Form 3160-5 (June 1990)

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

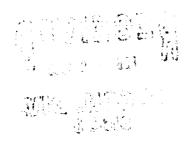
FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993

5. Lease Designation and Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Lise "APPLICATION FOR PERMIT -" for such proposals		NM-23034 6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE		7. If Unit or CA, Agreement Designation
1. Type of Well Oil X Gas Well Other 2. Name of Operator Taurus Exploration, U.S.A., Inc.		8. Well Name and No. Federal 12 #31
3. Address and Telephone No. 2198 Bloomfield Highway: Farmington, NM 87401 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 800' FNL, 1750' FEL, Sec. 12 T24N, R2W, MNPM		9. API Well No. 30-039-22129 10. Field and Pool, or exploratory Area Wild Cat Nacimienta pool
12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT,	11. County or Parish, State Rio Arriba NM OR OTHER DATA
X Notice of Intent Subsequent Report Final Abandonment Notice	TYPE OF ACTION X	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well
 Release packer. TOH with tubing TIH with 2 3/8" tubing and tag 0 the Nacimiento perforations. TOH with 	pertinent details, and give pertinent dates, including estimated date of starting call depths for all markers and zones pertinent to this work.)* J and packer. L.D. packer. JIBP @ 2420'. Mix and spot 19 sxs. class B of the tubing and WOC. RIH and tag cement. TOH ment inside casing to cover Nacimiento top at	Completion or Recompletion Report and Log form.) Ig any proposed work. If well is directionally drilled Cement above plug to fill H with tubing to 1760'.

- tubing.
- 4. Perf. 2 squeeze holes at 273'. Establish circulation out bradenhead. Mix and pump approximately 78 sxs. class B cement down 4 1/2" casing, circulate good cement to surface.

true and correct Tiue Production Superintendent DIST. 3 (This space for Lands and Mineral Resources 6 1998 **FEB** Approved by Conditions of approval, if any Date



CONDITIONS OF APPROVAL FOR PERMANENT ABANDONMENT

Operator Taurus Expl., USA, Inc. Well Name Federal 12 #31

- 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: None



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Rio Puerco Resource Area 435 Montano N.E. Albuquerque, New Mexico 87107

IN REPLY REFER TO: 3162.3-4 (017) NM-23034 Federal 12 #31

FFR 6 1998

Taurus Exploration USA, Inc. 2198 Bloomfield Highway Farmington, NM 87401

Dear Sir:

The following conditions of approval must be complied with (as applicable) before the Federal 12 #31 located 800' FNL & 1750' FEL, Section 12, T. 24 N., R. 2 W., can be approved for final abandonment.

- 1. All fences, production equipment, purchaser's equipment, concrete slabs, deadman (anchors), flowlines, risers, debris and trash must be removed from the location.
- 2. Any oily soil or fluids must be properly disposed of in an approved disposal area.
- 3. Pits must be filled in and the edges of the pads shaped to conform to the natural terrain.
- 4. Pads must be leveled, dressed up by a maintainer, ripped and disked.
- 5. Access roads must be leveled, waterbarred, disked and blocked off with earthen berms at the junction with the main road and at the entrance to the well pad.

Waterbars should be spaced as shown below.

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

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

Contact the fee surface owner regarding closure of access roads.

6. All disturbed areas will be reseeded with the prescribed certified seed mix. Contact the surface owner for the prescribed seed mix.

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

If you have any questions, please contact me at (505) 761-8786.

Sincerely,

Patricia M. Hester

Surface Protection/Geologist

Enclosure