Form 3160-5 (August 1999) lease submit 4 copies

UNITED STATES ON FUTURE SUBMITSION BUDGE
MENT OF THE INTERIOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

FORM APPROVED Budget Bureau No. 1004-0135

		NIACCAACNIT	Expires: November 30, 2000
, ,	UREAU OF LAND MA	NAGEMENT	5. Lease Serial No.
SUNDE	RY NOTICES AND RE	PORTS ON WELLS	NMNM-03595
		irill or to re-enter an	6. If Indian, Allottee or Tribe Name
abandoned well. Use	Form 3160-3 (APD)	for such proposals.	
	CLIDALT DI TRIDI	CATE	7. If Unit or CA/Agreement, Name and/or No.
1. TYPE OF WELL	SUBMIT IN TRIPLI	CATE	
OILGAS			8. Well Name and No.
X WELL WELL	OTHER		Escrito Gallup Unit #6
2. name of operator OUESTAR EXPLORATIO	ON AND PRODUCTIO	N COMPANY	9. API Well No.
3. ADDRESS AND TELEPHONE NO.			30-039-05515
		DENVER, CO 80202 303-672-6900	10. Field and Pool, or Exploratory Area
4. LOCATION OF WELL (FOOTAGE, S	SEC., T., R., M., OR SURVEY DESC	RIPTION)	Escrito Gallup
030' FNT 1650' FWT	Sec 18 T24N R7W NM	IPM	11. County, Parish, State Rio Arriba, NM
930 THE 1030 TWE	300 10 12411 IC/ W 111V	1 141	Rio Alliba, Nivi
2. CHECK APPROPRIA	TE BOX(S) TO INDIC	ATE NATURE OF NOTICE, REPORT, C	P HER DATA
TYPE OF SUBMISSION		TYPE OF ACT	
X Notice of Intent	Acidize	Deepen Production	Off
_	Alter Casing	Fracture Treat	,
Subsequent Report	Casing Repair Change Plans	New construction X Plug and Abandon	<i>Y</i> ————————————————————————————————————
Final Abandonment Notice	Convert to Injection	Plug Back	· 5
			151
3. Describe Proposed or Complet	ted Operation (clearly state all p	vertinent details, includir	nd approximate duration thereof.
If the proposal is to deepen direction Attach the Bond under which the w			rinent markers and zones.
following completion of the involved	·	· · · · · · · · · · · · · · · · · · ·	interval, A Form 3160-4 shall be filed once
esting has been completed. Final			have been completed, and the operator has
determined that the site is ready for	r final inspection.)		
Plug and abandon per	atrached procedure		
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			CA 620217 9
4. I hereby certify that the foregoing is	true and correct		
waine (minted Lyped)		Title Sr. Petroleum Engineer	
		Title Sr. Petroleum Engineer	
Signature Lilling	() W View	Date 04-Apr-01	
(This space for Federal or State off	ice use)		
Approved by Sint	I'm m	Title NE	Date 5/21/01
Conditions of approval, if any, are attach	ned. Approval of this notice does no	it warrant or certify	
that the applicant holds legal or equitable			

Bran 1---

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 to any department or agency of the United

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Plug & Abandonment Procedure

Escrito Gallup Unit #6 API – 30-039-05515

Escrito Gallup 930' FNL 1650' FWL Sec 18 T24N R7W NMPM 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.

- Install and test location rig anchors. Prepare blow pit. Comply with all NMOCD, BLM and Questar 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.
- 2. ND wellhead and NU BOP, test.
- 3. TOH and tally 2 3/8" tubing and visually inspect.
- 4. Run 3.625" guage ring to determine max depth obtainable with CIBP.
- 5. Plug #1 (Gallup perforations (5776-5790, 5832-5858, 5874-5884, 5972-5986, 6014-5400' 6022) and top 5753'): TIH with tubing and 4 ½" CIBP. Set CIBP at ± 5755' or at max obtainable depth. Load casing with water. Pressure test casing to 500 psi. If casing does not test, spot or tag subsequent plug as appropriate. Spot cement plug inside casing above the CIBP with enough cement to bring the top of the Gallup plug to 5705'. TOH with tubing.
 - 6. Plug #2 (Mesaverde top, 3935'): Perforate 3 squeeze holes at 3985'. TIH with w/ 2 3/8" work string to ±3885'. Establish rate into squeeze holes and place the Mesaverde plug from 3985' 3885' inside and outside the 4 ½" casing. TOH with tubing.
 - 7. Plug #3 (Pictured Cliffs and Fruitland tops, 2412' 2046'): Perforate 3 squeeze holes at 2462'. TIH with w/ 2 3/8" work string to ±1996'. Establish rate into squeeze holes and place the Pictured Cliffs/Fruitland plug from 2462' 1996' inside and outside the 4 ½" casing. TOH with tubing.
 - 8. Plug #4 (Kirtland and Ojo Alamo tops, 1710' 1363'): Perforate 3 squeeze holes at 1970 1760'. TIH with w/ 2 3/8" work string to ±1313'. Establish rate into squeeze holes and place Kirtland/Ojo Alamo plug from 1760' 1313' inside and outside the 4 ½" casing. TOH with tubing.
 - 9. Plug #5 (Naciamento top, surface; 8 5/8" casing shoe at 213'): Perforate 3 squeeze holes at 300'. Establish circulation out bradenhead valve. Mix and pump cement down the 4 ½" casing from 300' to surface. Circulate good cement out bradenhead valve. Shut-in well and WOC.
 - 10. ND BOP and cut off wellhead below surface casing. Install P&A marker to comply with regulations. RDMOSU, cut off anchors and restore location.

