Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993

5. Lease Designation and Serial No.

| | | Contract 10 | | | |
|---|--|---|--|--|--|
| | AND REPORTS ON WELLS 98 FEB C | b If Indian, Allottee or Tribe Name | | | |
| Use 'APPLICATION FO | R PERMIT—" for such proposals 030 ALBU | OUERQUE.N.M. | | | |
| SUBMIT | 7. If Unit or CA, Agreement Designation | | | | |
| | - IN THE EIGHTE | N/A | | | |
| 1. Type of Well Oil Gas Well Well Other | 8. Well Name and No. | | | | |
| Well X Well L Other 2. Name of Operator | | Jicarilla #1- 4 | | | |
| Elm Ridge Resources Inc | 9. API Well No. | | | | |
| 3. Address and Telephone No. | 30-039-05678 | | | | |
| 312 West La Plata Stree | t Farmington, NM 87401 326 | | | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey D | Basin Dakota / Clae | | | | |
| OOS . THE COOK PIN | | 11. County or Parish, State | | | |
| 985' FNL & 305" FWL Sec.4-T24N-R25W | Rio Arriba | | | | |
| | s) TO INDICATE NATURE OF NOTICE, F | REPORT, OR OTHER DATA | | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | |
| X Notice of Intent | Abandonment | Channel Diagram | | | |
| LAI Notice of Intent | Abandonment Recompletion | Change of Plans New Construction | | | |
| Subsequent Report | Plugging Back | Non-Routine Fracturing | | | |
| | Casing Repair | Water Shut-Off | | | |
| Final Abandonment Notice | Altering Casing | Conversion to Injection | | | |
| | Other | Dispose Water (Note Report results of multiple completion on Well | | | |
| | | Completion or Recompletion Report and Log form.) | | | |
| | Il pertinent details, and give pertinent dates, including estimated date cal depths for all markers and zones pertinent to this work.)* | of starting any proposed work. If well is directionally drilled, | | | |
| | | | | | |
| See attached plu | agging procedure. | | | | |
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| Surf | | | | | |
| Appvl OFf 3/1/97 | | | | | |

| 14. I hereby certify that the foregoing is true and correct Signed Agent Turk | Title | OPERATIONS MANHEEK | Date _ | 2/27/98 |
|---|-------|-----------------------------|--------|-----------|
| (This space for redera or State office lise) Approved by Conditions of approval, if shy: | Title | Lands and Mineral Resources | Date _ | 113 15 DO |

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

PLUG AND ABANDONMENT PROCEDURE

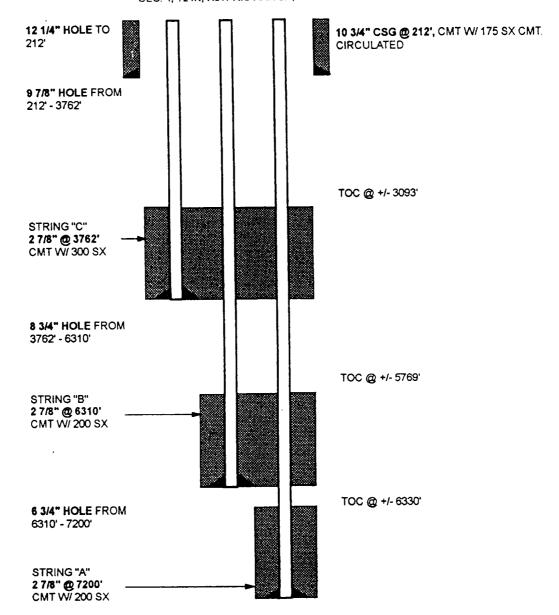
JICARILLA TRIBAL CONT. 10 # 1-4 DAKOTA/GALLUP/MESAVERDE SEC. 4, T24N, R5W RIO ARRIBA. NEW MEXICO

NOTE: ALL CEMENT VOLUMES USE 50% EXCESS OUTSIDE PIPE AND 50 FT. EXCESS INSIDE PIPE. THE STABILIZING WELLBORE FLUID WILL BE 8.3 ppg, SUFFICIENT TO BALANCE ALL EXPOSED FORMATION PRESSURES.

