

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
EXPIRES: July 31, 1998

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instruction on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM83503
2. Name of Operator CNG PRODUCING COMPANY		6. If Indian, Alottee or Tribe Name
3a. Address 1450 POYDRAS ST, NEW ORLEANS, LA 70112-8000	3b. Phone No. (include area code) (504) 593-7000	7. If Unit or CA Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 634 W 624 FSL & 507 FNL of Sec. 30-T32N-R7W		8. Well Name and No. CNG Canyon #2 (CNG #3953)
		9. AP No. 30-045-28560
		10. Field and Pool, or Exploratory Area Basin Fruitland Coal
		11. County or Parish, State San Juan, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other WEEKLY REPORT OF OPERATIONS
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandonment <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13 Describe Proposed or Completed Operations (Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 day following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed if testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation have been completed, and the operator determined that the site is ready for final inspection.)

SUMMARY OF OPERATIONS SEPTEMBER 26, 1998 - OCTOBER 2, 1998

Ran tubing to plugged back total depth. Dried up hole with air. Trip out of hole. Rig up Schlumberger and run correlation GR/CCL log. Ran perforating guns for shot in Fruitland Coal pay sections. Perforated Fruitland Coal pay zone from 3,480' - 3,474', 3,522' - 3,548', 3,576' - 3,602', 3,660' - 3,670' & 3,760' - 3,765' using 4 SPF for a total of 284 total perfs. Ran 2 7/8" production tubing and landed tubing at 3,594'. Nipple up BOP. Nipple up master valve. Inspected all drill collars. Rig down Big A Well Service. Nipple up wellhead. Welded on flow lines. Built blow line to reserve pit. Retrieved FWE plug from "F" nipple. Casing pressure was 520 PSIG. Tried flowing well - 0 PSI tubing pressure after blow down. Rolled well pressure between tubing and annulus - still no flow - Left on 1/4 choke overnight to pit. Rig up swab unit. made 29 swab runs. Recovered 145 bbls water. Well started to unload and flow. Put well on 16/64 choke with 470 PSI on tubing and 555 PSI on casing. Left well flowing overnight.

5' 1/2" 15.5 #114 - TOL @ 3099'
Btm @ 3768'

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) SUSAN H. SACHITANA	Title REGULATORY REPORTS ADMINISTRATOR
Signature Susan H. Sachitana	Date 981002

RAL OR STATE OFFICE USE

Approved by	Title	Date OCT 13 1998
Conditions of approval, if any, are attached. Approval of this notice does not warrant certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		ACCEPTED FOR RECORD

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.

NMOCD

FARMINGTON DISTRICT OFFICE