Form 3160-5 (November 1994)

(Instructions on reverse)

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an

FORM APPROVED OMB No. 1004-0135 Expires July 31, 1996

5. Lease Serial No.

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6.	If Indian,	Allottee	or Tribe	Name

abandoned well	. Use Form 3160-3 (APD)	tor such p	roposais.					
SUBMIT IN TRIPLICATE – Other instructions on reverse side					7. If Unit or CA/Agreement, Name and/or No. Central Bisti Unit			
1. Type of Well					0 77 1137	137		
Oil Well Gas Well	X Other				8. Well Name and No.			
2. Name of Operator					Central Bisti Unit WI 54 9. API Well No.			
Elm Ridge Resources, Inc.		3b. Phone	No. (include ar	an andal	30-045-05556			
			-3476	eu coue)	10. Field and Pool, or Exploratory Area			
				· · · · · · · · · · · · · · · · · · ·	Bisti Lower Gallup			
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL & 660' FWL					11. County or Parish, State			
Sec. 5-T25N-R12W			San Juar			ew Mexico		
12. CHECK APPROPRIATE BOX(F	ES) TO INDICATE NATURE	OF NOTICE	E, REPORT, (OR OTHER DA	TA			
TYPE OF SUBMISSION	TYPE OF ACTION							
Notice of Intent Subsequent Report	Acidize Alter Casing Casing Repair Change Plans	New C	ne Treat onstruction and Abandon	Production (in Reclamation Recomplete Temporarily		Water Shut-Off Well Integrity Other		
Final Abandonment Notice	Convert to Injection	Plug B		Water Dispo		-		
Elm Ridge Resources, Inc. pla approved procedure already fi			al Bisti Unit	WI #54 by th	e end of sum	mer 2001 per the 2001 MAY 17 PH 2: 12		
14. I hereby certify that the foregoing is t	rue and correct							
Name (Printed/Typed) Trudy Grubelnik			Title Production Technician					
Signature			Date May 15, 2001					
	THIS SPAC	E FOR FEDE	RAL OR STA	TE USE				
Approved by			Γitle		Date			
Conditions of approval, if any, are attached. Approval of this notice does not waterify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations thereon.			Office	ACCEPTED FOR RECORE				
Title 18 U.S.C. Section 1001, makes it a confraudulent statements or representations as	rime for any person knowingly and to any matter within its jurisdiction	i willfully to m n.	ake to any depai	rtment or agency of	r the United States a	any raise ricutious or		

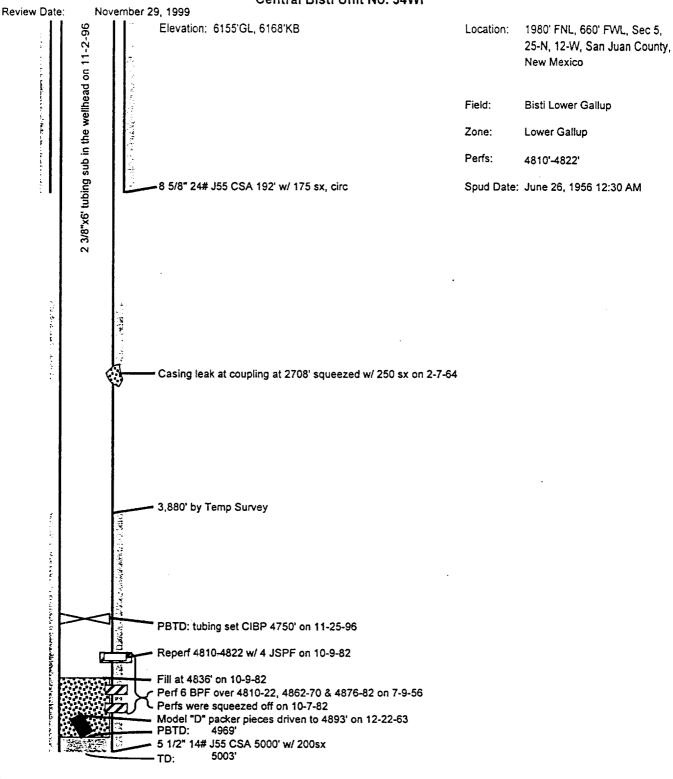
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FORM APPROVED Form 3160-5 Budget Bureau No. 1004-0135 (June 1990) Expires: March 31, 1993 **UNITED STATES** Lease Designation and Serial No. DEPARTMENT OF THE INTERIOR SF 078056 BUREAU OF LAND MANAGEMENT 6. If Indian, Allottee or Tribe Name SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to a different rese 7. If Unit or CA. Agreement Designation Use "APPLICATION FOR PERMIT-" for such proposals SUBMIT IN TRIPLICATE Central Bisti Unit 1. Type of Well Well Name and No. Oil Well WIW Gas Well X Other Central Bisti Unit No. WI 54 2. Name of Operator 9. API Well No. Central Resources, Inc. 30-045-05556 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area P.O. Box 1247, Bloomfield, New Mexico 87413 (505)-632-3476 Bisti Lower Gallup 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 1980' FNL, 660' FWL, Sec 5, T25N, R12W San Juan, New Mexico CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION X Abandonment Change of Plans X Notice of Intent Recompletion New Construction Plugging Back Non-Routine Fracturing Subsequent Report Casing Repair Water Shut-Off Altering Casing Conversion to Injection Final Abandonment Notice Other 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 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.)* Central Resources, Inc. intends to plug the well in accordance with regulations. A CIBP was set with tubing at 4750'. Injection equipment has been removed. Perforate and squeeze will be used unless casing can be recovered over the specified interva SEE ATTACHED FOR CONDITIONS OF APPROVAL Proposed procedure: a. Notify the Farmington BLM office at 505_529-8207 24 hours prior to commencement of plugging operations. b. Spot a cement plug through tubing from 4550'-4676' to cover Gallup top @ 4676', 346 42 c. Perforate and squeeze cement from 1850' - 1967' to cover the Mesaverde top @ 1967, inside and outside the casing. d. Perforate and squeeze cement from 1000 - 1102 to cover the Pictured Cliffs top @ 1102 inside and outside the casing. e. Perforate and squeeze cement from \$37.772' to cover the Frutiland top @ \$772' inside and outside the casing. f. Perforate and squeeze cement from 175 250 to cover the surface casing shoe inside and outside the production casing. g. Perforate and squeeze cement from surface to 50' inside and outside the production casing. h. Cut wellhead and install dry hole marker. Clear and remediate location. 14. I hereby certify that the foregoing is true and correct February 14, 2000 Signed Title District Manager Rodney L. Seale (This space for Federal or State office ase) Approved by Conditions of approval, if any: 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 manner within its jurisdiction.

