UNITED STATES

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells 9:57	· · · · · · · · · · · · · · · · · · ·
5. 1. Type of Well GAS 6.	Lease Number SF-068990 If Indian, All. or Tribe Name
2. Name of Operator PESOURCES OIL & GAS COMPANY A JAN 2000 RECEIVED OIL CON DIV	Unit Agreement Name
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700 9.	Well Name & Number Hudson #1 API Well No. 30-045-08579
1750'FNL, 1090'FEL, Sec.8, T-29-N, R-12-W, NMPM	Field and Pool Basin Dakota County and State San Juan Co, NM
12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER Type of Submission	ans tion Fracturing ff o Injection
14. I hereby certify that the foregoing is true and correct. Signed Alffly ale Title Regulatory Administrator Date to the foregoing is true and correct.	e 12/20/99
(This space for Federal or State Office use) APPROVED BY Chip to Land Title Activate Condition OF APPROVAL, if any:	1/13/00

Hudson 1

Dakota

1750' FNL & 1090' FEL

Unit H, Section 8, T29N, R12W

Latitude / Longitude: 36° 44.6292'/ 107° 6.9699'

DPNO: 5075001

Tubing Repair Procedure

Project Summary: The Hudson 1 was drilled in 1964. The tubing has not been pulled since originally installed. There is a hole in the tubing. We propose to pull the tubing, check for fill, replace any worn or scaled tubing, install a separator with pipe sweeps and 120 barrel tank, and add a plunger lift. Current production is 47 MCFD. Estimated uplift is 60 MCFD gross. Cumulative production is 2,204 MMCF.

- 1. Hold safety meeting. Comply with all NMOCD, BLM and Burlington safety and environmental regulations. Test rig anchors and build blow pit prior to moving in rig. Notify BROG Regulatory (Peggy Bradfield 326-9727) and the appropriate Regulatory Agency prior to pumping any cement job. If an unplanned cement job is required, approval is required before the job can be pumped. If verbal approval is obtained, document approval in DIMS/WIMS. Allow as much time as possible prior to pump time in case the Agency decides to witness the cement job.
- 2. MOL and RU workover rig. Obtain and record all wellhead pressures. NU relief line. Blow well down and kill with 2% KCl water if necessary. NU BOP with stripping head. Test and record operation of BOP rams. Have wellhead and valves serviced as necessary. Test secondary seal and replace/install as necessary.
- 3. The Dakota tubing is 2-3/8", 4.7#, J-55, EUE set at 6331'. Release donut, pick up additional joints of tubing and tag bottom (record depth.) PBTD should be at +/- 6399'. TOOH with tubing. Visually inspect tubing for corrosion and replace any bad joints. Check tubing for scale build up and notify Operations Engineer.
- 4. If fill covers any perforations then TIH with 3-7/8" bit and a watermelon mill on 2-3/8" tubing to below perforations, cleaning out with air/mist. PU above the perforations and flow the well naturally, making short trips for clean up when necessary. TOOH with tubing. NOTE: When using air/mist, minimum mist rate is 12 bph.
- 5. TIH with one joint of 2-3/8" tubing with an expendable check on bottom and a seating nipple one joint off bottom. Run a broach on sandline to insure that the tubing is clear. Land tubing at approximately 6290'. ND BOP and NU WH. Pump off expendable check. Connect to casing and circulate air to assure that expendable check has pumped off. If well will not flow on it's own, make swab run to SN. RD and MOL. Return well to production.

6. Production operations will install the plunger lift.

Recommended:

n/a1/99 Approved:

Druce (). Song 13:8:49 Drilling Superintendent

Joe Michetti

Office - 326-9764

Operations Engineer

Pager – 564-7187