

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 ☒ 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.)
1790' FNL 790' FEL
H-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 #4

9. API Well No.

30-045-29945

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

☐ Abandonment

☐ Change Plans

☒ Subsequent Report

☐ Recompletion

☒ New Construction

☐ Final Abandonment Notice

☐ Plugging Back

☐ Non-Routine Fracturing

☐ Casing Repair

☐ Water Shut-Off

☐ Altering Casing

☐ Conversion to Injection

☐ Other

☐ Dispose Water

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

10/27/99: Moved in rig, spud 8-3/4" hole, drilled to 132'. Notified BLM of cementing operations. Ran 7", 17#/ft casing to 130' cemented w/59 cubic feet - circulated cement to surface.

10/28 to 11/1/99: Drilled to 2050', Ran 4-1/2", 10.5 #/ft J-55 casing set at 2022' cemented w/206 cubic feet class B cement. Trace of cement circulated to surface. (BLM notified of cementing operations)

11/5/99: Ran Gamma Ray / Gas Spectrum Log. Perforated Pictured Cliffs formation at 1874, 1879, 1882, 1886, 1888, 1894, 1899, 1902, 1918, 1920, 1935, and 1942'. Acidized and "balled off" perforations.

11/6/99: Sand/foam fractured w/107,000# 20-40 AZ sand, 559,000 scf nitrogen and 25,000 gallons water. Started cleanout. Ran 1-1/4" tubing to 1867'.

11/10/99: Shut-in for gauge.

The well identity will be changed to the Payne #1R.

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 12/9/99

Approved by _____ Title _____

Conditions of approval, if any:

ACCEPTED FOR RECORD

JAN 05 2000

FARMINGTON FIELD OFFICE
BY [Signature]