

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

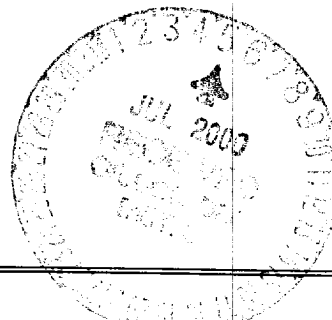
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. 14-20-603-1372
2. Name of Operator GREYSTONE ENERGY, INC.	6. If Indian, Allottee or Tribe Name NAVAJO
3. Address and Telephone No. 5802 HIGHWAY 64, FARMINGTON, NM 87401 Phone: (505) 632-8056	7. If Unit or CA, Agreement Designation
4. LOCATION OF WELL (Footage, Sec., T., R., M., or Survey Description) 1850' FSL & 710' FEL - UL "I" SEC. 11, T25N, R10W	8. Well Name and No. NAVAJO #3
	9. API Well No. 30-045-05483
	10. Field and Pool, Or Exploratory Area BASIN DAKOTA
	11. County or Parish, State SAN JUAN

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"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<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 directional drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

See attached Plug and Abandonment procedure for above referenced well,



14. I hereby certify that the foregoing is true and correct			
Signed	<i>Ray S. Steiner</i>	Title	PRODUCTION TECHNICIAN
		Date	April 12, 2000
(This space for Federal or State office use)			
Approved by		Title	
Conditions of Approval, if any:		Date	6/30/00

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and wilfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

PLUG AND ABANDONMENT PROCEDURE

4/11/00

Navajo #3-11

Basin Dakota

1850' FSL & 710' FEL, Section 11, T25N, R10W
San Juan County, 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 rig anchors. Prepare blow pit. Comply with all NMOCD, BLM and Greystone safety rules and regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Blow well down; kill with water as necessary. ND wellhead and NU BOP and stripping head; test BOP.
2. TOH and tally 1-1/2" tubing, 6643' and 209 joints. Round-trip 5-1/2" casing scraper or gauge ring to 6580' or as deep as possible.
3. **Plug #1 (Dakota perforations and top, 6580' - 6480')**: RIH and set 5-1/2" wireline CIBP at 6580'. TIH with open ended tubing and tag CIBP. Load casing with water and pressure test to 500#. If casing does not test, spot or tag subsequent plug as appropriate. Spot 17 sxs Class B cement inside casing above CIBP to isolate Dakota perforations and cover top. PUH to 7095.
4. **Plug #2 (Gallup top, 5646' - 5546')**: Mix 17 sxs Class B cement and spot balanced plug inside casing to cover Gallup top. TOH with tubing.
5. **Plug #3 (Mesaverde top, 3560' - 3460')**: Perforate 3 HSC squeeze holes at 3560'. Establish rate into squeeze holes if casing tested. Set 5-1/2" CR at 3510' and pressure test tubing to 1000#. Establish rate into squeeze holes. Mix 47 sxs Class B cement, squeeze 30 sxs cement outside 5-1/2" casing and leave 17sxs cement inside casing to cover Mesaverde top. TOH to with tubing.
6. **Plug #4 (Pictured Cliffs and Fruitland tops, 2082' - 1770')**: Perforate 3 HSC squeeze holes at 2082'. Establish rate into squeeze holes if casing tested. Set 5-1/2" CR at 2032' and establish rate into squeeze holes. Mix 132 sxs Class B cement, squeeze 90 sxs cement outside 5-1/2" casing and leave 40sxs cement inside casing to cover through Fruitland top. TOH with tubing
7. **Plug #5 (Kirtland and Ojo Alamo tops, 1395' - 1095')**: Perforate 3 HSC squeeze holes at 1395'. Establish rate into squeeze holes if casing tested. Set 5-1/2" CR at 1345' and establish rate into squeeze holes. Mix 128 sxs Class B cement, squeeze 88 sxs cement outside 5-1/2" casing and leave 40 sxs cement inside casing to cover Kirtland and Ojo Alamo top. TOH and LD tubing.
8. **Plug #6 (8-5/8" Surface Casing, 315' - Surface)**: Perforate 3 HSC squeeze holes at 315'. Establish circulation out bradenhead valve. Mix and pump approximately 100 sxs Class B cement down 5-1/2" casing, circulate good cement to surface. Shut in well and WOC.
9. ND BOP and cut off well head below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Navajo #3-11

Current

Basin Dakota

SE, Section 11, T-25-N, R-10-W, San Juan County, NM

Long / Lat

Today's Date: 4/11/00
Spud: 12/19/64
Comp: 1/10/65
Elevation: 6802' GL
6814' KB

12-1/4" Hole

8-5/8" 24# Csg set @ 265'
150 sxs cement (Circulated to Surface)

Well History

Jan '81: Casing Repair: Pull tubing; isolate casing leaks and squeeze with 250 sxs; drill out, PT OK; clean out with N₂, swab, land 1-1/2" tubing; return to production.