- INSTALL AND TEST RIG ANCHORS. PREPARE BLOW PIT. COMPLY TO ALL BLM, BIA, AND ELM RIDGE SAFETY RULES AND REGULATIONS. MOL AND RU CEMENTING EQUIPMENT. CONDUCT SAFETY MEETING FOR ALL PERSONNEL ON LOCATION. NU RELIEF LINE TO BLOW DOWN WELL; KILL WITH WATER AS NECESSARY.
- 2. PLUG #1 (DAKOTA, GALLUP; 5810'-7200' STRING "A"): TIE PUMP TRUCK ONTO DAKOTA STRING AND ESTABLISH INJECTION RATE INTO PERFORATIONS WITH WATER. MONITOR BACKSIDE FOR COMMUNICATION. IF NO COMMUNICATION, MIX AND PUMP 52 SX CLASS B CEMENT AND DISPLACE TO 5710'. WOC. TAG TOC W/ WIRELINE NO DEEPER THAN 5810'.
- 3. PLUG #2 (MESAVERDE; 3200'-4700' STRING "A"): RIH WITH WIRELINE AND PERFORATE 4 SQUEEZE HOLES @ 4700'. ESTABLISH INJECTION RATE THROUGH PERFORATIONS W/ WATER. MIX AND PUMP 98 SX CLASS B CEMENT AND DISPLACE TO 3100'. WOC. TAG TOC W/ WIRELINE NO DEEPER THAN 3200'.
- 4. PLUG #3 (GALLUP, MESAVERDE; 3200'-6310' STRING "B"): TIE PUMP TRUCK ONTO GALLUP STRING AND ESTABLISH INJECTION RATE INTO PERFORATIONS WITH WATER. MONITOR BACKSIDE FOR COMMUNICATION. IF NO COMMUNICATION, MIX AND PUMP 108 SX CLASS B CEMENT AND DISPLACE TO 3100'. WOC. TAG TOC W/ WIRELINE NO DEEPER THAN 3200'.
- 5. PLUG #4 (MESAVERDE; 3200'-3762' STRING "C"): TIE PUMP TRUCK ONTO MESAVERDE STRING AND ESTABLISH INJECTION RATE INTO PERFORATIONS WITH WATER. MONITOR BACKSIDE FOR COMMUNICATION. IF NO COMMUNICATION, MIX AND PUMP 20 SX CLASS B CEMENT AND DISPLACE TO 3100'. WOC. TAG TOC W/ WIRELINE NO DEEPER THAN 3200'.
- 6. MOL AND RU DAYLIGHT PULLING UNIT. ND WELLHEAD. NU BOP. RU WIRELINE AND RIH WITH TUBING CUTTER IN MESAVERDE STRING "C". CUT 2 7/8" TUBING AT 2500'. POOH AND LD TUBING.
- 7. RU WIRELINE AND RIH WITH TUBING CUTTER IN GALLUP STRING "B". CUT 2 7/8" TUBING AT 2490'. POOH AND LD TUBING.
- 8. RU WIRELINE AND RIH WITH TUBING CUTTER IN DAKOTA STRING "A". CUT 2 7/8" TUBING AT 2480'. PUH TO 2400'.
- 9. PLUG #5 (NACIMIENTO; 2200'-2400'): ESTABLISH CIRCULATION TO SURFACE WITH WATER. PLACE 136 SX CLASS B CEMENT PLUG ACROSS OPEN HOLE. PUH. WOC. TAG TOC NO DEEPER THAN 2200'.
- 10. PLUG #6 (FRUITLAND; 1350'-1500'): PUH TO 1500'. PLACE 102 SX CLASS B CEMENT PLUG ACROSS OPEN HOLE. PUH. WOC. TAG TOC NO DEEPER THAN 1350'.
- 11. PLUG #7 (SURFACE CASING SHOE, SURFACE; 0'-262'): MIX AND PUMP APPROXIMATELY 145 SX CLASS B CEMENT TO CIRCULATE GOOD CEMENT TO SURFACE. POOH.
- 12. ND BOP AND CUT OFF WELL HEAD BELOW SURFACE CASING FLANGE. INSTALL DRY HOLE MARKER. RD, MOL AND CUT OFF ANCHORS. RESTORE LOCATION PER BLM, BIA STIPULATIONS.
- NOTE: IF TUBING COMMUNICATES WITH THE BACKSIDE IN STEPS #2, #4, OR #5, A DAYLIGHT PULLING UNIT WILL NEED TO MOL AND RU TO PU A 1" WORK STRING AND PLACE THE PLUGS ACROSS THE FORMATION PERFORATIONS.

JICARILLA TRIBAL CONT. 10 #1-4

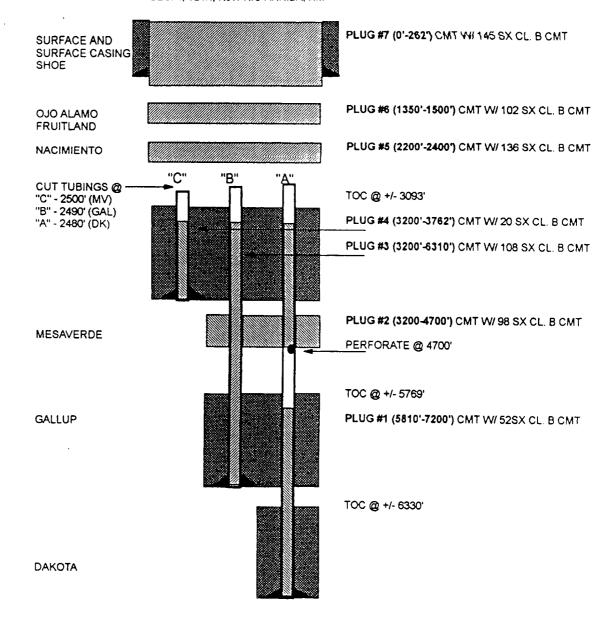
CURRENT TRI COMPLETION SEC. 4, T24N, R5W RIO ARRIBA, NM



JICARILLA TRIBAL CONT. 10 #1-4

PURPOSED

TRI COMPLETION
SEC. 4, T24N, R5W RIO ARRIBA, NM



CONDITIONS OF APPROVAL FOR PERMANENT ABANDONMENT

Operator Elm Ridge Resources Co. Well Name Jic 10 #1-4

- 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 Erwin Elote with the Jicarilla Apache Tribe at least 24 hours (48 hours if possible) before the plugging operations commence. His phone number is (505) 759-3242.

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

The 2-7/8" casing stubs must be covered with a cement plug extending a minimum of 50 feet above and below the stub. This can be accomplished by changing Plug #5 to extend from 2200' to 2550' or place a separate plug at 2430' to 2550'.