M OR BLK. AND SURVEY OR  AREA  2, T23N-R8W
AT SURFACE: 1750' FSL & 1650' FWL AT TOP PROD. INTERVAL: AT TOTAL DEPTH:	12. COUNTY OR PARISH 13. STATE San Juan NM 14. API NO.
16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA	15. ELEVATIONS (SHOW DF, KDB, AND WD) 6985' GL, 6999' KB
REPAIR WELL PULL OR ALTER CASING  SEP	(NOTE: Report results of multiple completion or zone change on form 9-330.) LOGICAL SURVE
17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state including estimated date of starting any proposed work. If well is different and true vertical depths for all markers and zones pertinent.	e all pertinent details, and give pertinent dates, irectionally drilled, give subsurface locations and it to this work.)*
During the afternoon of September 7, 1980, Mr the Operator, by a phone call to Mr. Jim Sims Farmington, N.M.; requested that the Operator the Dakota (perforated from 6274' to 6368') b stuck at 5404'.	Harold Elledge, as Agent for , District Engineer, U.S.G.S. be allowed to permanently abandon by placing cement on the bridge plug
Mr. Sims granted permission, stipulating that the bridge plug at 5404' up to 5370'. Operat	coment be placed by bailer from cor's Agent agreed to this stipulation.
A summary of the well completion operations to Operator's request. The Gallup is perforated	o date is attached to support I from 5336' to 5349' with 16 holes.
Subsurface Safety Valve: Manu. and Type	Set @ Ft.
18. I hereby certify that the foregoing is true and correct	
SIGNED Production  (This space for Federal or State of	
APPROVED BY SEP 15 1980  CONDITIONS OF APPROVAL, IF ANY  AZEISTRIC ENGINEER  TITLE  DATE  NMOCO	

## COMPLETION SUMMARY

After squeeze cementing casing leak between 2211' and 2251' four times and recementing to improve the cement bond, the Dakota was perforated with 16 holes between 6368' and 6274' using 3-½" casing gun. The perforations were acidized with 1,000 gals. 15% HCl with 27 ball sealers in 83 bbls. acid and KCl water. The well swabbed dry with 2.5 bbls. load water and acid left to recover. Gas blew for 10 seconds ahead of each swab run after 49 bbls. acid and load water was recovered. The Dakota was fracture treated with 105,000 lbs. 20/40 sand and 9,000 lbs. 10/20 sand in 58,000 gals. Apollo-40 fluid. After 12 work days (14 total days) and recovering 967 bbls. load water out of 1,428 bbls. frac treatment fluid, swab recovery was 2.4 bbls. load water per hour with a 3' gas flare ahead of the swab with no after-flow of gas. It was decided the Dakota was not a commercial producing zone by itself and that an attempt to complete the Gallup should be made.

The Lower Gallup was perforated with 16 holes between 5336' and 5349' with a retrievable bridge plug set at 5410'. The Gallup perforations were acidized and acid plus load water was swabbed back. With 26 bbls. to recover out of 88 bbls. total acid and water injected, oil tested 5% of total fluid and gas burned with a 10' flare. The Lower Gallup was fracture treated with 19,900 lbs. 20/40 sand in a total of 296 bbls. fluid. Four days after the frac with 138 bbls. load fluid to recover, swab recovery was 1/2 bbls. oil and 1/2 bbls. load water per hour and gas flowed for 1 hour at a 161 MCF per day rate (8/23/80). On 8/26/80, a Baker Hydrostatic Bailer was run to remove 31' of frac sand covering the retrievable bridge plug set at 5410'. This operation resulted in sticking the tubing string. After 8 days of fishing, the Bailer and tubing were recovered leaving the bridge plug with damaged retrieving head in the well at 5404' (top of head). After 2 more days (9/5 & 6/80) of trying to recover the bridge plug, permission was requested and granted by the U.S.G.S. by phone on 9/7/80 to place cement on the bridge plug up to 5370' (34' of cement) to permanently abandon the Dakota.