

UNITED STATES  
DEPARTMENT OF INTERIOR  
BUREAU OF LAND MANAGEMENT

**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 Form 3160-3 for such proposals.)

1. Oil well [ ] Gas Well [ X ] Other [ ]

**Gas Well**

2. Name of Operator

**Producing Royalties, Inc.**

3. Address & Telephone No. (505) 334-2555

**c/o A. R. Kendrick, Box 516, Aztec, NM 87410**

4. Location of Well (Footage & S.T.R.)

**1120' FNL 860' FEL**

**A-11-29N-12W**

5. Lease Designation and Serial No.

**SF-065557**

6. If Indian, Allottee or Tribe Name.

7. If Unit or CA, Agreement Designation.

8. Well Name and No.

**Payne #1**

9. API Well No.

**30-045-22118**

10. Field and Pool, or Exploration Area

**Fulcher Kutz Pictured Cliffs**

11. County or Parish, State

**San Juan County, New Mexico**

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☒ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☐ Other

☐ Change Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

17. Describe Proposed or Completed Operations (Give Pertinant Details and Dates.)

See attached schematic and plan.



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NOTE: This format is issued in lieu of U.S. BLM Form 3160-5.

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

Signed *A. R. Kendrick* Title \_\_\_\_\_ Agent \_\_\_\_\_ Date 09/18/01

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date 11/15/01

Conditions of approval, if any:

**NMOCD**

Producing Royalties, Inc.  
Payne #1  
1120' FNL 860' FEL 11-29N-12W  
Lease SF-065557

Rig up and run 4 joints 1-1/4" tubing to 1700'.

Set 150 foot cement plug from 1700' to 1550' with five (5) sacks cement.

Trip tubing out of hole. Perforate squeeze holes at 520'.

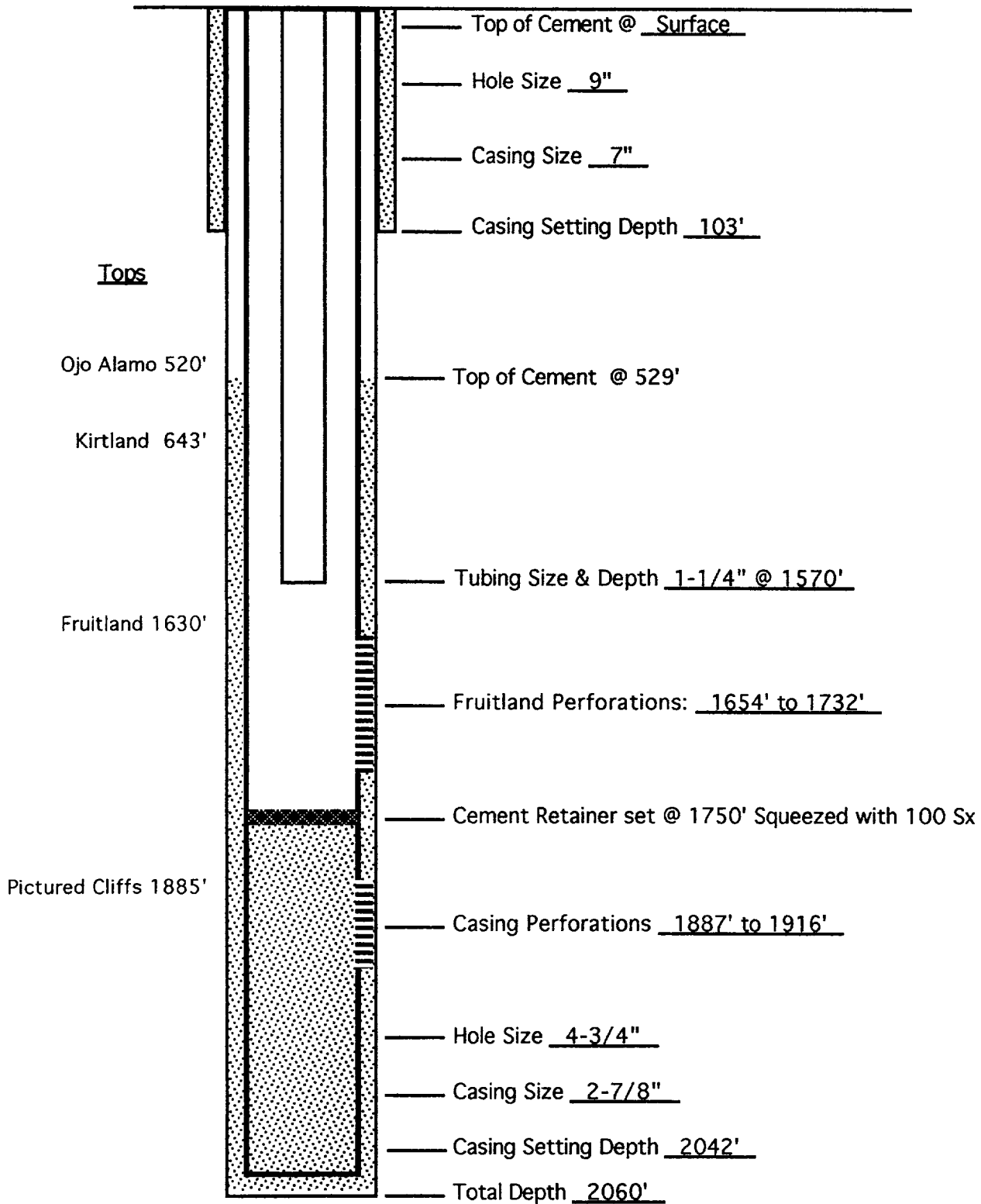
Nipple up on 2-7/8" casing, break circulation through squeeze holes, circulate cement using 77 sacks.

If well will not take fluid, perforate at 500' and try to circulate.

If well takes fluid without returns. Trip 500' tubing in hole and set 45 sack, 430', plug and pull 400' of tubing out of hole and finish filling hole with 8 sacks.

Erect dryhole marker, clean and level location. Reseed wellpad at optimum time.

# WELLBORE SCHEMATIC



Producing Royalties, Inc.  
Payne #1, 1120' FNL 860' FEL, A-11-29N-12W  
Lease No. SF-065557