

99-521.25-035

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

WELL PLUGGING CONTRACT

THIS AGREEMENT is made and entered into by and between the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, hereinafter referred to as "EMNRD-OCD", and **Key Four Corners, Inc. dba Key Energy Services, Inc.**, hereinafter referred to as the "Contractor".

IT IS MUTUALLY AGREED BETWEEN THE PARTIES:

1 Scope of Services

1.1 The Contractor shall perform the work necessary to properly plug and abandon in accordance with the Rules and Regulations of the EMNRD-OCD pursuant to the plugging procedures attached hereto as Exhibit "A" the following well(s):

OPERATOR	WELL NAME	LOCATION	COUNTY
Vista Resources, Inc.	Navajo 20 #2	Unit L, 30-29N-17W	San Juan
Vista Resources, Inc.	Navajo 20 #31	Unit B, 31-29N-17W	San Juan
Vista Resources, Inc.	Navajo 20 #1	Unit D, 31-29N- 17W	San Juan
Vista Resources, Inc.	Waggoner #2	Unit C, 32-30N-12W	San Juan

This contract is entered into pursuant to IFB No. **90-521-25-00583** issued by the State Purchasing Division. The terms and conditions of that IFB are incorporated herein by reference and made a part hereof.

1.2 The work shall be performed under the supervision of an EMNRD-OCD representative who shall be on site during the course of performance of the contract. EMNRD-OCD, through its on-site representative or the responsible District Supervisor, shall have the sole authority to approve any changes to the Scope of Work, including the authority to proceed under an hourly rate, and to approve the Contractor's final work product.

1.3 Upon receiving the written Notice to Proceed, the Contractor shall move in and rig up on location and commence work within the time frame specified in the Notice to Proceed. The EMNRD-OCD may grant the Contractor additional time in which to move in upon a showing by the Contractor that the equipment was not available due to unavoidable delays on other work, or if weather conditions make it impractical to move in on location. Prior to commencement of work, the Contractor shall obtain all necessary permits required for this work.

1.4 All equipment, material, trash and junk shall be removed from the location and disposed of in accordance with applicable law and regulations.

RECEIVED
NOV 13 2000

2 Compensation

2.1 EMNRD-OCD shall pay to the Contractor in full payment for services rendered the sum of **Sixty-Eight Thousand, Two Hundred and Seventy-Six Dollars and Sixty cents (\$68,276.60)** except as provided herein for payment under Supplemental Rate Schedule (attached as **Exhibit "B"**).

2.2 If downhole problems are encountered which could not be reasonably foreseen by a review of the Division records and an on-site inspection, and the contractor has made a reasonable and good faith effort to resolve these problems under the turnkey provisions, and the EMNRD-OCD onsite representative has approved such action, compensation in addition to the turnkey price based on the Supplemental Bid Rates attached as "**Exhibit B**", may be charged and the contract will be amended to include the total of such amount. The number of units charged under such rates will be approved by the Division on site representative. The EMNRD-OCD reserves the right to discard the turnkey bid and to be billed solely at the Supplemental Bid Rates if it is determined that the downhole problem is unresolvable or cost prohibitive. Minimum payment will not be less than twenty-five percent of the turnkey bid.

2.3 The New Mexico Gross Receipts Tax levied on the amounts payable under this Agreement shall be paid by the Contractor out of the sum set forth in section 2.1 above.

2.4 Payment shall be made upon receipt of a detailed invoice, after the plugging operation has been approved by the responsible EMNRD-OCD District Office, or after termination by the EMNRD-OCD for reasons of Contractor inability to successfully complete the plugging due to conditions beyond the control of Contractor or EMNRD-OCD, with the concurrence of the EMNRD-OCD.

3 Term

THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED IN WRITING BY EMNRD-OCD AND STAMPED BY THE PURCHASING DIVISION and shall terminate **6 months** after such time, unless terminated pursuant to paragraphs 4 or 9, infra.

