

submitted in lieu of Form 3160-5

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Sundry Notices and Reports on Wells

1. Type of Well
Oil

Chace Oil

2. Name of Operator
Golden Oil Company

3. Address & Phone No. of Operator
550 Post Oak Blvd, Suite 550, Houston, TX 77027

Location of Well, Footage, Sec., T, R, M

1850' FSL and 1750' FEL, Sec. 27, T-24-N, R-4-W,

5. Lease Number
Jicarilla 70
6. If Indian, All. or
Tribe Name
Jicarilla Apache
7. Unit Agreement Name
8. Well Name & Number
Jicarilla 70-#8
9. API Well No.
30-039-21828
10. Field and Pool
S. Lindrith Gallup-Dakota
11. County & State
Rio Arriba County, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment

Type of Action

☒ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☐ Other -

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut off

☐ Conversion to Injection

13. Describe Proposed or Completed Operations

Golden Oil Company plans to plug and abandon this well per the attached procedure.

14. I hereby certify that the foregoing is true and correct.

Signed Thank D. Oldham Title Director of Operations Date 9/10/02
Ted Oldham

(This space for Federal or State Office use)

APPROVED BY /s/ Brian W. Davis Title Lands and Mineral Resources

CONDITION OF APPROVAL, if any:

Date OCT 4 2002

**TEMPORARY ABANDONMENT OR
PLUG AND ABANDONMENT PROCEDURE 9/9/02**

**Jicarilla Tribal Contract 70 #8
South Lindrith Gallup / Dakota
1850' FSL & 1750' FEL, Section 27, T24N, R4W
Rio Arriba County, NM**

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. All cement will be ASTM Type II, mixed at 15.6 ppg with a 1.18 cf/sx yield.

TEMPORARY ABANDONMENT:

1. Install and/or test rig anchors. Prepare blow pit. Comply with all NMOCD, BLM and Golden safety rules and regulations. MOL and RU daylight pulling unit. Blow well down; kill as necessary.
2. Pick up on tubing and unseat pump. If necessary, hot oil tubing. Re-seat pump and pressure test tubing to 1000#. POH and LD rods. ND wellhead and NU BOP and stripping head; test BOP. TOH and tally 2-3/8" tubing, 7250'. If necessary use a workstring. Round-trip 4-1/2" casing scraper to 6970'. Note fluid level.
3. **Plug #1 (Dakota perforations and top, 6970' – 6870')**: TIH and set a 4-1/2" cement retainer at 6970'. Pressure test tubing to 1000#. Pump 40 bbls water down tubing. Mix 11 sxs cement and spot a balanced plug inside casing above retainer to isolate the Dakota perforations. TOH.
4. **Plug #2 (Gallup perforations and top, 5044' - 4944')**: TIH and set a 4-1/2" cement retainer at 5044'. Load casing with water and circulate the well clean. Pressure test casing to 500#. Mix 11 sxs cement and spot a balanced plug inside casing above retainer to isolate Gallup perforations.
5. If the casing pressure tests, then notify the BLM or Tribal representative to witness. Then make a 30 minute pressure test chart. Circulate the well with corrosion inhibited water. Then ND BOP and NU wellhead. RD and MOL.
6. If casing does not pressure test, record injection rate and pressure of the casing leak(s). TOH and PU a 4-1/2" fullbore packer. Isolate the location of casing leak(s). Report findings to the Golden representative to determine if it is cost effective to repair the casing. Proceed as directed.

ABANDONMENT:

7. If the well is not repairable, then continue with plugging operations.
8. **Plug #3 (Cliffhouse top, 4485' – 4385')**: Mix 11 sxs cement and spot a balanced plug inside casing to cover the Cliffhouse top. PUH to 2920'.
9. **Plug #4 (Pictured Cliffs, Fruitland, Kirtland and Ojo Alamo tops, 2920' – 2360')**: Mix 46 sxs cement and spot a balanced plug inside casing to cover through the Ojo Alamo top. PUH to 1150'.
10. **Plug #5 (Nacimiento top, 1150' – 1050')**: Mix 11 sxs cement and spot a balanced plug inside casing to cover the Nacimiento top. TOH and LD tubing with setting tool.
11. **Plug #6 (8-5/8" Surface casing, 261' - surface)**: Perforate 3 squeeze holes at 261'. Establish circulation out bradenhead. Mix and pump 85 sxs cement from 261' to surface, circulate good cement out bradenhead valve. SI well and WOC.
12. ND BOP and cut off casing below surface. Install P&A marker with cement to comply with regulations. RD, move off location, cut off anchors and restore location.