Nov '88: Broach Tubing: Tag 6616' w/ gauge ring, install bumper spring assembly and piston.

Dec '88: Swab. Well kicked off after swabbing out 13 bbls, casing pressure dropped 80#.

Ojo Alamo @ 1145'

Kirtland @ 1345'

Fruitland @ 1820'

Pictured Cliffs @ 2032'

1-1/2" Tubing Set at @ 6643'
(209 joints, EUE)

Mesaverde @ 3510'

Leak Squeeze w/150 sxs
4483' to 4518' (Jan '81)

Top of Cmt @ 5460' , (Calc, 75%)

Gallup @ 5596'

Dakota Perforations:
6630' - 6654'

Dakota @ 6628'

5-1/2" 15.5&17# Casing Set @ 6695'
Cement with 200 sxs (288 cf)

7-7/8" Hole

PBTD 6669'

TD 6698'

Navajo #3-11

Proposed P&A

Basin Dakota

SE, Section 11, T-25-N, R-10-W, San Juan County, NM

Long / Lat

Today's Date: 4/11/00
Spud: 12/19/64
Comp: 1/10/65
Elevation: 6802' GL
6814' KB

12-1/4" Hole

Ojo Alamo @ 1145'

Kirtland @ 1345'

Fruitland @ 1820'

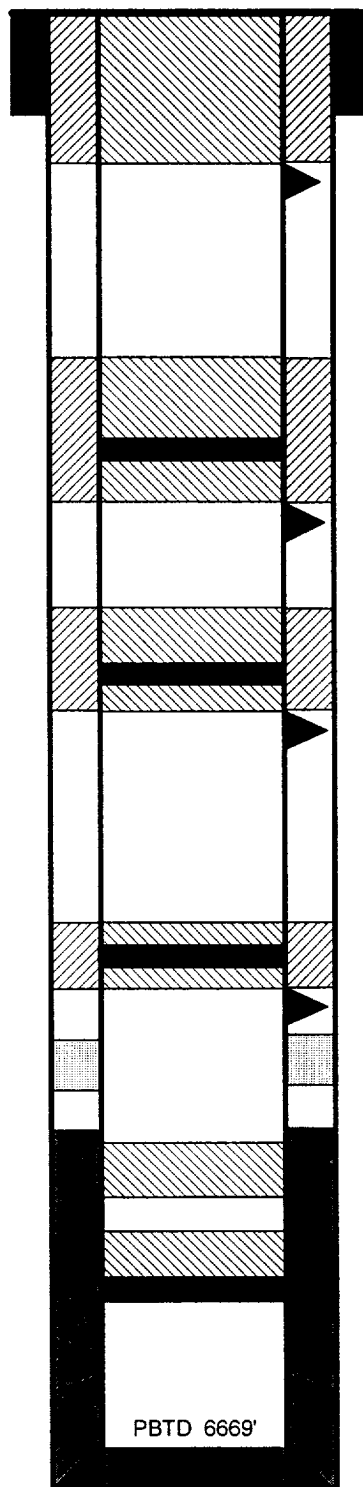
Pictured Cliffs @ 2032'

Mesaverde @ 3510'

Gallup @ 5596'

Dakota @ 6628'

7-7/8" Hole



8-5/8" 24# Csg set @ 265'
150 sxs cement (Circulated to Surface)

Perforate @ 315'

Plug #6 315' - Surface.
Cmt with 100 sxs Class B

Plug #5 1395' - 1095'
Cmt with 128 sxs Class B,
88 sxs outside casing
and 40 sxs inside.

Cmt Retainer @ 1345'

Perforate @ 1395'

Cmt Retainer @ 2032'

Perforate @ 2082'

Plug #4 2082' - 1770'
Cmt with 132 sxs Class B.
92 sxs outside casing
and 40 sxs inside.

Cmt Retainer @ 3510'

Perforate @ 3560'

Plug #3 3560' - 3460'
Cmt with 47 sxs Class B.
30 sxs outside casing
and 17 sxs inside.

Leak Squeeze w/150 sxs
4483' to 4518' (Jan '81)

Top of Cmt @ 5460', (Calc, 75%)

Plug #2 5646' - 5546'
Cmt with 17 sxs Class B

Set CIBP @ 6580'

Plug #1 6580' - 6480'
Cmt with 17 sxs Class B

Dakota Perforations:
6630' - 6654'

5-1/2" 15.5&17# Casing Set @ 6695'
Cement with 200 sxs (288 cf)

TD 6698'