4 Termination

4.1 EMNRD-OCD may, by written order, terminate this Agreement or any portion thereof after determining that, for reasons beyond either EMNRD-OCD's or the Contractor's control, the Contractor is prevented from proceeding with or completing the work as originally assigned, and that termination would therefore be in the public interest. Such reasons for termination may include, but need not be limited to, orders from duly constituted authorities relating to energy conservation, restraining orders or injunctions obtained by third-party citizen action resulting from national or local environmental protection laws or where the issuance of such order or injunction is primarily caused by acts or omissions of persons or agencies other than the Contractor or conditions in the well which make completion of the work impossible or impractical.

4.1.1 If EMNRD-OCD orders termination of this Agreement effective on a certain date, payment will be made for the actual number of units or items of work completed at the contract unit price, or as mutually agreed for items of work partially completed or not started.

4.1.2 Acceptable materials, obtained by the Contractor for the work but which have not been incorporated therein, may, at the option of EMNRD-OCD, be purchased from the Contractor at actual cost, delivered to a prescribed location, or otherwise disposed of as mutually agreed.

4.1.3 After receipt of notice of termination from EMNRD-OCD, the Contractor may submit a claim for additional damages or costs not covered above or elsewhere. Such claim may include such cost items as reasonable idle equipment time, mobilization efforts, overhead expenses attributable to the project terminated, legal and accounting charges involved in claim preparation, subcontractor costs not otherwise paid for, actual idle labor costs if

work is stopped in advance of termination date, guaranteed payments for private land usage as part of the original contract, and any other cost or damage item for which the Contractor feels reimbursement should be made. In no event, however, will loss of anticipated profits be considered as part of any settlement.

4.1.4 The Contractor agrees to make all cost records available to the extent necessary to determine the validity and amount of each item claimed.

4.1.5 Termination of a contract or portion thereof shall not relieve the Contractor of any contractual responsibilities for the work completed.

4.2 In the event the Contractor defaults on its obligations hereunder, as more specifically defined herein, EMNRD-OCD will give notice in writing to the Contractor of such default and will specify those provisions which have been violated and the corrective measures to be taken. If the Contractor, within a period of ten (10) working days after such notice, does not proceed in accordance therewith, then EMNRD-OCD may terminate this contract for breach and pursue any or all of the remedies contained herein.

4.2.1 EMNRD-OCD will have full power and authority without violating this Agreement to take the prosecution of the work out of the hands of the Contractor. EMNRD-OCD may appropriate or use any or all equipment and materials on the grounds as may be suitable and acceptable and may enter into an agreement for the completion of this Agreement according to the terms and provisions thereof or use such other methods as in the opinion of EMNRD-OCD will be required for the completion of this Agreement in an acceptable manner.

4.2.2 All costs and charges incurred by EMNRD-OCD together with the cost of completing the work under contract will be deducted from any monies due or which may become due the Contractor. If such expense exceeds the sum which would have been payable under this Agreement, then the Contractor shall be liable and shall pay EMNRD-OCD the amount of such excess.

4.2.3 The Contractor will be deemed in default if it:

- 4.2.3.1** Fails to begin the work under the contract within the time specified in the Notice to Proceed, or
- 4.2.3.2** Fails to perform the work with sufficient workers and equipment or with sufficient materials to assure the prompt completion of said work, or
- 4.2.3.3** Performs the work unsuitably or neglects or refuses to remove materials or to perform anew such work as may be rejected as unacceptable and unsuitable, or
- 4.2.3.4** Discontinues the prosecution of the work and fails to resume work which has been discontinued within a reasonable time after notice to do so, or
- 4.2.3.5** Becomes insolvent or is declared bankrupt or commits any acts of bankruptcy or insolvency, or
- 4.2.3.6** Allows a final judgement, in a suit filed in connection with this contract, to stand against the Contractor unsatisfied for a period of thirty (30) working days, or
- 4.2.3.7** Makes an assignment, in connection with this contract, for the benefit of creditors, or
- 4.2.3.8** For any cause, except as provided in this contract, fails to perform the obligations under this contract to the satisfaction of the EMNRD-OCD.

