Form 3160-5 November 1983)

UNITED STATES

NOTICE OF INTENTION TO

assignment from Mobil Exploration are attached.

SUBMIT IN TRIPLICATES

Form approved. Budget Bureau No. 1004-0135

5. LEASE	DESIGN	MOITA	AND	BERTAT,	No
MM_66	DT M	ACD	0.7	אררדי	

BUREAU OF LAND MANAGEMENT	5. LEASE DESIGNATION AND SERIAL NO. NM-66 BLM #SF-077329
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.)	6. IF INDIAN, ALLOTTEE OF TRIBE NAME N/A
OIL GAS X OTHER NAME OF OPERATOR	7. UNIT AGREEMENT NAME N/A 8. FARM OR LEASE NAME
McKenzie Methane Corporation	C.M. Morris 9. WELL NO.
1911 Main Ave., Suite 255, Durango, Colorado 81301 LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface	#5 10. FIELD AND POOL, OR WILDCAT Fulcher-Kutz P.C.
1650'FNL, 990'FEL	11. SEC., T., E., M., OR BLE. AND SURVEY OR ARMA
4. PERMIT NO. 15. ELEVATIONS (Show whether DF, RT, GR, etc.) API # 30-045-06539 6348 GR	Sec 15, T27N, R10W 12. COUNTY OR PARISH 13. STATE San Juan N.M.

TEST WATER SHUT-OFF WATER SHUT-OFF BEFAIRING WELT. FRACTURE TREATMENT ALTERING CARING SHOOTING OR ACIDIZING (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) See Below (Other See Below Completion on Well Completion or Recompletion Report and Log form.)

Observed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) Others

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

McKenzie Methane Corporation has been designated operator of the C.M. Morris #5 well. It is planned to plug back above the Pictured Cliffs and recomplete to the Fruitland Coal as per the attached procedure. Procedure, available well history data, and

> JUL2 3 1990 OIL CON. DIV.

SUBSEQUENT REPORT OF:

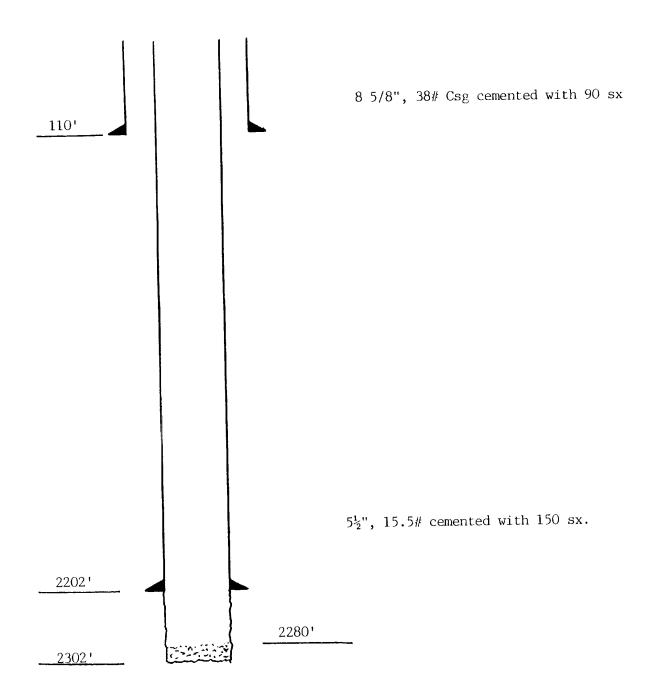
SIGNED RESIDENCE THAT THE FOREGOING IS True and correct	TITLE Regional	Operations M	lanager	DATE _	7/3/90
ALL POULD BY CONDITIONS OF APPROVAL, IF ANY:	TITLE		A	₽₽₽₽	OVED
*Se	e Instructions on Rev	rerse Side	SVI	JUL A	171990 MANAGER

, a 1901, makes it a crime for any person knowingly and willfully to make to any department or accordy of the ... without or fraudulent statements or representations as to any matter within its virisdiction.

C.M. Morris NO. 5

Fruitland Coal Recompletion Procedure

- 1. Level location. Set and test anchors. Build blow pit next to wellhead.
- 2. Move in and rig up completion unit.
- 3. Blow well down and kill with clean water. Remove wellhead and install new wellhead if necessary. Install BOPE.
- 4. POOH with 1" tubing and inspect (2269').
- 5. TIH with 4 3/4" bit and scraper on 2 7/8" tubing and clean out to below 5 1/2" casing shoe at 21947. POOH.
- 6. Run GR/Compensated Neutron log from PBTD to surface casing. Run GR/CCL/CBL from PBTD to 100' above coals. Perform remedial work if necessary.
- 7. Set CIBP 4' above shoe and dump bail 1 sx class B neat cement on plug.
- 8. Pressure test casing to 500 psig.
- 9. RIH with packer on 2 7/8" tubing and set above proposed completion interval. Pressure test casing below packer and CIBP to 2000 psig. POOH.
- 10. Perforate Fruitland Coal with 4" casing gun, 2 SPF as per geologic prognosis.
- 11. Acidize coals below a packer. Swab and flow test.
- 12. Fracture stimulate if necessary below a packer with nitrogen foam and sand as per engineering prognosis.
- 13. Clean out frac sand and land tubing. Install wellhead and flow well to clean up. Collect gas sample.
- 14. Shut well in for production test.
- 15. Install equipment, reclaim blow pit, put well on production.



*Open hole shot 4/5/52 with 230 quarts SNG, open hole fractured 4/21/55 with 10,400 gals. diesel and 15,000# sand.