*See Instruction on Reverse Side

CENTRAL RESOURCES, INC.

Central Bisti Unit No. 54WI



Workovers:

7-9-56 Initial frac of 4810-4882 w/ 35,000 gal oil & 35,000 # sand in 2 stages 2-7-64 Casing leak repair at 2708' coupling squeezed with 250 sx, tested to 1500 psi. Frac 4810-4882 w/ 31,500 gal oil & 30,000 # sand 12-2-64 12-27-66 Acidize 4810-4882 w/ 2,000 gal 15% HCI 2-27-78 Clean out fill & Acidize 4801-4882 w/ 1,000 gai 15% HCI 12-14-79 Acidize 4810-4822 w/ 500 15% HCI Frac 4810-4822 w/ 40,000 gal oil & 58,000 # 20/40 sand @ 18 BPM 10-7-82 Squeeze and test all perfs w/ 175 sx cement. Held 1,000 psi OK. 10-9-82 Perf 4 JSPF over 4810-4822 Acidize 4810-4822 w/ 1,000 gal 15% HCI

11-25-96 Set CIBP at 4750' to T&A. Bad injection line. Injection volume unk. Passed MIT.

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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 can be submitted with a Sundry Notice.

- 1. All fences, production equipment, purchaser's equipment, concrete slabs, deadman (anchors), flowlines, risers, debris and trash must be removed from the location.
- 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 may be remediated on-site according to these guidelines or disposed of in an approved disposal 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 to a minimum of 12" before seeding.
- 4. Access roads will be shaped to conform to the natural terrain and left as rough as possible to detour vehicular travel. Access will be ripped to a minimum of 12" in depth and waterbarred prior to seeding. All erosion problems created by the development must be corrected prior to acceptance of release. Waterbars should be spaced as shown below:

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

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

- 5. All disturbed areas will be seeded with the prescribed certified seed mix (reseeding may be required).
- 6. Notify Surfacing Managing Agency seven (7) days prior to seeding so that they may be present for that option.
- 7. The period of liability under the bond of record will not be terminated until the lease is inspected and the surface rehabilitation approved.

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

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FARMINGTON FIELD OFFICE

1235 LA PLATA HIGHWAY FARMINGTON, NEW MEXICO 87401

Attachment to notice of

Re: Permanent Abandonment

Intention to Abandon:

Well: WI-54 Central Bisti Unit

CONDITIONS OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
- 2. Mike Flanikan with the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.
- 3. The following modifications to your plugging program are to be made:
- a) Place the Gallup plug from 4750' 4592'.
- b) Place the Mesaverde plug from 1938' 1838' inside and outside the 5 ½" casing.
- c) Place the Pictured Cliffs plug from 1197' 1097' inside and outside the 5 ½" casing.
- d) Place the Fruitland plug from 872' 772' inside and outside the 5 ½" casing.
- e) Combine the surface casing shoe plug and the surface plug from 242' to surface to cover the Ojo Alamo inside and outside the 5 ½" casing.

You are also required to place cement excesses per 4.4 of the attached General Requirements.

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

GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES FARMINGTON DISTRICT OFFICE

- 1.0 The approved plugging plans may contain variances from the following minimum general requirements.
- 1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Farmington District office, Branch of Drilling & Production.
- 1.2 Requirements may be added to address specific well conditions.
- 2.0 Materials used must be accurately measured.
- 3.0 A tank or approved pit must be used for containment of any fluids from the wellbore during plugging operations and all unattended pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.
- 3.1 Pits are not to be used for disposal of any constituent(s) of concern.
- 4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.
- 4.1 The cement shall be as specified in the approved plugging plan.
- 4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
- 4.3 Surface plugs may be no less than 50' in length.
- 4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
- 4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.
- 5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by: (1) tagging with the work string, or: (2) for cased holes only; pressuring to a minimum surface pressure of 500 PSI, with no more than a 10% drop during a 15-minute period.
- 5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.

- 5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer.
- 5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.
- 6.0 All wells are to be controlled by means of a wellbore fluid that is to be of a weight and consistency necessary to stabilize the wellbore. Wellbore fluid shall be left in place as filler between all plugs.
- 6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.
- 6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.
- 7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H_2S .
- 8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, with the District Manager, Bureau of Land Management, 1235 La Plata Highway, Farmington, NM 87401. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.
- 9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.
- All of the above are minimum requirements. 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.