Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED

Budget Bureau No. 1004-013	3.
Expires. March 31, 1993	_

5. Lease Designation and Serial No. BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals CA, Agreement Designation SUBMIT IN TRIPLICATE I. Type of Well Oil Well Gas Well 2. Name of Operato 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec. 27 - T32N - R9W San Juan, NN FNL + 955' FEL CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DAT 12

TYPE OF ACTION TYPE OF SUBMISSION Change of Plans Notice of Intent New Construction Recompletion Non-Routine Fracturing Plugging Back Water Shut-Off Casing Repair Conversion to Injection Altering Casing Final Abandonment Motice 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 details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally di-lied, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Production on this is not what we think the potential for this well could be. In 1995, when we worked over this well it had been shut in for 9 months, thus the water volumes were so great that we did not clean out well effectively. We believe that the high volumes of water during workover caused the formation to swell. We also believe that the liner is partially plugged off with coal fines behind liner. Now that the water volumes have decrease substantially, we feel that a workover at this time will enhance our production

Existing liner hanger is set @ 3003' KB and bottom is presently set @ 3420' KB. 7" 23# casing is set @ 3080' KB with a TD of 3426' KB. We plan on cleaning out well with air to TD and installing liner to TD. Liner will be a 5 1/2", 17#, K-55, LT&C pre-perforated, tapped, and plugged. To clean out with air we will need to construct a water reserve pit 50' x 50' x10' deep and a blow pit (unlined so as to flare gas) which will drain into the water reserve pit. We will install a minimum of 8 mil plastic liner in reserve pit only if BLM suggests that it would be appropriate. Only produced water with soap and coal fines will be discharged into pit. Reserve pit will be totally fenced to contain all produced fluids until closure of pits. After clean out is complete and all fluids removed, we will cover all coal fines in pits with top soils and reclaim area to original contours and then reseed to BLM specs. All proposed construction will be on existing disturbed well pad. Proposed work is planned to begin in late June 1997 and after Sundry Notice approval.

14. I hereby certify that the foregoing is true and correct Signed	Title Oparation Manager	Date <u>3-21-97</u>
(This space for Federal or State office use) Approved by Conditions of approval, if any:	Title	Date AFR 1 197

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 matter within its jurisdiction