

July 23, 1999

Oil Conservation Division

State of New Mexico
1000 Rio Brazos Road
Aztec, NM 87410

Re: Plug & Abandonment Report

Gallegos Canyon Unit #2

K, 35, 29N, 12W
San Juan County, NM
API #30-045-07661

Cementing Summary:

Plug #1 with 60 sxs Class B cement from 1380' to 1150' to cover Pictured Cliffs open hole and top.

Plug #2 with 60 sxs Class B cement from 746' to 556' to cover Farmington top.

Plug #3 with 111 sxs Class B cement from 341' to surface. POH and LD tubing, then top off surface with 5 sxs cement.

Plugging Summary:

7-19-99 Travel to location and dig out wellhead. SDFD.

7-20-99 Road rig and equipment to location; spot rig. Wait on L&R to set anchors and pit to be dug. Line pit. RU rig and equipment, layout relief line to pit. Open up well, 20# pressure with light water flow; bleed down to pit. ND wellhead and NU BOP. Mix 160 bbls of 9# 55 vis mud. PU 6-1/4" bit, bit sub and 2-7/8" tubing workstring; TIH to 978' and tag. RU power swivel and circulate hole with mud. Wash down to 1254', pumping 3 bpm at 300#; returns very heavy shale. Circulate hole clean and TOH with tubing. SDFD.

7-21-99 Safety Meeting. Open up well and TIH with 6-1/4" bit to 1063'; tag bridge. PU power swivel and wash down to 1380', pumping 3 to 4 bpm at 300#; returns heavy shale. Circulate hole clean for 1 hour. Plug #1 with 60 sxs Class B cement from 1380' to 1150' to fill Pictured Cliffs open hole and cover top. TOH and WOC 4 hours. TIH and tag cement at 1193'. Plug #2 with 60 sxs Class B cement from 746' to 556' to cover Farmington top. TOH with tubing. Shut in well and WOC overnight. SDFD.

7-22-99 Safety Meeting. Dig out wellhead. TIH and tag cement at 558'. PUH to 341'. Plug #3 with 111 sxs Class B cement from 341' to surface. POH and LD tubing, then top off surface with 5 sxs cement. RD rig and equipment. Weld on P&A marker. Road equipment to A-Plus yard.
C. Perrin, with NMOCD was on location and approved plugging plan.

15653

Date July 19 1999

Location

Company

CREW	NAME	UNIT #	MILEAGE	HOURS
Supervisor	George Jones			
Operator	Sam Stuart			12
Helper	Robert Velasquez			7 1/2
Helper				
Helper	Jesus Rodriguez			7 1/2

Date _____

Monday July 19
1999

1/2 Travel
2-Rig
Crew
C \$100

Well No BMG #2 Location Sic 34 T 29 N R 12 W Company Benson-Montia-Greer Drilling Co

Date Tuesday
July 20 1999

12 hrs
Package

15655

Date Wednesday
July 21 1999

Date Wednesday
July 21 1999

RCI-029643A

1/2 Travel
5 Packag
5 1/2 Rig

15656

P.O. BOX 1979 • FARMINGTON, NM 87499
505-325-2627 • FAX (505) 325-1211

Rig No 6

Date Thursday
July 22 1999
NMOC

Well No BMG #2 Location Sic # T29N R 12W Company Benson Merten - Greer - Drilling

FROM	TO	DESCRIPTION OF OPERATION
6AM	6:10	Load Rig Supply.
6:10	6:30	Drove to Loc. Held Safety Meeting on cutting off old well head.
6:30		Service Equipment Pickup Rig floor dig out around well head
7:30		TI H w/ 18 joints 2 1/2 TBG to 558' Tag Plug #2.
8:30		Pull & Lay down 7 JTs to 341'
8:30	9AM	Plug #3 Surface Plug. mix 111 SX Plug from 341' to Surface
9AM		Pull & Lay down 11 JTs 2 1/2 TBG.
		Then Top off well w/ 5 SX Total used on Surface
	9:30AM	116 SX
9:30		Rig down pt 105 & wash up Pit NO BOP.
	11AM	Rig down Rig Remove Anchors
12NOON		Finish Removing Anchors Clean up Loc. ^{wash up} Install Dry Hole
	2PM	Road Rig to yard.

