

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: September 30, 1990

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill, deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals.

SUBMIT IN TRIPLICATE

019 FARMINGTON H.M.

1. Type of Well: oil well _____ gas well ☒ other _____

2. Name of Operator: Blackwood & Nichols Co., Ltd.

3. Address of Operator: P.O. Box 1237, Durango, CO 81302-1237

4. Location of Well: (Footage, Sec., T., R., M., or Survey Description)
655' FNL, 740' FEL
Section 8, T30N, R7W

5. Lease Designation & Serial #

SF079042

6. If Indian, Allottee/Tribe Name

7. If Unit or CA, Agmt. Design.:

Northeast Blanco Unit

8. Well Name and No.:

N.E.B.U.# 423

9. API Well No.:

30-039-70390

10. Field & Pool/Expltry Area:

Basin Fruitland Coal

11. County or Parish, State:

Rio Arriba, New Mexico

12. 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 Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other:
	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)
	<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

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.)*

The NEBU #423 has 9-5/8", 36#, K-55 surface pipe set at 307' and a long string of 5-1/2", 17#, K-55 set at 3236'. On both strings cement was circulated to surface. The Fruitland coal was perforated from 2934' to 3033'. We propose to plug and abandon the well by placing an 84 sx cement plug from PBTD of 3193' to 2650' (100' above the Fruitland sand top); mud from 2650' to 2160' (50' below the Kirtland top); a 40 sx cement plug from 2160' to 1900' (69' above the Ojo Alamo top); mud from 1900' to 400'; and a 62 sx cement plug from 400' to surface.

See attached procedure and schematic.

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

Signed: AL RECTOR AL RECTOR

Title: OPERATIONS ENGINEER

(This space for Federal or State office use)

Approved By _____
Conditions of approval, if any:

Title _____

Date APR 6 1991

Title 18 U.S.C. Section 1001, makes 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 the jurisdiction of such department or agency.

NMOCD

APPROVED
Date: 4/25/91

APR 6 1991

Proposed P & A Procedure

RECEIVED
BLM

April 25, 1991
91 APR 26 AM 7:48

019 FARMINGTON, N.M.

Northeast Blanco Unit No. 423
Basin Fruitland Coal
655' FNL, 740' FEL
Section 8, T30N, R7W
Rio Arriba County, New Mexico

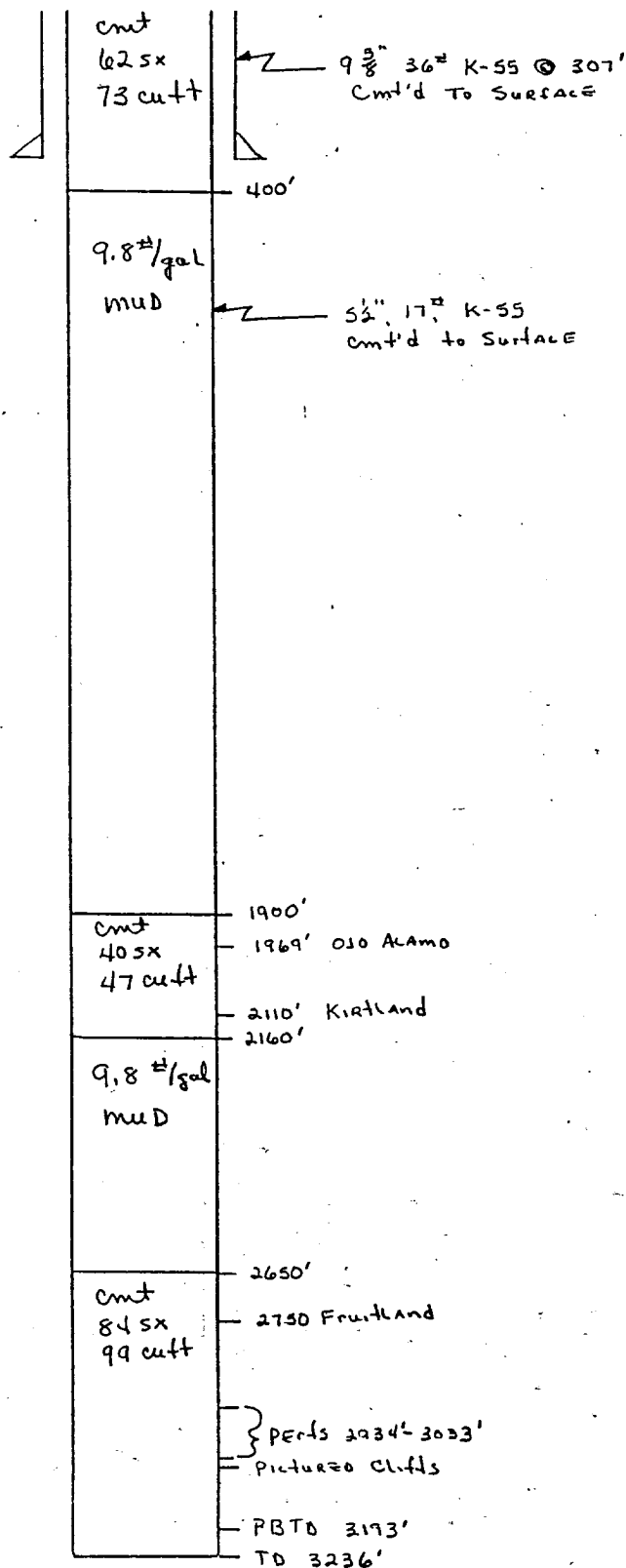
1. MIRU plugging rig.
2. Pull and lay down polish rod, one 4' pup, and 120 7/8" rods
3. ND wellhead, NU BOP
4. Unseat donut and circulate hole with 9.8 ppg calcium carbonate mud.
5. Set cement plug from PBTD at 3193' to 2650' (100' above Fruitland sand top) using 84 sx (99 cf) with 2% CaCl_2 and 1/4 #/sk cellophane flake mixed @ 15.6 ppg.
6. Pull tubing to 2600', reverse circulate to clean tubing.
7. Wait 2 hours, RIH, tag top of cement plug.
8. Assuming plug did not go down hole, pull up to 2160'.
9. Set cement plug from 2160' to 1900' using 40 sx (47 cf)
10. Pull up to 1900' and reverse circulate to clean tubing.
11. Pull up to 400'.
12. Set cement plug from 400' to surface.
13. POOH and top off cement with hose.
14. Cut off 9-5/8" casing and 5-1/2" casing 3' below ground level.
15. Install abandonment marker.
16. Notify BLM for onsite inspection.

