FORM APPROVED Form 3163-5 UNITED STATES Budget Bureau No. 1004-0135 (December 1989) DEPARTMENT OF THE INTERIOR Expires, September 30, 1990 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. SUNDRY NOTICES AND REPORTS ON WELLS SF-078562 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different res Use "APPLICATION FOR PERMIT-" for such proposals SUBMIT IN TRIPLICATE 7. If Unit or CA. Agreement Designation 1. Type of Well X Oil Well Gas Well Other 2. Name of Operator 8. Well Name and No. Goff 30-5 Bannon Energy, Inc. 9. API Well No. 3. Address and Telephone No. 3934 F.M. 1960 West, Suite 240, Houston, TX 77068 (713) 537-9000 30-039-88336 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit E, 2240' FNL, 330' FWL, Sec. 30, T24N-R6W Escrito/Gallup 11. County or Parish, State Rio Arriba, NM Elev: CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Change of Plans Abandonment X Notice of Intent Recompletion New Construction Non-Routine Fracturing Plugging Back Water Shut-Off Casing Repair Subsequent Report NOV 1 1991 Conversion to Injection Altering Casing Final Abandonment Nice CON DIV Other (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) DIST 13. Describe Proposed or Completed Operations (Clearly state all pertinent dates, including estimated date of starting any proposed well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to th Plugging Procedure Proposed work to be scheduled upon receiving approved sundry. 1. 2. Set retainer at 5600'. Pump 100 sxs through retainer. Spot 50 sxs on top of retainer. 4500' to 3710' 4500' to 3710' 3. Spot 200 sxs outside casing Spot 120 sxs inside casing 2315' to 2100' 4. Spot 80 sxs outside casing Spot 32 sxs inside casing 2315' to 2100' 5. Spot 55 sxs outside casing 1670' to 1525' 1670' to 1525 Spot 22 sxs inside casing 6. Spot 20 sxs outside casing 250' to 150' 250 to surface Spot 20 sxs inside casing Cut off casing 4 ft. below ground level, spot surface plug and install P & A marker. 7. 8. Rehabilitate location. 5686'-5722', 5732'-5746' Perforations: 1210' Kirtland 1770' Formation Tops: Ojo Alamo Pictured Cliffs 2270' Fruitland 2200 Cliffhouse 3750 Point Lookout 4600' SEE ATTACHED FOR Gallup 5490 CONDITIONS OF APPROVAL 14. I hereby certify that the foregoing is true and correct Pernit Agent Title Date Signed (This space for Federal or State office use) Title Approved by Conditions of aproval, if any: EA MANAGER 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 Un States any false, fictious or fraudulent statements or representations as to any maner within its jurisdiction: See Instruction on Reverse Side 1-1 BE186

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA 1235 LA PLATA HIGHWAY FARMINGTON, NEW MEXICO 87401

Attachment to Notice of

Re: Permanent Abandonment

Intention to Abandon

Well: 5-30 Goff

CONDITIONS OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."
- 2. Mark Kelly with the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 326-6201.
- 3. Blowout prevention equipment is required.
- 4. The following modifications to your plugging program are to be made (when applicable):
 - 1) Bring cement to surface behind pipe from 250'
 - 2) Perfa 1820' and play from 1820 to 1620 inside doutside 41/2 casing
 - 3) Bring MU plug up to 3700'

Office Hours: 7:45 a.m. to 4:30 p.m.

GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES FARMINGTON RESOURCE AREA

- 1. Secure prior approval either on a Sundry Notice (Form 3160-5) or verbally from the Fluids Drilling & Production Section at this office before changing the approved plugging program.
- 2. Plugging equipment used shall have separate mixing and displacement pumps and a calibrated tank to assure proper displacement of plugs. The Operator is responsible for providing all measuring devices needed to assure proper measurement of materials being used.
- 3. A proper tank or pit will be used to contain all fluids pumped from the well during plugging operations. Unattended pits are to be fenced.
- 4. All cement plugs are to be placed through tubing (or drillpipe) and shall be a minimum of 100 feet in length with 50% excess inside casing or 100% excess when plug is set in open hole or squeezed into perforations. 15.6%/gal slurry weight is to be used when using class B neat cement or when CaCl₂ is used. Use the recommended slurry weight of other type cements when they are used (Class C, Pozzolan etc.).
- 5. Any cement plugs placed when well is not full of fluid, or when well may be taking fluid, (i.e. across perfs-unless bridge plug or retainer is used, across bad csg., or fresh water formations) will be tagged (touched) after cement has set to verify proper location.
 - 5a. Testing The first plug below the surface plug shall generally be tested by either tagging the plug with the working pipe string, or pressuring to a minimum pump (surface) pressure of 1000 psig, with no more than a 10 percent drop during a 15-minute period (cased hole only). If the integrity of any other plug is questioned, it must be tested in the same manner. Also, any cement plug which is the only isolating medium for a fresh water interval or a zone containing a valuable mineral deposit should be tested by tagging with the drill string.
- 6. Mud must be placed between plugs. Plugging mud is to be made up with a minimum of 15 lbs/bbl of sodium bentonite, and a nonfermenting polymer.

 Minimum consistency of plugging mud must be 9 lbs/gal and with a minimum viscosity of 50 sec/qt. Fresh water is to be utilized for mixing mud.
- 7. Following the placement of a cement plug, the withdrawl rate for at least the length of the cement plug shall not exceed 30 ft/min, in order to minimize the contamination of the plug.

- 8. Within 30 days after plugging work is completed, file a Sundry Notice (Subsequent Report of Abandonment, Form 3160-5), in quintuplicate with Area Manager, Bureau of Land Management, 1235 La Plata Highway, Farmington, NM 87401. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date well was plugged.
- 9. All permanently abandoned wells are to be marked with a regulation marker (4" pipe extending 4' above the ground line) containing the information as specified in 43 CFR 3162.6(d). Unless otherwise approved.
- 10. After plugging work is completed the surface is to be rehabilitated in accord with instructions from the Fluids Surface Management Section of the Farmington Resource Area Office.

All above are minimum requirements. The period of liability under the bond of record will not be terminated until the lease is inspected and surface work approved.

Please advise this office when the well location is ready for final inspection.

Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1.

You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.