Form 3160-5 (June 1990)

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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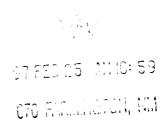
FORM APPROVED Budget Bureau No. 1004-0135

	Expires:		31, 1993	
-256	Designat	ion and	Serial No.	•

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Lease D	esignation	and	Serial	No.					
NMNM	3659	)							

SUNDAY NOTICES AND REPORTS ON WELLS If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for sueff proposals [1] If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE Type of Well Oil Well X Gas Well Othe Well Name and No. 2. Name of Operator West Bisti 26-13-17 #1 S.G. Interests API Well No. 3. Address and Telephone No. 30-045-29160 P.O. Box 338 Ignacio, Colorado 3. Field and Pool, or Exploratory Area 81137 (970) 563-4000 4. Location of Well (Footage, Sec., T., P., M., or Survey Description) Basin Fruitland Coal . County or Parish, State 790' FNL, 1119' FEL Sec. 17 - T26N - R13W San Juan, N.M. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion **New Construction** Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Complete well / poss. Other Dispose Water (Note: Report results of multiple completion on Well P&A if uneconomical 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.)\* Maralex Resources, Inc., on behalf of SG Interests I, LTD, requests approval to complete this well in accordance with the approved APD and to perform a pump test with the results of that test to be reported to the BLM in writing on or before May 1, 1997. Should that test indicate that the well is capable of producing in paying quantities, the well will be shut in until such time as a pipeline connection can be secured. In the event that the well has not reached a paying status by May 1, but Maralex/SG determine that additional dewatering is likely to result in a paying well, a sixty day extension is requested for further testing. The results of that testing will be reported in writing to the BLMon or before July 1, 1997. Should the well not attain paying well status by the end of the sixty day extension, and the Universal Rick's Well No. 2 well is not determined to be a paying well, Maralex/SG will plug and abandon the West Bisti 17-1 in accordance with the attached P&A procedure. Completion work and testing will commence immediately upon receipt of approval of this proposal. Title Agent Date Dist. 3 Approved by Conditions of approval, if any:

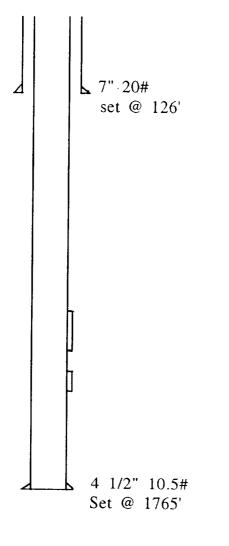
West Bisti 26-13-17 #1 Basin Fruitland Coal 790' FNL, 1119' FEL (NENE) S17-T26N-R13W



## Plug and Abandon Procedure

## Note:

This well was drilled but never completed. The plug and abandon procedure will be conducted only if the well is not economical after it is completed. At that time the Fruitland Coals will be perforated as outlined below. Thirty seven barrels of cement was circulated to the surface during the cementing of the 4 1/2" casing. Cement was also circulated to the surface during the cementing of the 7" casing.



## Procedure:

- 1. Rig up completion rig. Trip out of hole with downhole pump.
- 2. Trip out of hole with the production tubing.
- 3. Rig up cement equipment. Rig up to pump cement slurry down the 4 1/2" casing. The cement volume to be pumped will be 50% above the casing volume from PBTD (1725') to surface. The 4 1/2" casing has a volume of 154 ft<sup>3</sup>. The volume of cement to be pumped will be 232 ft<sup>3</sup>. The cement will be pumped through the perforations. The 4 1/2" casing will be left full of cement.
- 4. The casing on the surface will be "orange peeled" and welded shut with the required well information welded on it. The surface location will be reclaimed according to BLM and Navajo requirements.