Fuel & Motor Oil _____ Water Hauled 4 Loads to Pavement for disposal
 Rental Equipment _____ Cement Retainers _____
 Cementing Surface Plug 116 5x, 52x 11
 Wireline _____

Wireline

1/2 Travel
7 Rg

CREW	NAME	UNIT #	MILEAGE	HOURS
Supervisor	George A Jones	19		
Operator	Sam Stuart	20		8
Helper	Robert Velasquez			8
Helper	Victor Celis			8
Helper	Chuck Leunggi			8

RCI-029643A

Date July 22 1999

Date: 7 20 99

Truck #: 151

Event: #1	From:	To:	Hours
Start: 0600	What: pre trip + load 180 pit	1/2	
		1/2	
Stop: 0700	Charge to:		1
Event: #2	From: Applus	To: BOM G #2	
Start: 0700	What: move pit, F.T. 214 removal + pipe		
	load to leg + spot on Generator		9 1/2
Stop: 1130	Charge to: Note		
Event: #3	From: BOM G #2	To: Applus	
Start: 1130	What: Return		
			1/2
Stop: 1200	Charge to: Note		
Event: #4	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #5	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
	Driver: <u>Jim McGalt</u>		6
Diesel:	Helper: <u>Jim McGalt</u>		
Oil:	NM MILES: <u>46</u> CO MILES: _____ UT MILES: _____		
Remarks:			
	NMO CD BOM G #2		
	Move Rig Equipment to loc		

#1

5 1/2 hrs

-632-9494

INVOICE
Invoice Number:
18314
Invoice Date:
Jul 30, 1999
Page:
1

WELL SERVICE
1979
STON, NM 87499

A+ #6
BMG #2
CALLER: GEORGE

· ID: A PLUS WELL SERVICE

Order PO	Payment Terms	Due Date	Sales Rep ID
	Net 30 Days	8/29/99	

Description	Unit Price	Extension
DELIVERY & PICK-UP FEE	150.00	150.00
RENTAL OF PORTABLE RESTROOM WITH	36.00	36.00
SERVICES FOR THE PERIOD OF: 7/22/99		

**FOR ALL INQUIRIES PLEASE CALL
(505) 334-7355**

Subtotal	186.00
Sales Tax	10.70
Total Invoice Amount	196.70
Payment Received	0.00
TOTAL	196.70

Date: 7 22 99

Truck #: 151

Event: #1	From:	To:	Hours
Start: <u>0600</u>	What: <u>mtz Trip</u>		
Stop: <u>0700</u>	Charge to:		<u>1</u>
Event: #2	From:	To:	
Start: <u>0700</u>	What: <u>mtz Trip</u>		
Stop: <u>0900</u>	Charge to:		<u>2</u>
Event: #3	From: <u>Apalus</u>	To: <u>BORG #2</u>	
Start: <u>0900</u>	What: <u>mtz Trip, services, pit 180</u>		
Stop: <u>1100</u>	Charge to: <u>Atch</u>		<u>11</u>
Event: #4	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #5	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
Driver:	<u>[Signature]</u>		<u>10</u>
Diesel:	Helper:		
Oil:	MM MILES: <u>68</u>	CO MILES: _____	UT MILES: _____
Remarks:			
	<u>NMO CD B M G #2</u>		
	<u>Move Float w/ 2 1/8" tbg, Pit</u>		
	<u>Water TANK, to A+ yard.</u>		

