Form 3160-5 (June 1990)

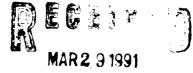
## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

RECEIVED BLM FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

Lease Designation and Serial No.

SUBMIT	7. If Unit or CA, Agreement Designation				
. Type of Well  Oil Well Gas Well Other  . Name of Operator Chase Energy Inc., DBA Ac	8. Well Name and No.  REAR Day of Reb  9. API Well No.  13  10. Field and Pool, or Exploratory Area  Slick Rock Dakota  11. County or Parish, State  San Juan, NM				
Address and Telephone No. 3301 East Main, Farmington Location of Well (Footage, Sec., T., R., M., or Survey De 31, 30N, 16W Sec. 31 - T30N, R16W, NMPM					
CHECK APPROPRIATE BOX(	s) TO INDICATE NATURE OF NOTICE, REPO	RT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION				
Notice of Intent  Subsequent Report  Final Abandonment Notice	Abandonment Recompletion Plugging Back Casing Repair Altering Casing Other Plug & Abandonment	Change of Plans  New Construction  Non-Routine Fracturing  Water Shut-Off  Conversion to Injection  Dispose Water  (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)			

Intend to pull rod & tubing & plug hole from top to bottom (90l'TD). Will run 2 3/8' tubing to bottom of hole in  $4\frac{1}{2}$ "casing. Set plug #1 from 901' to 400' (approx. 40 sks.), will pull up & wait 15-20 min., then set plug #2 at 400'; to surface (approx. 35 sks.). Will set dry hole marker above surface or below surface as desirable for BLM Rep. Will notify BLM prior to commencing plugging operation so that representative can observe.



	APPROVED
4. I hereby certify the foregoing is the and cocrect  Signed Title Action Oil President	02/12/91
(This space for Federal or State office use)  Approved by  Title	MAR 2.2. 1991
Conditions of approval, if any:  [VIII 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United	Ken Townsend

## UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401

Attachment	to Notice	of	Re:	Permanent	Abandonmen
Intention	to Abandon		Well	: 12 Ri	151

## CONDITIONS OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."
- 2. Mark Kelly with the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 326-6201.
- 3. Blowout prevention equipment is required.
- 4. The following modifications to your plugging program are to be made (when applicable):

Office Hours: 7:45 a.m. to 4:30 p.m.

## GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES FARMINGTON RESOURCE AREA

- 1. Secure prior approval either on a Sundry Notice (Form 3160-5) or verbally from the Fluids Drilling & Production Section at this office before changing the approved plugging program.
- 2. Plugging equipment used shall have separate mixing and displacement pumps and a calibrated tank to assure proper displacement of plugs. The Operator is responsible for providing all measuring devices needed to assure proper measurement of materials being used.
- 3. A proper tank or pit will be used to contain all fluids pumped from the well during plugging operations. Unattended pits are to be fenced.
- 4. All cement plugs are to be placed through tubing (or drillpipe) and shall be a minimum of 100 feet in length with 50% excess inside casing or 100% excess when plug is set in open hole or squeezed into perforations. 15.6%/gal slurry weight is to be used when using class B neat cement or when CaCl<sub>2</sub> is used. Use the recommended slurry weight of other type cements when they are used (Class C, Pozzolan etc.).
- 5. Any cement plugs placed when well is not full of fluid, or when well may be taking fluid, (i.e. across perfs-unless bridge plug or retainer is used, across bad csg., or fresh water formations) will be tagged (touched) after cement has set to verify proper location.
  - 5a. Testing The first plug below the surface plug shall generally be tested by either tagging the plug with the working pipe string, or pressuring to a minimum pump (surface) pressure of 1000 psig, with no more than a 10 percent drop during a 15-minute period (cased hole only). If the integrity of any other plug is questioned, it must be tested in the same manner. Also, any cement plug which is the only isolating medium for a fresh water interval or a zone containing a valuable mineral deposit should be tested by tagging with the drill string.
- 6. Mud must be placed between plugs. Plugging mud is to be made up with a minimum of 15 lbs/bbl of sodium bentonite, and a nonfermenting polymer.

  Minimum consistency of plugging mud must be 9 lbs/gal and with a minimum viscosity of 50 sec/qt. Fresh water is to be utilized for mixing mud.
- 7. Following the placement of a cement plug, the withdrawl rate for at least the length of the cement plug shall not exceed 30 ft/min, in order to minimize the contamination of the plug.

- 8. Within 30 days after plugging work is completed, file a Sundry Notice (Subsequent Report of Abandonment, Form 3160-5), in quintuplicate with Area Manager, Bureau of Land Management, 1235 La Plata Highway, Farmington, NM 87401. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date well was plugged.
- 9. All permanently abandoned wells are to be marked with a regulation marker (4" pipe extending 4' above the ground line) containing the information as specified in 43 CFR 3162.6(d). Unless otherwise approved.
- 10. After plugging work is completed the surface is to be rehabilitated in accord with instructions from the Fluids Surface Management Section of the Farmington Resource Area Office.

All above are minimum requirements. The period of liability under the bond of record will not be terminated until the lease is inspected and surface work approved.

Please advise this office when the well location is ready for final inspection.

Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1.

You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.