CONDITIONS OF AFTROVAL, IF ANY:

-	State of New Mea	xico /	Form C-103
Submit 3 Copies to Appropriate District Office	Energy, Minerals and Natural Resources Department OIL CONSERVATION DIVISION P.O. Box 2088		Revised 1-1-89
DISTRICT I P.O. Box 1980, Hobbs, NM 88240			WELL API NO. 30-039-05474
DISTRICT II Santa Fe, New Mexico 87504-2088 P.O. Drawer DD, Artesia, NM 88210		5. Indicate Type of Lates STATE THE FEE	
DISTRICT III 1000 Rio Brazos Rd., Azzos, NM 87410			6. State Oil & Gas Lease No.
CURRENT NOTICES AND DEBORTS ON WELLS			
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A OIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)			7. Lease Name or Unit Agreement Name
I. Type of Well: OIL QAS WELL X			Escrito Gallup Unit (State 2-16)
2. Name of Operator			8. Well No.
Universal Resources Corporation			16
3. Address of Operator	, Suite 800, Denver,	, co 80202	9. Pool name or Wildcat Gallup
4, Well Location	O' Foot From The West		Feet From The South Line
Section 16		mge 7W	NMPM Rio Arriba County
	10. Elevation (Show whather 7076 GR	DF, RKB, RT, GR, etc.)	
Check	Appropriate Box to Indicate	Nature of Notice, I	Report, or Other Data
	NTENTION TO:	I. SUI	SEQUENT REPORT OF:
PERFORM REMEDIAL WORK	PLUG AND ABANDON X	REMEDIAL WORK	ALTERING CASING
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRILLIN	IG OPNS. PLUG AND ABANDONMENT
PULL OR ALTER CASING		CASING TEST AND C	
OTHER:	,	OTHER:	
			Life sainted data of standing any materiard
 Describe Proposed or Completed Opwark) SEE RULE 1103. 	e rations (Clearly state all pertinent details, a	und give pertinent dates, inc	luding estimated date of starting any proposed
We propose to plug and abandon subject well according to the			
attached proced	ire.		DEGERMED
			REGEIVED
	0 - 1	. 3/22/99	MAR 2 2 1999
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	OCI		0[[L CON. D[[V]. DIST. 3
Parameter and the sheet of the second and the secon	g true and complete to the best of my knowledge m	nd belief.	
- 7	hlua	mr Sr. Petro	leum Engineer 3-22-99
TYPE OR PRINT NAME			TRUEFFICACE NO.
(This space for State Use)		PETUTY OIL & GAS	INSPECTOR, DIST. #2 MAR 22 1999
APTROVED BY Charlee!	Lemi.	IMLE	DATE

PLUG & ABANDONMENT PROCEDURE

Escrito Gallup Unit #16 Escrito Gallup 1850' FSL and 660' FWL, Section 16, T24N-R7W

Rio Arriba 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.

- 1. Install and test location rig anchors. Prepare blow pit. Comply with all NMOCD, BLM and Universal safety regulations. MI and RU daylight pulling unit. Conduct safety meeting for all personnel on location. NU relief line. Blow down well, kill with water as necessary.
- If rods are in well, unseat pump to determine if rods are free. May need to hot oil down
 casing to free rods. Reseat pump and pressure test tubing to 1000#. POH and LD rods. ND
 wellhead and NU BOP, test. TOH and tally 2 3/8" EUE tubing and visually inspect.
- 3. Plug #1 (Gallup perforations and top, 5714' 5602'): Set 4 1/2" wireline CIBP at 5650'. CAL 5600 TIH with open ended tubing and tag CIBP. Load easing with water and circulate clean. Pressure test easing to 500#. If easing does not test, spot or tag subsequent plug as appropriate. Mix 14 sx Class B cement and spot a balanced plug inside easing above the CIBP to isolate Gallup interval and cover top. TOH with tubing.
- 4. Plug #2 (Mesaverde top, 3183'): Perforate 3 squeeze holes at 3200'. Establish rate into squeeze holes if casing tested. TIH and set 4 ½" cement retainer at 3100'. Establish rate under retainer into squeeze holes. Mix 51 sx Class B cement, squeeze 39 sx outside casing and spot 12 sx inside to cover Mesaverde top. PUH to 2350'.

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- 5. Plug #3 (Pictured Cliffs and Fruitland tops, 2425' 2295'): Mix 24 sx Class B cement and spot a balanced plug inside easing to cover Pictured Cliff and Fruitland Coal tops. POH. 2400
- 6. Plug #4 (Kirtland and Ojo Alamo tops, 1910' 1695'): Perforate 3 squeeze holes at 1910'. Establish rate into squeeze holes if casing tested. TIH and set 4 ½" cement retainer at 1850'. Establish rate into squeeze holes. Mix 150 sx Class B cement, squeeze 122 sx outside casing and spot 28 sx inside to cover Ojo Alamo interval.
- 7. Plug #5 (Naciemento top, 640'): Perforate 3 squeeze holes at 650'. Establish rate into squeeze holes. Mix 100 sx Class B cement, squeeze 75 sx outside casing and spot 25 sx inside to cover Naciemento interval.
- 8. Plug #6 (9 5/8" casing shoe at 203"): Perforate 3 squeeze holes at 253'. Establish circulation out bradenhead valve. Mix and pump approximately 71 sx Class B cement down the 4 ½" casing from 253' to surface. Circulate good cement out bradenhead valve. Shut-in well and WOC.
- 9. ND BOP and cut off wellhead below surface casing. Install P&A marker to comply with regulations. RDMOSU, cut off anchors and restore location.

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