#2

7 hrs

Date: 20 Jul 99

Truck #: 155

Event: #1	From: <u>Bloomfield</u>	To: <u>BMG #2</u>	Hours
Start: <u>12:00</u>	What: <u>80 BBL to Location</u>		
Stop: <u>1:00</u>	Charge to: <u>NM OCD</u>		<u>1</u>
Event: #2	From: <u>BMG #2</u>	To: <u>Yard</u>	
Start: <u>1:00</u>	What: <u>Travel</u>		
Stop: <u>1:30</u>	Charge to: <u>NM OCD</u>		<u>1 1/2</u>
Event: #3	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #4	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #5	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
	Driver: <u>Ray Nean</u>		<u>1 1/2</u>
Diesel:	Helper		
Oil:	NM MILES: _____	CO MILES: _____	UT MILES: _____
Remarks:			
	<u>NM OCD</u>		
	<u>BMG #2</u>		
	<u>Haul 1 load water</u>		
	<u>Bloomfield x 20 = 20</u>		

#4-2

1 1/2 hrs

OCD

CUSTOMER'S ORDER NO. BMG #2	DEPT. Right	DATE: 7/22/99
NAME: A-Plus Well Service		
ADDRESS: Farmington, New Mexico		
CITY, STATE, ZIP		

SOLD BY:	CASH	C.O.D.	CHARGE	ON ACCT.	MISSE RTD.	PAID OUT
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[illegible]

KEEP THIS COPY FOR YOUR RECORDS
©1998. REDIFORM® 5L320

#6

OLD

Row Headrick
Res. Notes

Res Nones

CUSTOMER'S ORDER NO. 13MG#2		DEPT. Rtg # 6	DATE: 7/19/99
NAME: A-Plus Well Service			
ADDRESS: Farmington New Mexico			
CITY, STATE, ZIP			

SOLD BY:	CASH	C.O.D.	CHARGE	ON ACCT.	NOSE RTD.	PAID OUT
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[illegible]

#3

KEEP THIS COPY FOR YOUR RECORDS
©1998 REDIFORM® 5L320

Date: 20 Jul 99

Truck #: 155

Event: #1	From: <u>Yard</u>	To: <u>BMG #2</u>	Hours
Start: <u>6:00</u>	What: <u>Swamper on Truck 151</u>		<u>1 1/2</u>
Stop: <u>7:30</u>	Charge to:		
Event: #2	From: <u>Yard</u>	To: <u>Browning Parkway</u>	
Start: <u>7:30</u>	What: <u>Load TRUCK</u>		<u>1/2</u>
Stop: <u>8:00</u>	Charge to: <u>NMOC D</u>		
Event: #3	From: <u>Browning Parkway</u>	To: <u>BMG #2</u>	
Start: <u>8:00</u>	What: <u>80 BBL to Location</u>		<u>1/2</u>
Stop: <u>8:30</u>	Charge to: <u>NMOC D</u>		
Event: #4	From: <u>Bloomfield</u>	To: <u>BMG #2</u>	
Start: <u>8:30</u>	What: <u>80 BBL to Location</u>		<u>1</u>
Stop: <u>9:30</u>	Charge to: <u>NMOC D</u>		
Event: #5	From: <u>Bloomfield</u>	To: <u>BMG #2</u>	
Start: <u>9:30</u>	What: <u>80 BBL to Location</u>		<u>1</u>
Stop: <u>10:30</u>	Charge to: <u>NMOC D</u>		
Event: #6	From: <u>BMG #2</u>	To:	
Start: <u>10:30</u>	What: <u>Stand by, to suck out seller</u>		
Stop: <u>11:00</u>	Charge to: <u>NMOC D</u>		
Event: #7	From: <u>Bloomfield</u>	To: <u>BMG #2</u>	
Start: <u>11:00</u>	What: <u>80 BBL to Location</u>		<u>1</u>
Stop: <u>12:00</u>	Charge to: <u>NMOC D</u>		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
	Driver: <u>Doug Hearn</u>		
Diesel:	Helper		<u>6</u>
Oil:	NM MILES: <u>80</u>	CO MILES: _____	UT MILES: _____
Remarks:	<u>Water Meter Ending 664500</u>		
	<u>NMOC D</u>		
	<u>BMG #2</u>		
	<u>Haul 4 load Water</u>		
	<u>1 Farmington X 20</u>		
	<u>3 Bloomfield X 20</u>		

4 hrs.

