

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
SF 080238A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Chaco #2J

9. API Well No.
30-045-23593

10. Field and Pool, or Exploratory Area
WAW Pictured Cliffs

11. County or Parish, State
San Juan County, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Pendragon Energy Partners c/o Walsh Engineering

3a. Address
7415 E. Main, Farmington, NM, 87402

3b. Phone No. (include area code)
505-327-4892

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
790'FNL and 1850' FEL, Sec. 1, T26N, R13W

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input checked="" type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input type="checkbox"/> Other _____

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Pendragon Energy Partners proposes to plug and abandon this well according to the attached prognosis

**MUST BE IN COMPLIANCE WITH
RULE 202
BY 5-1-02**

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

Name (Printed/Typed) Paul C. Thompson, P.E.	Title Agent
Signature <i>Paul C. Thompson</i>	Date January 10, 2002

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date 1/17/02
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, make 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.

Walsh Engineering and Production

P & A Procedure for
Pendragon Energy Partners
Chaco #2J

Location: NE/4 Sec 1 T26N R13W
San Juan County, NM

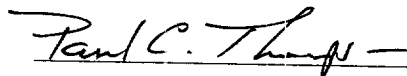
Date: January 9, 2002

Field: WAW Pictured Cliffs
Surface: Navajo
Minerals: BLM SF 080238-A

Elev: GL 5951'
2-7/8" @ 1272'
PBTD 1252'

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 Remove 2-7/8" tubing head.
4. Connect cement truck directly to 2-7/8" tubing and fill tubing with 40 sx (47 cu.ft.) of C1 "H" cement with 1/4#/sk celloflake. Drop 60 ball sealers in the first 10 sx of cement. Pump cement until tubing stands full.
7. Cut off wellhead and install dryhole marker. Reclaim location as per BLM specifications.



Paul C. Thompson, P.E.