5 Status of the Contractor

The Contractor and the Contractor's agents and employees are independent contractors performing well plugging services for EMNRD-OCD and are not employees of the State of New Mexico. The Contractor and the Contractor's agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles, or any other benefits afforded to employees of the state of New Mexico as a result of this Agreement.

6 Assignment

The Contractor shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the prior written approval of EMNRD-OCD.

7 Subcontracting

The Contractor shall not subcontract any portion of the services to be performed under this Agreement nor obligate itself in any manner to any third party, with respect to any rights or responsibilities under this Agreement, without the prior written approval of EMNRD-OCD.

8 Records and Audit

The Contractor shall maintain detailed time records which indicate the date, time, and nature of services rendered. These records shall be subject to inspection by EMNRD-OCD, the Department of Finance and Administration, and the State Auditors for three (3) years after final payment has been made and all matters relating to performance under this Agreement have been settled. EMNRD-OCD shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose the right of EMNRD-OCD to recover excessive, illegal, or incorrect payments.

9 Appropriations

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. If sufficient appropriations and authorization are not made, this Agreement shall terminate upon written notice being given by EMNRD-OCD to the Contractor. EMNRD-OCD's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final.

10 Release

The Contractor, upon final payment of the amount due under this Agreement, releases EMNRD-OCD, its officers and employees, and the state of New Mexico from all liabilities, claims, and obligations whatsoever arising from or under this Agreement. The Contractor agrees not to purport to bind the state of New Mexico to any obligation not assumed herein by the state of New Mexico unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

11 Confidentiality

Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of EMNRD-OCD.

12 Conflict of Interest

Contractor warrants that it presently has no interest in and that it shall not acquire any interest, direct or indirect,

which would conflict in any manner with the performance of this agreement.

13 Amendment

This Agreement shall not be altered, changed, or amended except by instrument in writing executed by the parties hereto.

14 Scope of Agreement

This Agreement incorporates all of the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof, and all such agreements, covenants, and understandings have been merged into this written Agreement. No prior agreements or understandings, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

15 Civil and Criminal Liability Notice

The Procurement Code, Chapter 13, Article 1 of the NMSA 1978, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities, and kickbacks.

16 Equal Opportunity Compliance

The Contractor agrees to abide by all Federal and State laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws and rules and regulations, and executive orders of the Governor of the state of New Mexico, the Contractor agrees to assure that no person in the United States shall, on the grounds of race, color, national origin, sex, age, or handicap, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Agreement. If the Contractor is found to be not in compliance with these requirements during the life of this Agreement, the Contractor agrees to take appropriate steps to correct those deficiencies.

17 Applicable Law

This Agreement shall be governed by the laws of the State of New Mexico.

18 Waiver

No waiver of any of the terms or conditions of this Agreement shall be valid or binding unless it is in writing and signed by the party having granted the waiver.

19 Notices

19.1 Unless EMNRD-OCD shall specify otherwise in writing, notices and all other matters concerning the work to be performed hereunder shall be addressed to EMNRD-OCD as follows:

Contract Monitor:

Charlie Perrin

Contracting Division:

Oil Conservation Division
State of New Mexico
1000 Rio Brazos Road
Aztec, NM 87410
Telephone (505) 334-6178

19.2 Unless the Contractor shall specify otherwise in writing, notices and all other matters concerning the work to be performed hereunder shall be addressed to the Contractor as follows:

Nathan Crawford

**Key Four Corners, Inc. dba
Key Energy Services, Inc.
PO Box 900
5651 US Highway 64
Farmington, NM 87401
(505) 327-4935**

19.3 Any and all notices or other communications required or permitted by this Agreement or by law to be served or given to either party hereto by the other party hereto shall be in writing and shall be deemed duly served and given upon actual receipt by or three (3) working days subsequent to certified mailing to the party to whom it is directed.