#4-1

4 hrs

F#80

Date: 22 Jul 99

Truck #: 155

Event: #1	From: <u>Yard</u>	To:	Hours
Start: <u>6:00</u>	What: <u>Pre-trip</u>		
Stop: <u>6:30</u>	Charge to: <u>AT</u>		<u>1/2</u>
Event: #2	From: <u>Yard</u>	To: <u>GCU #2</u>	
Start: <u>6:30</u>	What: <u>Travel to Location and Load truck out of Rig Pit</u>		<u>1</u>
Stop: <u>7:30</u>	Charge to: <u>NM OCD</u>		
Event: #3	From: <u>GCU #2</u>	To: <u>Enviro tech Disposal</u>	
Start: <u>7:30</u>	What: <u>Haul 80 BBL of Drilling Mud to Disposal and Whit on Envirotech People</u>		<u>3</u>
Stop: <u>10:30</u>	Charge to: <u>NM OCD</u>		
Event: #4	From: <u>GCU #2</u>	To: <u>Envirotech Disposal</u>	
Start: <u>10:30</u>	What: <u>80 BBL Drilling Mud to Disposal</u>		<u>1 1/2</u>
Stop: <u>12:00</u>	Charge to: <u>NM OCD</u>		
Event: #5	From: <u>GCU #2</u>	To: <u>Envirotech Disposal</u>	
Start: <u>12:00</u>	What: <u>80 BBL Drilling Mud to Disposal</u>		<u>1 1/2</u>
Stop: <u>1:30</u>	Charge to: <u>NM OCD</u>		
Event: #6	From: <u>GCU #2</u>	To: <u>Envirotech Disposal</u>	
Start: <u>1:30</u>	What: <u>80 BBL Drilling Mud to Disposal</u>		<u>1 1/2</u>
Stop: <u>3:00</u>	Charge to: <u>NM OCD</u>		
Event: #7	From: <u>GCU #2</u>	To: <u>Yard</u>	
Start: <u>3:00</u>	What: <u>Empty water tank, Haul to Yard</u>		<u>1</u>
Stop: <u>4:00</u>	Charge to: <u>NM OCD</u>		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
Driver:	<u>Doug Han</u>		
Diesel:	Helper		<u>10</u>
Oil:	NM MILES: <u>155</u>	CO MILES: _____	UT MILES: _____
Remarks:	<u>NM OCD BM 6 #2</u>		
	<u>Haul 3 load Mud to</u>		
	<u>ENVIRO Tech for disposal</u>		

#5

9 1/2

L & R Anchor Service and Test Hole Monitoring

519 E. Animas
Farmington, NM 87401
(505) 325-1922
Roustabout Services

Date: 7-20-99

Company: A-plus #6 Lease: BMG Well No: 2

Work Description: SET FOUR ANCHORS, TESTED FOUR

Materials Used: _____

Equipment Used:	Name or Unit Number	Hours	Rate	Amount
Anchor Truck	<u>T-49</u>	<u>4</u>		<u>484.00</u>
Test Truck	<u>TESTED</u>	<u>4</u>		<u>145.00</u>
Anchors	<u>4</u>			
2½ Ton Truck				
1 Ton Truck				
Backhoe				
Trailer				
Float				
Pickup				
Other				
Other				
Other				
Foreman Name	<u>Elroy Velasquez</u>	<u>4</u>		
Helper Name				
Helper Name				

