Form 3160-5 FORM APPROVED (June 1990) Budget Bureau No. 1004-0135 Expires: March 31, 1993 UNITED STATES 5. Lease Designation and Serial No. DEPARTMENT OF THE INTERIOR 14-20-60**6**-3531 **BUREAU OF LAND MANAGEMENT** 6. If Indian, Allottee or Tribe Name SUNDRY NOTICES AND REPORTS ON WELLS Navaio Do not use this form for proposals to drill or to deepen or reentry to a different reservoir, 7. If Unit or CA. Agreement Designation Use "APPLICATION FOR PERMIT-" for such proposals SUBMIT IN TRIPLICATE Horseshoe Gallup Unit 1. Type of Well 8. Well Name and No. X Oil Well Gas Well Other Horseshoe Gallup Unit #106 2. Name of Operator 9. API Well No. Central Resources, Inc. 30-045-10542 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area P.O. Box 2810, Farmington, New Mexico 87499 (505)326-3325 Horseshoe Gallup 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 1850' FSL, 1920' FWL, Section 20, T31N, R16W San Juan, New Mexico CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Abandonment Change of Plans Notice of Intent Recompletion New Construction Plugging Back Non-Routine Fracturing X Subsequent Report Casing Repair Water Shut-Off Altering Casing Conversion to Injection Final Abandonment Notice Other Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Central Resources, Inc. plugged and abandoned the referenced well as outlined in Attachment "A" on December 9, 1997. OUL COM. DAY 14. I hereby certify that the foregoing is true and correct Signed Title Production Engineer Date 12/18/97 Gregory/E. McIntosh (This space for Federal or State office use) Approved by /8/ Duane W. Spencer Title Conditions of approval, if any: Title 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 States any false,

fictitious or fraudulent statements or representations as to any manner within its jurisdiction.

Attachment "A"

A - PLUS WELL SERVICE, INC.

P.O. BOX 1979 FARMINGTON, NM 87499 505-325-2627 • FAX: 505-325-1211

Central Resources, Inc.

December 12, 1997

Horseshoe Gallup Unit #106 1850' FSL and 1920' FWL, Sec. 20, T-21-N, R-16-W, San Juan County, NM BIA 14-20-600-3531

Plug & Abandonment Report

Cementing Summary:

Plug #1 with retainer at 1309', mix 34 sxs Class B cement, squeeze 15 sxs below the retainer to fill Gallup perforations and leave 19 sxs above retainer to 1092' to cover Gallup top.

Plug #2 with 68 sxs Class B cement pumped down 5-1/2" casing from 153' to surface, circulate cement to surface.

Plugging Summary:

Notified BLM on 12/ /97

- 12-8-97 Safety Meeting. Road rig to location; rig up. Layout relief line to pit. Change over to pull 5/8" rods. Unseat pump. POH and LD 53 5/8" rods, 1 polish rod, and pump. ND wellhead and NU BOP; test. POH and tally 45 joints 2-7/8"tubing, SN and one tail joint. Set 4-1/2" DHS retainer at 1309'. Shut in well. Remove alternator on rig and replace plunger on pump truck. SDFD.
- 12-9-97 Safety Meeting. Repair rig and service equipment. Pressure test tubing to 1000#, held OK. Sting out of retainer and circulate 5 bbls. Sting into retainer and establish rate 2 bpm at 250#. Plug #1 with retainer at 1309', mix 34 sxs Class B cement, squeeze 15 sxs below the retainer to fill Gallup perforations and leave 19 sxs above retainer to 1092' to cover Gallup top. POH with tubing. Dig out wellhead. Perforate 3 HSC squeeze holes at 153'. Establish circulation out bradenhead with 8 bbls water. Plug #2 with 68 sxs Class B cement pumped down 5-1/2" casing from 153' to surface, circulate cement to surface. Shut in well and WOC. ND BOP and dig out wellhead. Cut off wellhead and found cement down 2' in 4-1/2" and 8-5/8" casing. Mix 24 sxs Class B cement, fill casing and annulus; then install P&A marker. RD rig and equipment; prepare to move off location.

Joe Sanchez, BLM was on location.