20 Indemnification

The Contractor shall indemnify and forever hold and save EMNRD-OCD, the State of New Mexico, its officers, and employees harmless against any and all suits, causes of action, claims, liabilities, damages, losses, and attorney's fees and all other expenses of any kind from any source which may arise out of this Agreement or any amendment hereto if caused by the tortious act or omission of the Contractor, its officers, employees, servants, or agents. Nothing in this Agreement shall be construed to waive or limit any defense at law to which EMNRD-OCD is entitled.

21 Duty to Insure

21.1 In respect solely to the work occasioned by this Agreement, the Contractor shall obtain and maintain at all times during the term of this Agreement, and any extension thereof, insurance of the kind and in the amounts herein specified. Such insurance shall be provided by insurance companies authorized to do business in New Mexico and shall name the "State of New Mexico, Energy, Minerals and Natural Resources Department - Oil Conservation Division, and its agents and employees thereof" as either "Additional Insured", "Co-insured", or "Certificate Holder".

21.1.1 Comprehensive public liability including general liability, bodily injury liability and property damage liability insurance and automobile liability insurance covering the ownership, operation, and maintenance of owned, non-owned, and hired vehicles in amounts not less than the amounts specified in the New Mexico Tort Claims Act, Sections 41-4-1 through 41-4-27, N.M.S.A. 1978.

21.1.2 Worker's Compensation. The Contractor shall comply fully with the provisions of the New Mexico Worker's Compensation Act, Sections 52-1-1 through 52-1-70, NMSA 1978.

21.2 The Contractor shall furnish EMNRD-OCD with written evidence of the insurance coverage required, including copies of all policies, prior to commencing work under this Agreement. The insurance coverage shall not be changed, canceled, or allowed to lapse without giving EMNRD-OCD thirty (30) working days prior written notice.

22 Disputes

Subject to any other provisions of this Agreement, the means, ordered steps, and time frames for handling disputes between EMNRD-OCD and the Contractor are as follows:

22.1 A dispute arises if EMNRD-OCD's Contract Monitor and the Contractor cannot resolve by ordinary communications and negotiations a question of fact arising under this Agreement and the aggrieved party delivers to the other party a written Statement of Dispute including proposed terms for relief. If the dispute remains unresolved ten (10) working days after delivery of the written Statement of Dispute, EMNRD-OCD's Contract Monitor shall prepare a written decision including the reasons thereof which shall be delivered via certified mail to the Contractor within twenty (20) working days of the delivery of the initial written Statement of Dispute. The decision of EMNRD-OCD's Contract Monitor shall be final and conclusive unless, within ten (10) working days from the date of delivery of said decision, EMNRD-OCD receives from the Contractor a written request for appeal of said decision, and the reasons therefor, addressed to the Director of the Oil Conservation Division.

22.2 The Director of the Oil Conservation Division shall inquire into the facts concerning the dispute and shall render a written decision which shall be delivered via certified mail to the Contractor within ten (10) working days of receipt of the Contractor's appeal. The decision of the Director shall be final and conclusive unless, within ten (10) working days of the delivery of the Director's written decision, EMNRD-OCD receives from the Contractor a written request for appeal of said decision, and the reasons therefor, addressed to the Secretary of Energy, Minerals and Natural Resources Department.

22.3 Upon receipt of the Contractor's request for an appeal, the Secretary or an authorized representative shall make prompt arrangements to meet with the Contractor to review the material considered by the Director of the Oil Conservation Division in reaching a final decision. The Secretary's final decision shall be delivered by certified mail within ten (10) working days after such meeting. The decision of the Secretary shall be final.

22.4 The disputes procedures outlined in this clause do not preclude either party hereto appealing to a court of competent jurisdiction; provided, however, the parties hereto shall abide by the procedures provided for in this clause.

23 Attorney's Fees and Costs

If the Contractor is found by a court of competent jurisdiction to have breached this Agreement, or any amendments hereto, or to have committed any tortious act relating to the scope of this Agreement, the state of New Mexico may recover from the Contractor actual attorney's fees and costs in connection with litigation brought to obtain such judicial determination or in which EMNRD-OCD is otherwise obliged to undertake legal action.