GEORGE JONES

Sub total \$ 629.00
Tax /
Total \$ /

Foreman Signature: Elroy Velasquez

Accepted by: _____

Invoice 255055526 Pymt Date 00/00/00 Moratorium
Date 07/25/99 Pymt Amt .00 Adjustment
Contract 5506513 Slsmn 222 ACM/HOUSE
Period 00/00/00 Thru 00/00/00 Ship Date 07/19/1999 Reference
Lessee 5003619 CUST PO# ROUTE 6
Cust Name A-PLUS WELL SERVICE Ship To WEST HAMMOND
Address1 LEE ACRES
Address2 P.O. BOX 1979
City/S/Z FARMINGTON NM 87499 NM 87401
----- EXTENDED

Unit	MU0007	Rent	60.00	H	1	60.00	60.00
Desc	25KVA GENERATOR	Wavr	7.20	D			
Modl	MQ25	Frgt	.00	W			
Serl	3664094	Dmge	.00	M			
		UCCl	.00	O			
		F1	5.50				

Tax State NM Tax Amt 5.938
Tax Amt 4.32
Total 77.02
PRINTER FRM1

SF1-Cntrct SF2-Cntrct Lst SF4-Eqpmt SF5-Inv Lst F11-Print
RECORD FOUND

BLOCK

b-1

S
O
L
D
T
O

0005000
A-Plus Well Service
P.O. Box 1979
Farmington, NM 87499

Page: 1
Invoice Date: 07/30/99
Invoice No.: 004966
Salesperson: 2
P.O. No.:
Terms: Net 30 days
Ship Via: Counter Pick
D.T. No.: 003697

an. Item No. Description Unit Price Disc Amt. Ext. Price

Ordered By: George
Charge To: Rig 6

2	2005880	#31720 C414 Hook Jaw F/36" Ridgid Pipe Wrench Discount Is 10%	55.00	11.00-	\$99.00
1	2005830	#31695 D342 Hook Jaw F/24" Ridgid Pipe Wrench Discount Is 10%	26.20	2.62-	\$23.58
2	2005890	#31725 E4206x Heel Jaw & Pin F/36" Ridgid Pipe Wrench Discount Is 10%	22.45	4.49-	\$40.41
1	2005840	#31700 E4205x Heel Jaw & Pin F/24" Ridgid Pipe Wrench Discount Is 10%	13.30	1.33-	\$11.97
2	2000915	#650-039-080-05 Tiger Hk #8 1/4" Samson Tiger Sash Cord Discount Is 25%	11.20	5.60-	\$16.80
2	2000450	455-387 4-S Shoe Handle Wire Brush Discount Is 25%	2.56	1.28-	\$3.84
1	4000572	#267-791 20' X 100' 10-Mil Black Plastic Discount Is 10%	95.79	9.58-	\$86.21
1	7007555	#1502-11911 KF 2" Ser C 2160# CS Full Port Ball Valve Discount Is 48%	335.00	160.80-	\$174.20
1	7002952	2-1/2" Eue 8rd X 2" Reg 11-1/2 J-55 Std Tubing Swage Discount Is 60%	171.84	103.10-	\$68.74
1.00	6000050	#1111020 Viscosity Cup	6.10	0.61-	\$5.49

RIG EQUIPMENT & SUPPLY COMPANY

P.O. BOX 3128
FARMINGTON, NEW MEXICO 87499
TELEPHONE (505) 327-4927 - 24 HOURS





PAGE 1 of

Bill To: 534221
Del Tkt: 2X-0000617-

Ship Via: OTHER
Rtn Via: CUST
Svc Rte: STD
State: NM
County: SAN JUAN
City: <none>

JOB Typ: RENTALS-MISC.RENTAL TOO State: NM
PBook: 98R/FUS County: SAN JUAN
City: <none>