NEBU #423
NE Section 8, T30N, R7W
Rio Arriba, New Mexico

RECEIVED
BLM

91 APR 26 AM 7:48
019 FARMINGTON, N.M.

PLUG AND ABANDONMENT



IN REPLY REFER TO
(019)

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401

Attachment to Notice of

Re: Permanent Abandonment

Intention to Abandon

Well: 423 NEBU

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."
2. Mark Kelly with the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 326-6201.
3. Blowout prevention equipment is required.
4. The following modifications to your plugging program are to be made (when applicable):

Office Hours: 7:45 a.m. to 4:30 p.m.

GENERAL REQUIREMENTS FOR
PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES
FARMINGTON RESOURCE AREA

1. Secure prior approval either on a Sundry Notice (Form 3160-5) or verbally from the Fluids Drilling & Production Section at this office before changing the approved plugging program.

2. Plugging equipment used shall have separate mixing and displacement pumps and a calibrated tank to assure proper displacement of plugs. The Operator is responsible for providing all measuring devices needed to assure proper measurement of materials being used.

3. A proper tank or pit will be used to contain all fluids pumped from the well during plugging operations. Unattended pits are to be fenced.

4. All cement plugs are to be placed through tubing (or drillpipe) and shall be a minimum of 100 feet in length with 50% excess inside casing or 100% excess when plug is set in open hole or squeezed into perforations. 15.6#/gal slurry weight is to be used when using class B neat cement or when CaCl_2 is used. Use the recommended slurry weight of other type cements when they are used (Class C, Pozzolan etc.).

5. Any cement plugs placed when well is not full of fluid, or when well may be taking fluid, (i.e. across perfs-unless bridge plug or retainer is used, across bad csg., or fresh water formations) will be tagged (touched) after cement has set to verify proper location.

5a. Testing The first plug below the surface plug shall generally be tested by either tagging the plug with the working pipe string, or pressuring to a minimum pump (surface) pressure of 1000 psig, with no more than a 10 percent drop during a 15-minute period (cased hole only). If the integrity of any other plug is questioned, it must be tested in the same manner. Also, any cement plug which is the only isolating medium for a fresh water interval or a zone containing a valuable mineral deposit should be tested by tagging with the drill string.

6. Mud must be placed between plugs. Plugging mud is to be made up with a minimum of 15 lbs/bbl of sodium bentonite, and a nonfermenting polymer. Minimum consistency of plugging mud must be 9 lbs/gal and with a minimum viscosity of 50 sec/qt. Fresh water is to be utilized for mixing mud.

7. Following the placement of a cement plug, the withdrawal rate for at least the length of the cement plug shall not exceed 30 ft/min, in order to minimize the contamination of the plug.

8. Within 30 days after plugging work is completed, file a Sundry Notice (Subsequent Report of Abandonment, Form 3160-5), in quintuplicate with Area Manager, Bureau of Land Management, 1235 La Plata Highway, Farmington, NM 87401. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date well was plugged.

9. All permanently abandoned wells are to be marked with a regulation marker (4" pipe extending 4' above the ground line) containing the information as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10. After plugging work is completed the surface is to be rehabilitated in accord with instructions from the Fluids Surface Management Section of the Farmington Resource Area Office.

All above are minimum requirements. The period of liability under the bond of record will not be terminated until the lease is inspected and surface work approved.

Please advise this office when the well location is ready for final inspection.

Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1.

You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.