

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT - " for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM-04075
2. Name of Operator Taurus Exploration, U.S.A., Inc.	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. 2198 Bloomfield Highway; Farmington, NM 87401	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 970' F _S 990' F _W Sec. 22, T25N, R3W, NMPM	8. Well Name and No. Arco Hill #2
	9. API Well No. 30-039-23914
	10. Field and Pool, or exploratory Area West Lindrith Gallup-Dakota
	11. County or Parish, State Rio Arriba NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other	<input type="checkbox"/> Dispose Water
		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. 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.)"

It is intended to plug and abandon the subject well according to the attached procedure and wellbore diagram.

RECEIVED
JAN 27 1998
OIL CON. DIV.
DIST. 3

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

Signed [Signature] Title Production Superintendent Date 12/18/97

(This space for Federal or State office use)

Approved by [Signature] Title Chief, Lands and Mineral Resources Date JAN 26 1998

Conditions of approval, if any:
COA's for surface in attached ltr (original sent w/ Meridian-Burlington 10-11-96)

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 & ABANDONMENT PROCEDURE

12/10/97

Arco Hill #2
Lindrith Gallup Dakota
SW, Section 22, T-25-N, R-3-W
Rio Arriba Co., 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.

1. Install and test location rig anchors. Prepare blow pit. Comply to all NMOCD, BLM, and Taurus safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. NU relief line. Blow down well and kill with water as necessary. ND wellhead and NU BOP. Test BOP.
2. POH and tally 2-7/8" tubing (261 joints, 8211'); visually inspect the tubing. If necessary, PU 2" workstring. Run 5-1/2" gauge ring to 8150' or as deep as possible.
3. **Plug #1 (Dakota formation, 8150' - 8050')**: PU 5-1/2" wireline set bridge plug and RIH; set at 8150'. PU 5-1/2" cement retainer and RIH; tag bridge plug. Pump 50 bbls water. Mix and pump 15 sxs Class B cement and spot a balanced plug inside casing above the bridge plug to isolate the Dakota formation. POH with retainer to 7080'.
4. **Plug #2 (Gallup perforations and top, 7080' - 6927')**: Set 5-1/2" cement retainer at 7080'. Pressure test tubing to 1000#. Load casing with water and pressure test to 500#. Mix 21 sxs Class B cement and spot above retainer covering the Gallup perforations. POH to 5478'.
5. **Plug #3 (Mesaverde top, 5478' - 5378')**: Mix 15 sxs Class B cement and spot a balanced plug inside casing to cover Mesaverde top. POH to 3817'.
6. **Plug #4 (Pictured Cliffs, Fruitland, Kirtland and Ojo Alamo tops, 3817' - 3302')**: Mix 57 sxs Class B cement and spot a balanced plug inside casing to cover Ojo Alamo top. POH.
7. **Plug #5 (Nacimiento top, 1770' - 1670')**: Perforate 3 HSC squeeze holes at 1770'. Establish rate into squeeze holes if casing tested. PU 5-1/2" cement retainer and RIH; set at 1720'. Establish rate into squeeze holes. Mix 63 sxs Class B cement, squeeze 48 sxs cement outside casing and leave 15 sxs inside casing. POH and LD tubing.
8. **Plug #6 (575' - Surface)**: Perforate 3 HSC squeeze holes at 575'. Establish circulation out bradenhead valve. Mix and pump approximately 192 sxs Class B cement down 5-1/2" casing, circulate good cement out bradenhead valve. Shut in well and WOC.
9. BOP and cut off wellhead below surface casing. Install P&A marker to comply with regulations. RD, MOL, cut off anchors, and restore location.

11/15/93
am

Arco Hill #2

Current

Lindrith Gallup Dakota

970' FSL, 990' FWL

SW, Section 22, T-25-N, R-3-W, Rio Arriba County, NM

Lat./Long.: ____ / ____

Today's Date: 12-10-97

Spud: 11-2-85

Completed: 2-22-86

Elevation: 7335' (GL)
7349' (KB)

Logs: FDC/CNL/GR;

DIL/FSL/GR/Cal,
T.S. & CBL

Nacimiento @ 1720'

Ojo Alamo @ 3352'

Kirtland @ 3538'

Fruitland @ 3593'

Pictured Cliffs @ 3767'

Mesa Verde @ 5428'

Gallup @ 6977'

Dakota @ 8130'

12-1/4" hole

9-5/8" 36# K-55 Csg set @ 525'
360 cf cement (Circulated to Surface)

Workover History

Jun '90: Pull and LD pump & rods;
hot oil tubing; Pull and LD anchor;
clean out fill with bailer; land tubing.
Jul '90: Swab well.