Jicarilla 70 #8

Current

South Lindrith Gallup/Dakota

SW, Section 27, T-24-N, R-4-W, Rio Arriba County, NM

Today's Date: 9/9/02

Spud: 5/12/81

Completed: 7/15/81

Elevation: 7007' GL

9-5/8" hole

8-5/8" 24# Casing set @ 220'
Cement with 150 sxs (Circulated to Surface)

TOC @ 900' per sundry

Nacimiento @ 1100'

2-3/8" Tubing set at 7250'
with rods.

Ojo Alamo @ 2400'

Kirtland @ 2510'

Fruitland @ 2660'

Pictured Cliffs @ 2870'

DV Tool @ 2967'
Cmt with 400 sxs 65/35 poz
and 50 sxs class B neat

TOC @ 3577' (Calc, 75%)

Cliffhouse @ 4435'

Holes in casing 5165-5197.
Squeezed and tested to 900
psi on 06/13/81

Gallup @ 6094'

Gallup Perforations:
6110' -6113', 6122'-6128',
6163'-6168', 6271'-6290'

Dakota @ 7085'

Dakota Perforations:
7035'-7050', 7060' - 7062',
7102' - 7124', 7270'-7290'

7-7/8" hole

PBTD 7411'

4-1/2" 10.5# Casing set @ 7449'
Cement with 700 sxs (882 cf)

TD 7452'

Jicarilla 70 #8

Proposed P&A

South Lindrith Gallup/Dakota

SW, Section 27, T-24-N, R-4-W, Rio Arriba County, NM

Today's Date: 9/9/02

Spud: 5/12/81

Completed: 7/15/81

Elevation: 7007' GL

9-5/8" hole

Nacimiento @ 1100'

Ojo Alamo @ 2400'

Kirtland @ 2510'

Fruitland @ 2660'

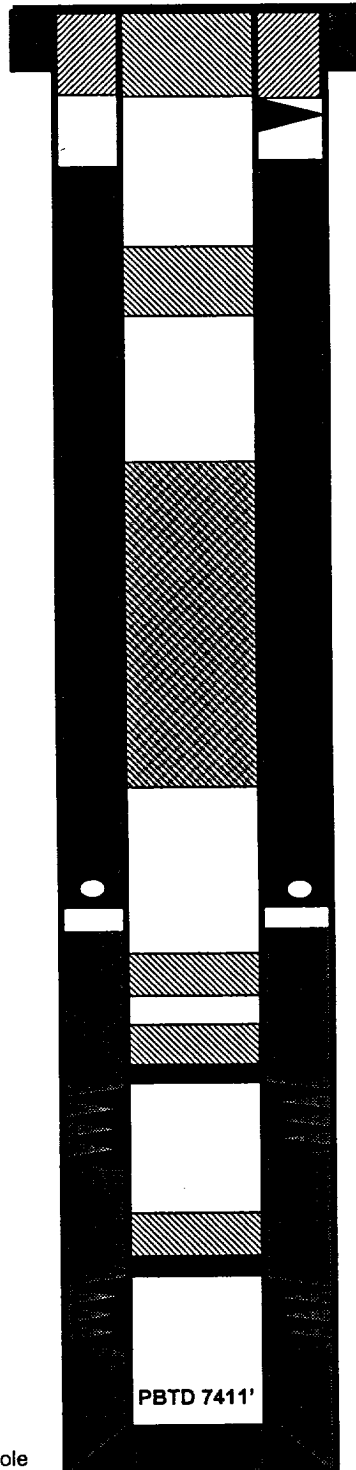
Pictured Cliffs @ 2870'