24 Suspension of Work

A Suspension of Work Notice may be issued by the on-site EMNRD-OCD Representative if the EMNRD-OCD Representative has any reasonable basis to believe that any action of the Contractor is contrary to the intent of this Agreement or if any health or safety standard is violated after verbal or written notice to cease such activities has gone unheeded. No work performed after documentation of issuance of a Suspension of Work Notice shall be eligible for payment while such notice is in effect. No work shall proceed until such notice is vacated by the EMNRD-OCD Director.

FOR:

**STATE OF NEW MEXICO TAXATION AND
REVENUE DEPARTMENT**

I.D. NO.: 02344577007

By: Julia Rico

Date: 10/16/98

Exhibit "A"

2 Navajo Tract 20 1980/5 - 660/1 NW 1/4 SW 1/4 Sec 30, T. 27N,
San Juan County, New Mexico, Terminated Navajo Tribal Lease

Vista Resources Inc.
L-30-29N-17W

14-20-603

30-045-07839

Navajo 20 #2

BHM PTA procedure

Packer ser @ 6169 on 2 7/8" cu

9 5/8" 656'
TOC - surface
(Top of Cement)

saltp
546'

Dakota 1358
Norrison
1603

interbed
2662'

chale
3249

eChelly
1272'

iron
Rock
4732

mon
6085'

adox
710'

in
hole
Squeezed
7230'

Plug # 1) 7' Set retainer @ 6100 and squeeze

ports, cap retainer w/ 65' of c

2) Set 150' plug across the Organ
from 4800 - 4650

3) Set 150' plug across the De Ch
from 4300 - 4150

3a) Chale 3300' - 3100' 4) Set 200' plug across the Ent
inside + outside 7" casing
add inside + outside 7" casing from 2
2550'

TOC by
Temp survey
4275'

5) Set 200' plug across the Mor
inside + outside 7" casing from 1
1500

6) Set 200' plug across the Dak
inside + outside 7" casing from 1
1250

7) Perf @ 706' and plug from
to surface inside + outside 7"

2" 6199'

6295-6390 ports

Perf @ 6450-6860'

5" liner 7194

Top of liner @ 6122

liner cemented in

Vista Resources Inc.

B-31-29N-17W

30-045-22985

Nadzio 20#31

BLM PFA Procedure

TOC - Surface

Plug #1) Set returner @ 6' ports and cap return of cement.

13 3/8' 202

#2) Set 150' plug from 6000 to cover

#3) Set 200' plug from 4550 inside + outside casing to cover rt

TOC Surface

Rock

9 5/8' 2569'

#4) Set 200' plug from 4055 ~~4550~~ inside + outside casing to cover the

4a) Add Chinle plug 3252-3052 inside + outside 7" casing added

#5) Set 300' plug from -2450 inside + outside casing to cover Enclave and the inner casing shoe.

Chinle 3202

#6) Set 425' plug from 1225 inside + outside 7" casing to cover Morrison + Dakota

De Chelly 4205

#7) Set 200' plug from 400' inside + outside 7" casing to cover Gallup

Organ Rock 4688

TOC \approx 6000'

7" 6499 (8 3/4" hole)

#8) Part @ 252 and set a plug from 252 to surface inside + outside 7" casing.

Hermosa 6046

Paradox 6692

Part @ 7195-7197

4 1/2" liner 7299 TOP 6325'

Vista Resources Inc.

D-31-29N-17W

30-045-07747

NAVJG 20 #1

BLM A+ Procedure

Salt
534

Amoco
1354

Morrison
1578

Entrada
2657

Chinle
3244

De Chelly
4266
4400

Organ Rock
4712

Morrison
6076

Indox
5724

TOC - surface

6 5/8" 614'

Plug #1) Set cement @ 6400' set
ports. Cap cement w/ 50'
Cement

#2) Set 150' plug from 61
6000 to cover the Herr

#3) Set 200' plug from 4800
inside & outside the 6"
to cover the Organ Rock

4) Set 200' plug from 4350
inside & outside the 6 5/8"

4.1) Casing Plug 3274'-3074'
inside & outside 6 5/8" casing
add

5) Set 200' plug from 2750
inside & outside the 6 5/8"
to cover the Entrada

6) Set 400' plug from 1650
inside & outside the 6 5/8" c
to cover the Morrison & O

TOC ≈ 5500

7) Port @ 664' and place a
plug from 664 to surface
& outside the 6 5/8" casing.