Item#/ Seq- Line	Description/ Serial Numbers/Description	Equipment #	Ship Return	Qty	Bill Days Units UOM	Unit Price Stdby Disc%	Gross Amount	Disc %	Extended Amount
1	1 SHALE SHAKERS		20-JUL 23-JUL	1	Min-> Add->	3.00	75.00		60.0
	83398-GEOGRAPH MODEL 34H150 SER# S1092 BILL FROM 20-JUL-1999 TO 23-JUL-1999				1.0000 EA	25.00			
2	2 SUB, BOX X BOX, 3-1/2" CONN X 2-7/8" CONN		20-JUL 22-JUL	1	Min-> Add->	3.00	90.00	20.00%	72.0
	4745-3-1/2" REG BOX X 2-7/8" EUE BRD BOX (BFF) BILL FROM 20-JUL-1999 TO 22-JUL-1999				1.0000 EA	19.00			
3	3 SUB, FLOAT, FLOAT ASSEMBLY, ALL SIZES 2F-3R FLOATASSEMBLY BILL FROM 20-JUL-1999 TO 23-JUL-1999		20-JUL 23-JUL	1	Min-> Add->	4.00	100.00	100.00%	80.0
					1.0000 EA	10.00			
4	4 FLANGE, COMPANION, 9" 3M X 9-5/8" BRD 2889- BILL FROM 19-JUL-1999 TO 23-JUL-1999		19-JUL 23-JUL	1	Min-> Add->	5.00	82.00	82.00%	65.6
					1.0000 EA	8.00			
Other							20.00%		
5	5 SALE, EXPENDABLE ITEMS/PARTS, RENTAL TOOLS SHALE SHAKER SCREEN (TORN)		19-JUL	1	Min-> Add->	122.00	122.00		122.0
					1.0000 EA				
6	6 THIRD PARTY INSPECTION CHARGE, RENTAL TOOLS 2 ENDS		19-JUL	1	Min-> Add->	18.00	36.00		36.0
					2.0000 EA				
7	7 WASTE DISPOSAL CHARGE 2 ENDS		19-JUL	1	Min-> Add->	.00	1.50		1.50
					2.0000 EA	.75			

ORIGINAL

EQUIPMENT AND SERVICES ARE PROVIDED SUBJECT TO TERMS AND CONDITIONS ON REVERSE. INCLUDE HOLD HARMLESS, INDEMNITY, RELEASE, HOLD HARMLESS AND WARRANTY DISCLOSURE

Weatherford

Inv Seq#: 2X

* BILLING APPROVAL *

PAGE 2 of

Item#/
Seq-
Line Description/
Serial Numbers/Description

Unit Price Gross Amount
Stdby Disc %

Extended
Amount

Comments:
NOTED PRICES. THANK YOU FOR USING
ATHERFORD.

Date: 02-AUG-1999

Subtotal: 437.10
State Tax: 19.67
County Tax: 1.66
City Tax: 5.20
TOTAL AMOUNT DUE: US\$ 463.63

Indicates Taxed Item

Billing Approval: Signature

Print Name

0-2

ORIGINAL

EQUIPMENT AND SERVICES ARE PROVIDED SUBJECT TO TERMS AND CONDITIONS ON REVERSE. INCLUDING INSURANCE, INDEMNITY, RELEASE, HOLD HARMLESS AND WARRANTY DISCLAIMER.

Envirotech, Inc.

5796 U.S. Highway 64

Farmington, NM 87401

(505) 632-0615 Fax (505) 632-1865

CUSTOMER #: 99042

INVOICE #: 4536a

INVOICE DATE: 08/04/99

DUE DATE: 09/03/99

BILL TO:

A Plus Well Services

Bill Clark

PO Box 1979

Farmington, NM 87499-1979

JOB: 904201

**Accept plugging fluids four
loads exempt, through blending
facility**

DESCRIPTION	QUANTITY	PRICE	AMOUNT
-------------	----------	-------	--------

MATERIAL

ACCEPTANCE/RECEIVAL

07/22/99 Liquid/Sludge Acceptance
BOL 12053

234.00bb1

3.75 / bb1

877.50

ACCEPTANCE/RECEIVAL TOTAL:

877.50

TOTAL MATERIAL:



877.50

SUBTOTAL

877.50

SALES TAX:

50.46

NET DUE:

927.96

Thank you for your business!

Please send copy of invoice with payment. Delinquent accounts will be charged 1.5%