Form approved. Budget Bureau No. 1004-0135 Form 3160-5 November 1983) UNITED STATES SUBMIT IN TRIPLICATE. Expires August 31, 1985 DEPARTMENT OF THE INTERIOR (Other instructions on Formerry 9-331) 5. LEASE DESIGNATION AND SERIAL NO. BUREAU OF LAND MANAGEMENT SF-080517 6. IF INDIAN. ALLOTTER OR TRIBE NAME SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposais to drill or to deepen or plug back to a different reservoir.

Use "APPLICATION FOR PERMIT—" for such proposals.) 7. UNIT AGREEMENT NAME JAB WELL TELL. OTHER 8. FARM OR LEASE NAME MANE OF OPERATOR Union Texas Petroleum Corp Payne 9. WELL HO. P.O. Box 2120 Houston, TX 77252-2120

DOCATION OF WELL (Report location clearly and in accordance with any State requirements.*

At surface 10. FIELD AND POOL, OR WILDCAT Basin Dakota
11. SBC. T. I. M. OR BLE. AND
BURNET OR AREA 590' FNL & 810 FEL 27-32N-10W 1 PERMIT NO. 15. ELZVATIONS (Show whether DF, RT, GR, etc.) 12. COUNTY OR PARISH! 18. STATE MM 6898 FR Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: STREBOURNY REPORT OF : TEST WATER SHUT-OFF PULL OR ALTER CASING REPAIRING WELL RACTURE TREAT ALTERING CASING COMPLETE PRACTURE TREATMENT HOOT OR ACIDIZE ARANDON MENTO ABANDON* SPAIR WELL CHANGE PLANS (Note: Report results of multiple completion on Completion or Recompletion Report and Log form.) Others Plug back to Frt Coal XX

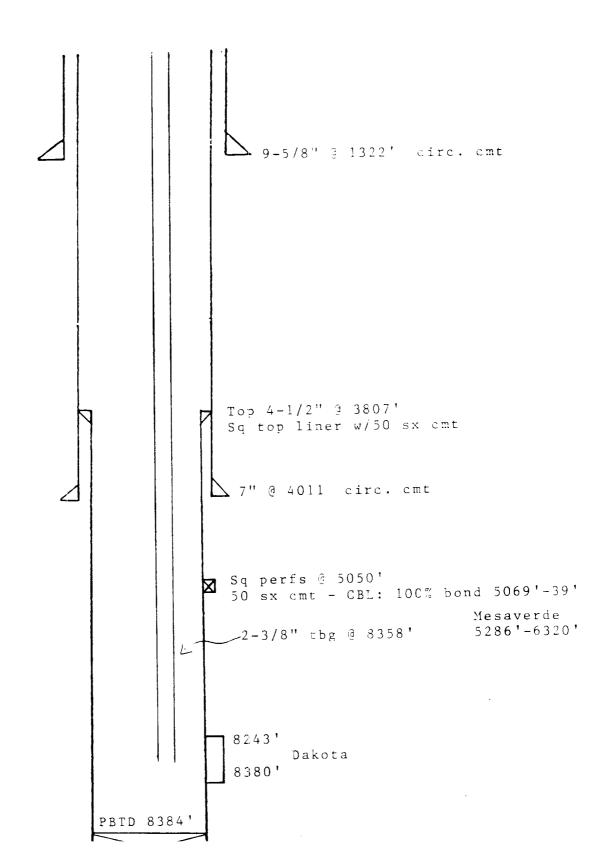
17 DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and some perti-

We propose that the unproductive Dakota be plugged back and the Fruitland coal be opened and stimulated. This well was drilled and completed in the Dakota late in 1987. However, the Dakota is not capable of commercial gas production and has major crooked hole problems below 6500'. With an ACF of only 727 MCF/D a pipeline connection would not be economical. Since the Dakota is not productive, we looked for an uphole interval that would be productive. The Mesaverde already has a well in the quarter section and the Gallup Pictured Cliffs and Fruitland sands do not appear to be productive.

18. I hereby certify that the foregoing is true and correct 4/9/90 TITLE Reg. Permit Coord SIGNED DATE This space for Federal or State office use APPROVED BY CONDITIONS OF APPROVAL, IF ANY: 101 e Instructions on Reverse Side

AREA MANAGER

590' FNL, 810' FEL Section 17, T32N-R10W San Juan County, NM Elevation: 9898' G.L. w/12' KB



- 11. TIH with 32' muxl anchor with pump valve, 4' perf sub, standard seating nipple on 2-3/8" tubing. Land tubing @ 3800' with S.N. @ 3770'.
- 12. Run 2" x 1-1/2" RWAC-IEQ (stroke through) inset pump with Martin ring plunger on 3/4" rods.

P. M. Pippin

Production Engineer

WORKOVER DATA SHEET

WELL NAME Payne #11 DATE 03/27/90

LOCATION 590' FNL; 820' FEL DATUM KB (12' above G.L.)

Section 27, T32N-R10W

San Juan County, NM

ELEVATION 6898' G.L. TOTAL DEPTH 8421'

FIELD FORMATION Basin Dakota W.I. 100%

NRI = 83.495%

COMPLETED INITIAL POTENTIAL POTENTIAL POTENTIAL

11/7/87 SICP = 1945 PSI 8384'

Q = 715 MCF/DAOF = 727 MCF/D

TOP CEMENT DEPTH SET CEMENT CASING SIZE WT. & GRADE CASING RECORD Lost circ. 48 bbls 720 sx 9-5/8" 36.00# K-55 1332' into displacement 7" 4011' 250 sx Into top 23.00# K-55 3808'-8421' 585 sx Lost circ. 30 bbls 4-1/2" 11.60# K-55 into displacement

TUBING RECORD

2-3/8" 4.7# N-80 8358'

S.N. @ 8326' Open ended

WELL HEAD

LOGGING RECORD

Density Neutron, Induction, CBL

STIMULATION

CBL indicates TOC @ 6370'
Perfed Dakota w/33 - 0.32" SPF @ 8243'-59', 8298', 8319'-22', 8331',
8333',44',46',50', 51',66',70',80'. Fraced w/120,000# 20/40 sand in
20# x-linked gel. Perfed 2 squeeze holes @ 5050' and squeezed w/50 sx cmt.
Squeezed liner top w/50 sx. Ran CBL. 100% bond 5069'-5039'. Pressure
test casing to 3000 PSI - OK. Heavy drag when tripping out of hole to 6500'.

WORKOVER HISTORY

4-12-88 TOH w/2-3/8" tbg. Dragging 20,000# off bottom. TIH w/2-3/8" tbg. Set pkr @ 6400' w/tail pipe to 7500'. Casing dead. Tbg gauged 1700 MCF/D w/heavy mist. Test csg to 2000 PSI -- OK. Land N-80 tbg @ 5326'.

PRODUCTION HISTORY