6 5/8" 6444'

Port @ 6716-7344

plug back TO 7556'

4 1/2" liner 8100' top @ 6345'

06-17-97

C-32-30N-12W

FOOTAGE

660 FNL & 2320 FWL

API NO.

30-045-09077

POOL

ELEVATION

5457'

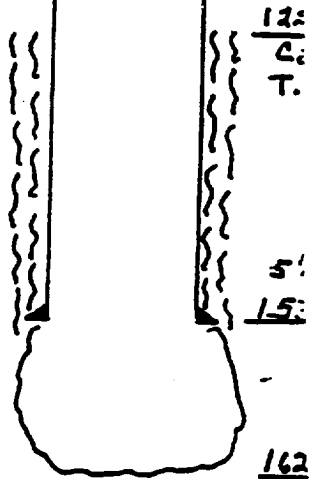
Formation	Tops	Casing Record
PICTURED CLIFF	1547'	5 1/2" @ 1534'
FRUITLAND	1077'	O.H. @ 1623'
WATER SANDS	16'-48' & 552'-556'	

10-13-47 DRILLED A 8" HOLE TO 1623'

SET 5 1/2 CSG. @ 1534' CEMENTED WITH 50 SXS. CEMENT
TOP OF CEMENT APPX. 1257'

PLUGGING PROCEDURE

1. ND WH. NU BOP & TOOH WITH PRODUCTION EQUIPMENT.
2. TIH WITH TBG. TO APPX. 1584' & SPOT A 40 SX. PLUG & TAG @ 1484'
3. TIH WITH WIRELINE & PERF 4 SHOTS @ 1127.
4. TIH WITH RETAINER TO APPX. 1077' & SET. PUMP 40SXS. THROUGH RET. & SPOT 6 SXS. ON RET.
5. TEST CSG.
6. GIH WITH WIRELINE AND PERF. 4 SHOTS AT 100'.
7. ESTABLISH CIRC. TO THE SURFACE & BULLHEAD CEMENT INSIDE AND OUTSIDE TO THE SURFACE.
8. IF UNABLE TO CIRC. PERF AT 30' AND CIRC.
9. CUT ANCHORS, RESTORE LOCATION AND INSTALL DRYHOLE MARKER.



Current Wellbore

EXHIBIT "B"

BID FORM (Page 2)

NEW MEXICO OIL CONSERVATION DIVISION
SUPPLEMENTAL BID RATE SHEET

(To be filled out by bidder and returned with bid)

SUPPLEMENTAL BID RATES

Bid Identification Number: 90-521-04-00583Bidder: Big A Well Service

Supplemental Bid Rates are to be applicable if charges are made in addition to or in lieu of turnkey bid. Switching to hourly rate or other implementation of Supplementary Bid Rates must be approved by the EMNRD-OCD Representative on-site or by the District Supervisor of the appropriate District Office. The turnkey bid will not be accepted unless all Supplemental Bid Data is furnished. The Supplemental Bid Rates listed below will be considered firm bids.

