

BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SF-078994 92
2. NAME OF OPERATOR BANNON ENERGY INCORPORATED		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 3934 F.M. 1960 West, Suite 240, Houston, Texas 77068		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 970' FSL x 1650' FEL		8. FARM OR LEASE NAME Connie 29
14. PERMIT NO.		9. WELL NO. 1
15. ELEVATIONS (Show whether DF, RT, CR, etc.) 7383' KB		10. FIELD AND POOL, OR WILDCAT Lybrook <i>Dallas</i>
		11. SEC., T., R., M., OR BLK. AND SURVEY OR ARMA Sec. 29, 10N 17W
		12. COUNTY OR PARISH 13. STATE Rio Arriba NM

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	MULTIPLE COMPLETE	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	ABANDON*	<input checked="" type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANE	<input type="checkbox"/>
(Other)	<input type="checkbox"/>		<input type="checkbox"/>

WATER SHUT-OFF	<input type="checkbox"/>	REPAIRING WELL	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
SHOOTING OR ACIDIZING	<input type="checkbox"/>	ABANDONMENT*	<input type="checkbox"/>
(Other)	<input type="checkbox"/>		<input type="checkbox"/>

RECEIVED
AUG 20 1990
OIL CON. DIV.
DIST.

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

- Proposed work will begin on or about November 1, 1990 and shall be completed by November 15, 1990.
- Spot 20 sx (23.6 cu. ft.) cement plug on top of CIBP set @ 5800'.
- Perforate 4 1/2" 10.5# casing at 4090' at base of Mesa Verde formation.
- Squeeze below retainer set at 4000' with 100 sx (118 cu. ft.) class "B".
- Spot cement from top of retainer set at 4000' to surface using approximately 305 sxs (360 cu. ft.).
- Pressure up on Braden Head to maximum of 300 psig; inject if possible and squeeze with 150 sx (177 cu. ft.).
- Cut 4 1/2" 10.5# production casing off 4' below ground level, install PXA marker.

Top of producing formation: Gallup @ 5830'.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

SIGNED H.G. LivingstonTITLE Drilling ManagerDATE 7/11/90

(This space for Federal or State office use)

APPROVED BY _____
CONDITIONS OF APPROVAL IF ANY:

TITLE _____

DATE STEPHEN MASON

NM1000

*See instructions on Reverse Side

Connie 29-1

Sec. 29 T24N R7W

Lease: SF-078924

FORMATION TOPS: 7383' KB

OJO ALAMO	1450'
KURLAND	2015'
PICTURED CLIFFS	2495'
LEWIS SHALE	2560'
CHACRA	2985'
CLIFFHOUSE	4040'
MENEFEE	4090'
PT. LOOKOUT	4810'
MANCOS	5110'
GALLUP	5830'

8 5/8" 24# K-55 @ 360'
300 SKS. CMT.
(354 FT³ CMT - CIRC)

DV Tool @ 320'
610 SKS. CMT.
(856 FT³ - TOC CALC AT
SURFACE w/ 7 7/8" HOLE)

173 Jts. 2 3/8" +bg.
EOT 5613'

CIBP @ 5800'
w/ 5 SKS. CMT. on
top

Gallup
5866' - 6110'

FC @ 6169'

TD - 6210'

4 1/2" 10.5# K-55 @ 6210
300 SKS. CMT.
(442 FT³ - TOC CALC
AT 4210' w/ 7 7/8" HOLE)

6/28/90

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401

Attachment to Notice of

Re: Permanent Abandonment

Intention to Abandon

Well: 1 Connie 29

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."
2. Mark Kelly with the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 326-6201.
3. Blowout prevention equipment is required.
4. The following modifications to your plugging program are to be made (when applicable):

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

GENERAL REQUIREMENTS FOR
PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES
FARMINGTON RESOURCE AREA

1. Secure prior approval either on a Sundry Notice (Form 3160-5) or verbally from the Fluids Drilling & Production Section at this office before changing the approved plugging program.

2. Plugging equipment used shall have separate mixing and displacement pumps and a calibrated tank to assure proper displacement of plugs. The Operator is responsible for providing all measuring devices needed to assure proper measurement of materials being used.

3. A proper tank or pit will be used to contain all fluids pumped from the well during plugging operations. Unattended pits are to be fenced.

4. All cement plugs are to be placed through tubing (or drillpipe) and shall be a minimum of 100 feet in length with 50% excess inside casing or 100% excess when plug is set in open hole or squeezed into perforations. 15.6#/gal slurry weight is to be used when using class B neat cement or when CaCl_2 is used. Use the recommended slurry weight of other type cements when they are used (Class C, Pozzolan etc.).

5. Any cement plugs placed when well is not full of fluid, or when well may be taking fluid, (i.e. across perfs-unless bridge plug or retainer is used, across bad csg., or fresh water formations) will be tagged (touched) after cement has set to verify proper location.

5a. Testing The first plug below the surface plug shall generally be tested by either tagging the plug with the working pipe string, or pressuring to a minimum pump (surface) pressure of 1000 psig, with no more than a 10 percent drop during a 15-minute period (cased hole only). If the integrity of any other plug is questioned, it must be tested in the same manner. Also, any cement plug which is the only isolating medium for a fresh water interval or a zone containing a valuable mineral deposit should be tested by tagging with the drill string.

6. Mud must be placed between plugs. Plugging mud is to be made up with a minimum of 15 lbs/bbl of sodium bentonite, and a nonfermenting polymer. Minimum consistency of plugging mud must be 9 lbs/gal and with a minimum viscosity of 50 sec/qt. Fresh water is to be utilized for mixing mud.

7. Following the placement of a cement plug, the withdrawal rate for at least the length of the cement plug shall not exceed 30 ft/min, in order to minimize the contamination of the plug.

8. Within 30 days after plugging work is completed, file a Sundry Notice (Subsequent Report of Abandonment, Form 3160-5), in quintuplicate with Area Manager, Bureau of Land Management, 1235 La Plata Highway, Farmington, NM 87401. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date well was plugged.

9. All permanently abandoned wells are to be marked with a regulation marker (4" pipe extending 4' above the ground line) containing the information as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10. After plugging work is completed the surface is to be rehabilitated in accord with instructions from the Fluids Surface Management Section of the Farmington Resource Area Office.

All above are minimum requirements. The period of liability under the bond of record will not be terminated until the lease is inspected and surface work approved.

Please advise this office when the well location is ready for final inspection.

Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1.

You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.