Top of Cmt @ 2779' (TS)

DV tool @ 3697'
Cmt w/ 1662 cf

TOC @ DV Tool

2-7/8" Tubing @ 8211'
(261 joints 6.6 # J-55 EUE)

DV tool @ 6006'
Cmt w/ 544 cf

TOC @ DV Tool

Gallup Perforations: 7130' - 7384'

Dakota Perforations: 8186' - 8220'

5-1/2" 23# SS-95 Casing set @ 8246'
Cmt w/ 1338 cf

8-3/4" Hole

TD 8246'

Arco Hill #2

Proposed P&A

Lindrieth Gallup Dakota

970' FSL, 990' FWL

SW, Section 22, T-25-N, R-3-W, Rio Arriba County, NM

Lat./Long.: ____/____

Today's Date: 12-10-97

Spud: 11-2-85

Completed: 2-22-86

Elevation: 7335' (GL)
7349' (KB)

Logs: FDC/CNL/GR;

DIL/FSL/GR/Cal,
T.S. & CBL

Nacimiento @ 1720'

Ojo Alamo @ 3352'

Kirtland @ 3538'

Fruitland @ 3593'

Pictured Cliffs @ 3767'

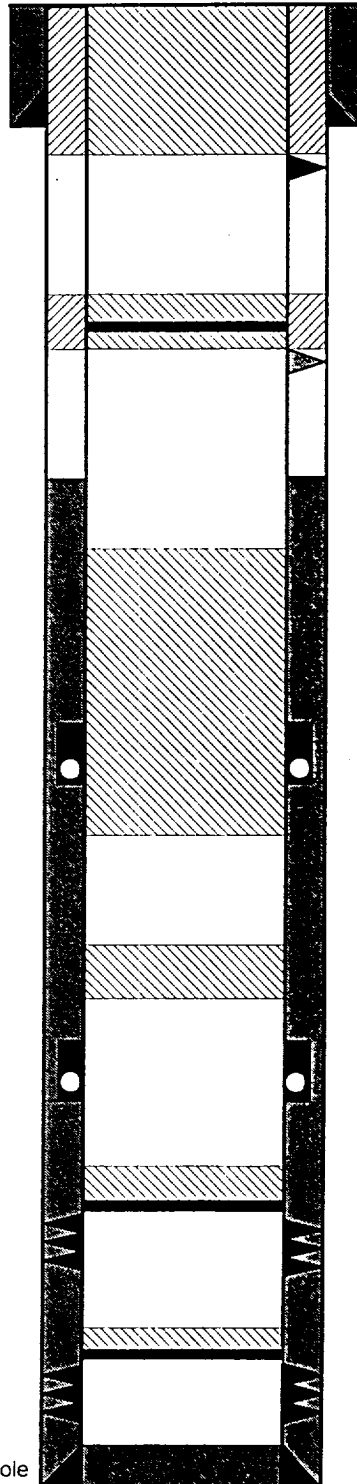
Mesa Verde @ 5428'

Gallup @ 6977'

Dakota @ 8130'

12-1/4" hole

8-3/4" Hole



9-5/8" 36# K-55 Csg set @ 525'
360 cf cement (Circulated to Surface)

Perforate @ 575'

Plug #6 575' - Surface
Cmt with 192 sxs Class B.

Cement Ret @ 1720'

Perforate @ 1770'

Plug #5 1770' - 1670'
Cmt with 63 sxs Class B,
43 sxs outside casing
and 15 sxs inside.

Top of Cmt @ 2779' (TS)

Plug #4 3817' - 3302'
Cmt with 57 sxs Class B.

DV tool @ 3697'
Cmt w/ 1662 cf

TOC @ DV Tool

Plug #3 5478' - 5378'
Cmt with 15 sxs Class B.

DV tool @ 6006'
Cmt w/ 544 cf

TOC @ DV Tool

Plug #2 7080' - 6927'
Cmt with 21 sxs Class B.

Cement Ret @ 7080'

Gallup Perforations: 7130' - 7384'

Plug #1 8150' - 8050'
Cmt with 15 sxs Class B.

Bridge Plug @ 8150'

Dakota Perforations: 8186' - 8220'

5-1/2" 23# SS-95 Casing set @ 8246'
Cmt w/ 1338 cf

TD 8246'

CONDITIONS OF APPROVAL FOR PERMANENT ABANDONMENT

Operator Taurus Expl., USA, Inc. Well Name Arco Hill #2

1. 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