Elizabeth 2 (EGU#6)

Sec. 18-T24N-R7W

Rio Arriba County, New Mexico

BHL: 930' FNL, 1650' FWL

GL ≃ KB = 7141

TVD =

7153 6062

Drilled by BCO Inc.

Spud date: Plug Back Date: September 27 1960 December 30 1991

Schematic - not drawn to scale

SURFACE CASING:

	Weight	Depth Set	Cementing
Casing Size	(lb/ft)	(MD)	Record (sacks)
8 5/8 "	24	213	100

Cement Job

8-5/8" surface casing 231' to surface. 100 sacks 50-50 posmix 3% CaCl. Circulated cement to surface

PRODUCTION CASING:

				Cementing
	Weight	Depth Set	Plug Back TD	Record
Casing Size	(lb/ft)	(MD)	(MD)	(sacks)
4 1/2"	11.6	6062	5930	150

Cement Job

4 1/2" production casing cemented with 150 sacks of 50-50 posmix 4% gel. TOC calculated @ 5,365

TUBING:

	Weight	Depth Set
Tubing Size	(lb/ft)	(MD)
2 3/8"	4.7	5801

PERFORATION RECORD

Depth (MD)	Size (inches)	Number (SPF)
5972'-5986'	NA	4
6014'-6022'	NA	4
5874-5884	NA	2
5832-5858	NA	2
5776-5790	NA	2

ACID/FRACTURE JOB

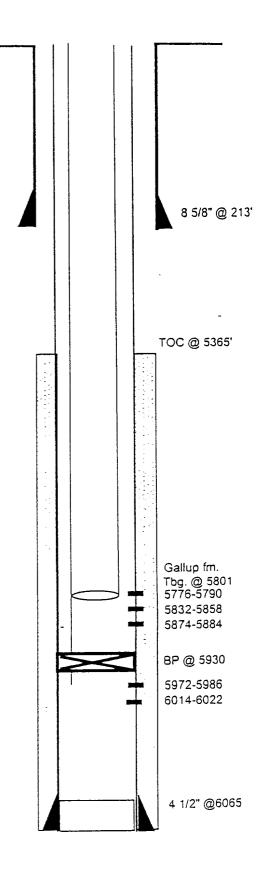
5972'-6022' - 10/60 fractured with 20,000 lbs of sand

5776'-5884' - 5/73 Sand water fracked with 35,000 lbs 10-20 sand and 33,350 gals water.

COMMENTS

BP set @5930 in 1991

TOC based off of TOC calculation Workover jobs done in 73, 91



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 can be submitted with a Sundry Notice.

- 1. All fences, production equipment, purchaser's equipment, concrete slabs, deadman (anchors), flowlines, risers, debris and trash must be removed from the location.
- 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 may be remediated on-site according to these guidelines or disposed of in an approved disposal 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 to a minimum of 12" before seeding.
- 4. Access roads will be shaped to conform to the natural terrain and left as rough as possible to detour vehicular travel. Access will be ripped to a minimum of 12" in depth and waterbarred prior to seeding. All erosion problems created by the development must be corrected prior to acceptance of release. Waterbars should be spaced as shown below:

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

All water bars should divert to the downhill side of the road.

- 5. All disturbed areas will be seeded with the prescribed certified seed mix (reseeding may be required).
- 6. Notify Surfacing Managing Agency seven (7) days prior to seeding so that they may be present for that option.
- 7. The period of liability under the bond of record will not be terminated until the lease is inspected and the surface rehabilitation approved.

Other 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, we should be provided with a letter from the fee owner stating that the surface restoration is satisfactory.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FARMINGTON FIELD OFFICE

1235 LA PLATA HIGHWAY FARMINGTON, NEW MEXICO 87401

Attachment to notice of

Re: Permanent Abandonment

Intention to Abandon:

Well: 6 Escrito Gallup Unit

CONDITIONS OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
- 2. Mike Flanikan with the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.
- 3. The following modifications to your plugging program are to be made:
- a) Bring the top of the Gallup plug to 5350'.
- b) Place the Pictured Cliffs/Fruitland plug from 2462' 2100' inside and outside the 4 ½" casing.
- c) Place the Kirtland/Ojo Alamo plug from 1970' 1660' inside and outside the 4 ½" casing.

You are also required to place cement excesses per 4.4 of the attached General Requirements.

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

GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES FARMINGTON DISTRICT OFFICE

- 1.0 The approved plugging plans may contain variances from the following minimum general requirements.
- 1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Farmington District office, Branch of Drilling & Production.
- 1.2 Requirements may be added to address specific well conditions.
- 2.0 Materials used must be accurately measured.
- 3.0 A tank or approved pit must be used for containment of any fluids from the wellbore during plugging operations and all unattended pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.
- 3.1 Pits are not to be used for disposal of any constituent(s) of concern.
- 4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.
- 4.1 The cement shall be as specified in the approved plugging plan.
- 4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
- 4.3 Surface plugs may be no less than 50' in length.
- 4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
- 4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.
- 5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by: (1) tagging with the work string, or: (2) for cased holes only; pressuring to a minimum surface pressure of 500 PSI, with no more than a 10% drop during a 15-minute period.
- 5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.