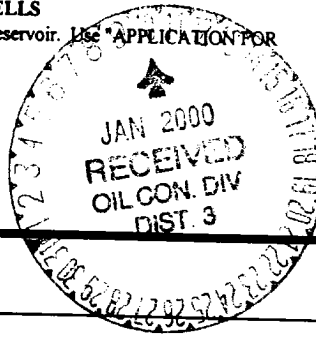


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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. SF 081100-A
2. Name of Operator Edwards Energy	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. C/O Walsh Engineering & Production Corp. 7415 East Main Farmington, NM 87402 505-327-4892	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 990' FNL & 1090' FEL, Section 8, T26N, R12W	8. Well Name and No. Nelson #1
	9. API Well No. 30-045-05476
	10. Field and Pool, or Exploratory Area Gallegos Gallup
	11. County or Parish, State San Juan County, NM

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	<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 directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Edwards Energy intends to plug and abandon this well according to the attached procedure.

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

Signed Paul C. Thayer Title Agent Date November 29, 1999

(This space for Federal or State office use)

Approved by Chip Hanaden
Conditions of approval, if any:

Title Acting Team Lead Date 1/6/00

Walsh Engineering and Production

P & A Procedure for
Edwards Energy
Nelson #1

Location: NE/4 Sec 8 T26N R12W
San Juan County, NM

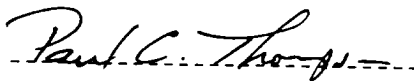
Date: November 30, 1999

Field: Gallegos Gallup
Surface: NAPI
Minerals: BLM SF 081100A

Elev: GL 5963'
7" @ 5420'
PBTD 5169'

Procedure:

1. MOL and RU completion rig. Hold safety meeting.
2. NU 2-3/8" relief line. Blow well down and kill with water if necessary.
3. ND tubing head and NU BOP. Pull donut.
4. Spot Plug #1 40 sx (47 cu.ft.) of Cl "B" neat cement from top of fish at 3200' to 3003' (50' above top of Cliff House). POH to 2500' and WOC 4 hours. TIH and tag cement top.
5. POH to 1240' and spot Plug #2 from 1240' to 867' (50' below Pictured Cliffs and 50' above Fruitland). Use 82 sx (97 cu.ft.) of Cl "B" neat cement. POH to 500' and WOC 4 hours. TIH and tag cement top. TOH.
6. Perforate 2 holes in 7" casing at 175'. Rig up on 7" casing and establish circulation through the bradenhead. Pump Plug #3. Use 58 sx (68 cu.ft.) of Cl "B" cement, or until cement is circulated. Do not displace cement.
7. Remove wellhead and install dryhole marker. Reclaim location as per BLM specifications.



Paul C. Thompson, P.E.

WALSH ENGINEERING & PRODUCTION CORP.

Nelson No. 1
990' FNL & 1090' FEL
Sec 8 T26N R12W

P & A Status

Formation Tops:	
Fruitland:	917'
Pictured Cliffs:	1187'
Lewis:	1313'
CliffHouse:	3053'
Menefee:	3171'
Point Lookout:	3700'
Mancos:	3910'
Upper Gallup:	4775'

Remarks:
Squeezed perms: 4882' - 86 & 4900' -
02' w/ 100 sx (?)

2/11/68
Squeezed csg. hole @ 3587' w/ 150 sx.
2nd squeeze @ 3529' - 3623'. Spot 25
sx braden head squeeze.

Calculated TOC @ 2976'

Plug #1
2796' - 3587'

Cement Record
Stage #1 100 sx Reg.
100 sx. Poz

Stage #2 100 sx. Reg.
100 sx. Poz

Stage Collar @ 1503'

Top cement: 190'
Top cement: 3710'