DESCRIPTION OF SERVICE	RATE PER	UNIT
Rig equipped to perform all work set out in Plugging Procedures	\$ <u>145.00</u> ^{NEC 8-11-98}	hour
Cement pumping	\$ <u>100.00</u>	plug
Cement to include any blending and any transportation costs	\$ <u>6.00</u>	sack
Perforating to include ten holes per run and set-up charges	\$ <u>350.00</u>	run
Move-in, move-out charges	\$ <u>300.00</u>	well
Water truck - Capacity <u>80</u> barrels	\$ <u>45.00</u>	hour
Welder - Minimum hours if applicable: <u>N/A</u>	\$ <u>45.00</u>	hour
Backhoe - Minimum hours if applicable: <u>N/A</u>	\$ <u>44.00</u> ^{NEC 8-11-98}	hour
Dozer - Minimum hours if applicable: <u>4</u>	\$ <u>75.00</u>	hour
Furnished tubular goods - Description: <u>2 3/8 EUE 8 1/2 4.6</u>	\$ <u>.10</u>	foot

NEC
8-17-98

LIST OF SUBCONTRACTORS AND EQUIPMENT
To be filled out by the bidder and returned with bid.

Bid Number: 90-521-04-00583

Bidder: Big A Well Service

Subcontractors List

Any person submitting a bid shall in the bid set forth the name and location of the place of business of each subcontractor under subcontract to the contractor who will perform work or labor or render services to the contractor in or about construction of the public works construction project in excess of the listing threshold of five thousand (\$5,000.00) dollars; and the nature of the work which will be done by each subcontractor under the New Mexico Subcontractors Fair Practices Act, Section 13-4-34, NMSA 1978. The contractor shall list only one subcontractor for each category as defined by the contractor in this bid. If no subcontractors, indicate such. Do not include suppliers.

WORK	COMPANY	ADDRESS	PHONE
Digging Pits Reclamation	L&R Oil Field Service	519 E. Animas Farmington, N.M.	505- 325-1922

EQUIPMENT LIST

Please list all major equipment to be used in performing this contract.

TYPE	MANUFACTURER	MODEL	CAPACITY	COND
Rig	Ideco	3085 DD	160,000 th	Good
Pump	Self Made		2000 PSI	Ave
BOP	Rector	7 1/2" 3000 th	3000 PSI	Good
Wideline	GMC	8.2 T. Diesel	9000 FT	Good

BID FORM (Page 1)

NEW MEXICO OIL CONSERVATION DIVISION

Plugging Well

Mail sealed bid to: Purchasing Division
Rm. 2016, Joseph M. Montoya Bldg.
1100 St. Francis Drive
Santa Fe, NM 87505
Phone 505-827-0472

Bid Identification Number: 90-521-04-00583

Bid Opening Date and Time: August 25, 1998 at 2:00 p.m.

Show bid opening date and
identification number in lower left hand
corner of sealed bid envelope.

*Failure to fill out all applicable blanks
and manually sign this bid submission
will disqualify bid. BIDDER'S
SIGNATURE ON THIS FORM
BINDS BIDDER TO ALL TERMS
AND CONDITIONS IN THE
INVITATION FOR BIDS.*

This bid form must include:
(1) this BID FORM, (2) the
SUPPLEMENTAL BID RATE
SHEET and (3) the LIST OF
SUBCONTRACTORS AND
EQUIPMENT.

BIDDER MUST COMPLETE AND SIGN	
<u>Big A Well Service</u>	
Bidder Name	
<u>5697 US HWY 64</u>	
Street Address	
<u>Farmington, NM</u>	<u>87401</u>
City	State
	Zip
<u>505-327-4961 x175</u>	
Telephone	
<u>Nathan E. Langford</u>	<u>8-12-98</u>
Authorized Signature	Date

The bidder identified herein submits this bid in response to the referenced Invitation for Bids and agrees to abide by all the terms and conditions contained therein. Bidder further certifies that it is fully qualified to perform the work in accordance with those terms. The offer represented by this bid shall remain open for a period of ninety (90) days.

TOTAL TURNKEY BID
\$ 68,276.62

Bid Form (Page 1A)

BID PER WELL (if more than one well)

BID

WELL

NO DIVIDENDS PAID 1980-81 \$18.564⁰⁰ NAVJ TO 20TH 2

\$ 21,559³⁰ Nov 50 20³¹

\$ 19,085⁰⁰ Navajo 20th

S 9,068³⁰ WAGGONER

S _____