

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

 FORM APPROVED
 BUDGET BUREAU NO. 1004-0135
 EXPIRES: MARCH 31, 1993

 RECEIVED
 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: 14
 SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	070 FARMINGTON, NM	7. If Unit or CA, Agreement Designation
2. Name of Operator CNG Producing Company		8. Well Name and No. Grassy Canyon #2 (CNG #3953)
3. Address and Telephone No. CNG Tower - 1450 Poydras Street, New Orleans, LA 70112-6000		9. API Well No. 30-045-70237-90-28560
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 624' FSL & 507' FNL of Sec. 30-T32N-R7W 3		10. Field and Pool, or Exploratory Area Basin Fruitland Coal
		11. County or Parish, State San Juan, New Mexico

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other - Summary of Operations	<input type="checkbox"/> 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 drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to the work.)*

Summary of Operations for Grassy Canyon #2

Move in. Rig up coil tubing equipment and returns to tank. Test all equipment. Run in hole with 1.690" UR (4 1/2" OD blades) and HI torque motor on 1 1/4" coil tubing. Tag at 3,515'. Unable to make hole. Pull out of hole. Lay down UR. Pull up 1.690" mill, tag at 3,515'. Wash out coal fill with pilot hole to 3,535'. Pull out of hole. Pick up 1.690" UR (3 1/2" blades). UR open coal interval from 3,535' - 3,580'. Pull out of hole. Washing out coal bed (open hole) with 4.55" OD UR blades with motor on coil tubing from 3,530' - 3,620' with foam. Lost 1,000 PSI. Pull out of hole. Left 90' of coil, motor and UR in hole. Rig down coil equipment. Rig up rig. Nipple up BOP. Pull out of hole with 5 stands 2 7/8" tubing. Well began flowing up tubing. Foam water and small amount of coal. Shut in tubing. Bullhead 10 bbls hot water down tubing. Run in hole with 5 stands. Well flowing up tubing. Pump 10 bbls. Land hanger. Nipple up tree. Swab well on production at 250 MCF/D.

14. I hereby certify that the foregoing is true and correct

 Signed John C. Prince, Jr.

 Title Senior Production Engineer

 Date October 25, 1995

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

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 matter within its jurisdiction.

*See Instructions on Reverse Side

 RECEIVED
 NOV - 3 1995

 OIL CON. DIV.
 DESL 2

NM000

NOV 01 1995

 FARMINGTON DISTRICT OFFICE
 BY MT