Form: 3160-5
(November 1983)
(Formerly 9-331)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on reverse side).

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT–" for such proposals.)

5. LEASE DESIGNATION AND SERIAL NO.: NMSF-078431
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT AGREEMENT NAME: 30-045-25984

1. Oil Well [ ] Gas Well [X] Other

2. NAME OF OPERATOR: CHATEAU OIL AND GAS, INC.
8. FARM OR LEASE NAME: CON HALE

3. ADDRESS OF OPERATOR: 5802 HIGHWAY 64, FARMINGTON, NM 87401
9. WELL NO.: 3E

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface: 1553' FSL & 1520' FWL
10. FIELD AND POOL, OR WILDCAT: BASIN DAKOTA
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: J SEC 26, T26N, R8W

14. PERMIT NO.
15. ELEVATIONS (Show whether DF, RT, GR, etc.)
12. COUNTY OR PARISH: SAN JUAN
13. STATE: NM

16. **Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data**

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
TEST WATER SHUT-OFF	[ ]	PULL OR ALTER CASING	[ ]	WATER SHUT-OFF	[ ]	REPAIRING WELL	[ ]
FRACTURE TREAT	[ ]	MULTIPLE COMPLETE	[ ]	FRACTURE TREATMENT	[ ]	ALTERING CASING	[ ]
SHOOT OR ACIDIZE	[ ]	ABANDON*	[ ]	SHOOTING OR ACIDIZING	[ ]	ABANDONMENT*	[ ]
REPAIR WELL	[ ]	CHANGE PLANS	[X]	(Other)			
(Other)			[ ]	(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)			

17. 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.)*

Propose to go ahead with plans to plug and abandon Dakota. Propose to recomplete well in the Gallup and Tocito formations as per the attached procedures.

We have a rig scheduled for the month of November 1997. Plans are to proceed with these procedures after the 15th. Please give us until the 15th of December 1997 to complete this project.

RECEIVED
OCT - 1
OIL CON. DIV.
DIST. 3

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

SIGNED Chester L. Deal TITLE Superintendent DATE 09/29/97

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

***See Instructions on Reverse Side**

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.

NMOCD

CHATEAU OIL AND GAS, INC.
Dk P&A AND WELL RECOMPLETION PROCEDURE

SEPTEMBER 23, 1997

Well Name:	Con Hale N0. 3-E	
Location:	1,553' FSL & 1,520' FEL	
	Sec. 26, T26N, R8W	
	San Juan Co., New Mexico	
Elevation:	6,929' GL, 6,941' KB	
Casing:	8-5/8", 24#, ST&C set at 270'	
	5-1/2", 17# and 15.5#, LT&C and ST&C set at 7,320'	
Cement:	1st stage:	390 sx 50/50 poz, 2% gel, 1/4# cello flake / sx.
	2nd stage:	610 sx 65/35 poz, 6% gel, 1/2 cu. ft. perlite / sx.
		Tail - in w/ 100 sx 50/50 poz w/ additives.
	3rd stage:	680 sx 65/35 poz, 6% gel, 1/2 cu. ft. perlite / sx.
		Tail - in w/ 100 sx 50/50 poz w/ additives.
DV Tools:	2,848' and 5,346'	

Dakota P&A Procedure:

1. Install and test rig anchors. Prepare work pit. Comply with all NMOCD, BLM, and Chateau safety rules and regulations.

2. MIRUSU. Conduct tail gate safety meeting for all personnel on location. Install BOP and stripping head. Test BOP.

3. TOH w/ production string. TIH w/ 2-3/8" work string and 5-1/2" casing scraper to 7,285' or at least to top Dk perfs. TOH w/ work string.

4. TIH w/ cement retainer to 7,000'. **Plug - Squeeze DK w/ 65 sx Class B cement.** (100% excess) Sting out of CR. **Spot 5 sx class B cement on top of retainer.** TOH w/ work string.

Recompletion Procedure:

1. Wireline set a tubing retrievable bridge plug at 6,700'. Pressure test casing to 3,000 psi.

2. Perf. Tocito from Neutron Log w/ 1 SPF, .38" dia. Perfs. as follows: 6,646' - 6,624', 6,606' - 6,591'. (39perfs.) Break down w/ 1% KCL wtr. and shut down to obtain an ISIP.

Recompletion Procedure Continued:

3. Pump down 5-1/2 csg. w/ 500 gal. 7-1/2% HCL w/ 59 ball sealers spaced evenly in the acid. Displace w/ 1% KCL.

4. Run junk basket & clear perfs.

5. Frac down casing w/ 30# gel containing 1% KCL & 1 gal. surfactant per 1,000 gal. as follows:
   a) Pump 15,000 gal. pad.
   b) Pump 10,000 gal. 1 PPG 20-40 sand.
   c) Pump 15,000 gal, 2 PPG 20-40 sand.
   d) Displace w/ 159 bbl. 1% KCL wtr. Rate 40 BPM @ 2,200 to 2,800 psi. 600 bbls. W/ 1% KCL wtr. 953 bbl. 30# gel wtr. 40,000 # 20-40 sand.

6. Wireline set a tubing retrievable bridge plug at 6,570'. Pressure test to 6,000 psi.

7. Perf. Gallup from Neutron Log w/ 1 shot per four feet, .38" dia. perfs. as follows: 6,504 - 6,490', 6,486 - 6,456', 6,424 - 6,358', 6,322 - 6,296', 6,268 - 6,250', and 6,236 - 6,187' (59 perfs). Break down w/ 1% KCL wtr. & shut down to obtain an ISIP.

8. Pump down 5-1/2" casing w/ 1,000 gal. 7-1/2% HCL w/ 89 ball sealers spaced evenly in the acid. Displace w/ 1% KCL.

9. Run junk basket & clear perfs.

10. Frac down casing w/ 30# gel containing 1% KCL & 1 gal. surfactant per 1,000 gal. as follows:
   a) Pump 30,000 gal. pad.
   b) Pump 25,000 gal. 1 PPG 20-40 sand.
   c) Pump 35,000 gal. 2 PPG 20-40 sand.
   d) Displace w/ 155 bbl. 1% KCL wtr. Rate 40 BPM at 2,600 to 3,000 psi. 600 bbl. w/ 1% KCL. 2,143 bbl. 30# gel wtr. 95,000# 20-40 sand.

11. Clean up Gallup & retrieve bridge plug at 6,570'. Clean out to 6,700'. Retrieve bridge plug. Clean out to top of Dakota Plug. Swab or flow test well to obtain gas and fluid rates.

CLD/cd