Cliffhouse @ 4435'

Gallup @ 6094'

Dakota @ 7085'

7-7/8" hole



8-5/8" 24# Casing set @ 211'
Cement with 150 sxs (Circulated to Surface)

Perforate @ 261'

Plug #6: 261' - Surface
Cmt with 85 sxs

TOC @ 900' per sundry, Calc 75%

Plug #5: 1150' - 1050'
Cmt with 11 sxs

Plug #4: 2920' - 2350'
Cmt with 46 sxs

DV Tool @ 2967'
Cmt with 400 sxs (613 cf)

TOC @ 3577' (Calc, 75%)

Plug #3: 4485' - 4385'
Cmt with 11 sxs

Set CR @ 5044'

Gallup Perforations:
6094' - 6300'

Plug #2: 5044' - 4944'
Cmt with 11 sxs

Set CR @ 6970'

Dakota Perforations:
7020'-7092', 7104' - 7154',
7288' - 7328'

Plug #1: 6970' - 6870'
Cmt with 11 sxs

4-1/2" 10.5# Casing set @ 7449'
Cement with 700 sxs (882 cf)

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 should be submitted with a Sundry Notice. Questions? Call Pat Hester at (505) 761-8786.

1. All fences, production equipment, purchaser's equipment, concrete slabs, deadman (anchors), flowlines, risers, debris and trash must be removed from the location. Non-retrieved flowlines and pipelines will be abandoned in accordance with State Rule 714. Information supporting the non-retrieval will be included in the subsequent report or final abandonment Sundry Notice.

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 can be remediated on-site according to these guidelines or disposed of in an approved 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/disked to a minimum of 12" in depth before reseeded.

4. Access roads will be shaped to conform to the natural terrain and left as rough as possible to deter vehicle travel. Access will be ripped to a minimum of 12" in depth, water barred and reseeded. All erosion problems created by the development must be corrected prior to acceptance of release. Water bars should be spaced as shown below along the fall line of the slope:

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

5. All disturbed areas will be seeded with the prescribed certified seed mix (reseeding may be required). Seed mix must be certified weed free to avoid the introduction of noxious weeds. Refer to the original APD for seed mix.

6. Notify Surface Managing Agency seven (7) days prior to seeding so that they may be present to witness.

7. The period of liability under the bond of record will not be terminated until the well is inspected and the surface rehabilitation approved.

Other Surface Managing Agencies (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, a letter from the fee owner stating that the surface restoration is satisfactory will be provided to the office. Questions? Call Pat Hester at (505) 761-8786.

IN REPLY REFER TO
3162.3-1 (017)

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT
Albuquerque Field Office
435 Montano N.E.
Albuquerque, New Mexico 87107

Company Golden Oil Company

Well No. Jicarilla 70 No. 8

Location 1850' FSL & 1750' FEL Sec. 27, T24N, R4W, NMPM

Lease No. Jicarilla Contract 70

Government Contacts:

Bureau of Land Management, Albuquerque Field Office Office 505.761.8700

Manager: Steve Anderson, Assistant Field Manager 505.761.8982

Petroleum Engineer: Brian W. Davis 505.761.8756, Home 505.323-8698,
Pager 505.969.0146, Cell 505.249.7922,

Petroleum Engineering Technician: **Bryce Hammon, Office 505.759.1823, x-31, Cell 505.320.9741**

BLM Geology / Environmental Contact: Patricia M. Hester 505.761.8786

GENERAL REQUIREMENTS
FOR
OIL AND GAS OPERATIONS FEDERAL & INDIAN LEASES

1. Plugging operations authorized are subject to the "General Requirements for Permanent Abandonment of Wells on Federal and Indian Leases."
2. For wells on Indian leases, Bryce Hammond with the Jicarilla Nation Tribal Oil and Gas Office is to be notified at least 24 hours (48 hours if possible) before the plugging operations commence. His phone number is (505) 759-1823, x-31 office, (505) 320-9741 cell. Office hours are 7:45 a.m. to 4:30 p.m.
3. Blowout prevention equipment is required.
4. The following modifications to your plugging program are to be made :

N/A