UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells		
	5.	Lease Number SF-080670
1. Type of Well GAS	6.	
	7.	Unit Agreement Name
2. Name of Operator PIPELINICTON	. * * .	
RESOURCES OIL & GAS COMPANY APP 2001	*	San Juan 27-4 Unit
	8.	
PO Box 4289, Farmington, NM 87499 (505) 326-9700	9.	San Juan 27-4 U #30 API Well No. 30-039-06772
. Location of Well, Footage, Sec., T, R, M	10.	Field and Pool
800'FSL, 1450'FWL, Sec.32, T-27-N, R-4-W, NMPM	11	BS Mesa Gallup/ Basin Dakota
DHC R-11363	11.	County and State Rio Arriba Co, NM
Final Abandonment	nstruc utine Shut o sion t	tion Fracturing off o Injection Ing to the attached
# :-		
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1007 APR -4		
1007		
14. I hereby certify that the foregoing is true and correct.		
Signed (1944) (ACC (TF3) Title Regulatory Supervision	lsor	Date 4/4/01
(This space for Federal or State Office use) APPROVED BY	Date .	4/10/01

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully 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.

San Juan 27-4 Unit 30 and Unit NP 30

Dakota/Gallup AIN: 5331701 and 5331702 800' FSL & 1450' FWL Unit N, Sec. 32, T27N, R04W

Latitude / Longitude: 36° 31.50'/ 107° 16.64'

Recommended Commingle Procedure

Project Summary: The San Juan 27-4 Unit 30 and NP 30 is a dual Dakota/Gallup well drilled in 1961. Prior to last year's efforts to remove the packer, the Dakota was producing 91 MCFD and had cumulative production of 1,262 MMCF. The current 3 month average for the Dakota is 5 MCFD. The Gallup had been produced up the annulus until 1991. The Gallup has a cumulative production of 95 MMCF. This well was last pulled in 10/00 to commingle, but scale or a possible casing part was found at 7470' and three intervals of casing leaks were discovered from 6060' to 6940'. The seal assembly was re-ran and landed at 8100'. We decided not to continue in October due to the Forest exit deadline. We plan to mill out the tight spot at 7470' and remove the packer, squeeze the casing leaks across the Mesa Verde, and then commingle this well. Production will install a plunger lift system to keep the well unloaded and a new pit. Estimated uplift is 60 MCFD plus the lost 86 MCFD for the Dakota and 20 MCFD for the Gallup.

- 1. Comply with all NMOCD, BLM and Burlington safety and environmental regulations. Test rig anchors and build blow pit prior to moving in rig. Notify BROG Regulatory (Peggy Bradfield 326-9727) and the appropriate Regulatory Agency prior to pumping any cement job. If an unplanned cement job is required, approval is required before the job can be pumped. If verbal approval is obtained, document approval in DIMS. Allow as much time as possible prior to pump time in case the Agency decides to witness the cement job.
- 2. MOL and RU workover rig. Conduct safety meeting for all personnel on location. NU relief line. Blow down well and kill with 2% KCl water as necessary. ND wellhead and NU BOP with stripping head. Test and record operation of BOP rams. If necessary, have wellhead and valves serviced at machine shop. Test secondary seal and replace/install as necessary.
- 3. Release seal assembly from the Model D Packer with straight pickup (no rotation required). If seal assembly will not come free, then cut the tubing above the tight spot at 7470' and fish with overshot and jars. (Production string consists of 20 joints of 2-1/16" and 235 joints of 2 3/8" tubing). TOOH with 2-3/8" and 2 1/16", 4.7#, J-55 production tubing (set at 8100'). Visually inspect tubing for corrosion and replace any bad joints. Check tubing for scale build up and notify Operations Engineer.
- 4. TIH with tapered mill and cleanout tight spot at 7470'. If returns contain scale samples, spot 500 gals. of 28% HCl acid at 7470' to accelerate the cleanout. Allow for reaction time and clean to top of packer at 8100'. TOOH with tubing and tapered mill. If tight spot cannot be cleaned out for the packer retrieval, contact Operations Engineer for P&A procedure. Otherwise, continue with step 5.
- 5. PU and TIH with Model CK packer retrieval spear (PRS, with holes drilled near rotary shoe), rotary shoe, drain sub, top bushing, bumper sub, jars, and 4-6 drill collars on 2-3/8", 4.7#, J-55, EUE tubing. Mill out Model D packer at 8100' with air/mist. Note: when using air/mist, the minimum mist rate is 12 bph.
 Try to maintain air rate at 1,400 cfm. A hydrocarbon stable foamer should be utilized since this well may have the potential to produce significant amounts of condensate. After milling over the packer slips, POOH with tools and packer body.
- 6. Reference day 3 of the attached daily reports. We found casing leaks over 3 large intervals and quit testing. In order to better define the intervals that require squeezing, we need to retest with RBP and packer. RIH with an RBP and packer, testing from ±7000' and up. Record leak intervals, pump-in rates and pressures. Contact the Drilling Manager, Senior Rig Supervisor and Operations Engineer for a squeeze procedure. Notify regulatory agency prior to pumping cement. Spot sand on the RPB and squeeze according to agreed design. WOC, drill out and pressure test to 500 psi. Resqueeze as necessary. TOOH with RBP. Cleanout to PBTD at 8400' after final drillout and test. TOOH with mill, collars and tubing.

- 7. After completing squeeze work, T1H with expendable check, seating nipple, one joint of 2-3/8" tubing, 2' x 2-3/8" sub and the remaining 2-3/8" tubing. Run a broach on sandline to insure that the tubing is clear. Land tubing at approximately 8310'. ND BOP and NU WH. Pump off expendable check. Connect to casing and circulate air to assure that expendable check has pumped off. If well will not flow on it's own, make swab run to SN. During cleanout operations the reservoir may be charged with air. As a result of excess oxygen levels that may be in the reservoir and/or wellbore, contact the Lease Operator to discuss the need for determining oxygen levels prior to returning the well to production. RD and MOL. Return well to production.
- 8. Production Operations will install plunger lift and pit.

Recommended:	(11	il	3-23-51

Approval:

Drilling Superintendent

Operations Engineer

Contacts:

Operations Engineer

Tim Friesenhahn

326-9539 (Office) 326-8113 (Pager)

Sundry Required YES NO

Approved:

Production Foreman

Ward Arnold

326-9846 (Office)

326-8303 (Pager) 326-8681 (Pager)

Specialist: Lease Operator: Richard Lopez Larry Nelson

320-6573 (Cell) 320-2570 (Cell)

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TJF/jks