

A-PLUS WELL SERVICE, INC.

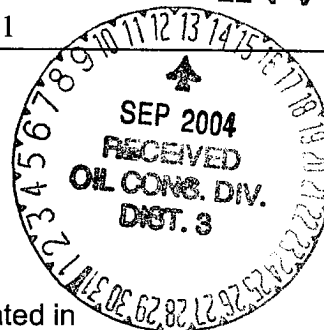
P.O. BOX 1979
FARMINGTON, NM 87499
505-325-2627 • FAX: 505-325-1211

**ORIGINAL
INVOICE**

August 18, 2004

New Mexico Oil Conservation Division**Aztec District**

1000 Rio Brazos Road
Aztec, NM 87410

Invoice #3425

1 of 2

Rig #9

For the plug and abandonment of the **HSGU #65**, a Gallup well located in
Section 33, T-31-N, R-16-W, San Juan County, NM. **API #30-045-10136**
This work done under NMOCD PA: 41-521-07-00028; Purchase Doc.: 04-199-000613.

Cost Summary:

ID#	Date	Item Description	Units	Unit Cost	Extension
Workover Rig, Travel and Supervision:					
A1	8/16/04	Contractors Supervisor / Cementer	1.0	\$ 250.00	\$ 250.00
A1	8/17/04	Contractors Supervisor / Cementer	1.0	\$ 250.00	\$ 250.00
A2	8/16/04	Crew travel, round trip	2.0	\$ 112.00	\$ 224.00
A2	8/17/04	Crew travel, round trip	2.0	\$ 112.00	\$ 224.00
A3	8/16/04	Shallow Rig	7.5	\$ 140.00	\$ 1,050.00
A3	8/17/04	Shallow Rig	6.75	\$ 140.00	\$ 945.00
Cementing Services:					
B1	8/16/04	Cementing equipment on location	1.0	\$ 450.00	\$ 450.00
B1	8/17/04	Cementing equipment on location	1.0	\$ 450.00	\$ 450.00
B3	8/17/04	Cement, plugs, 78 sxs Type III = 87.3 Type II	87.3	\$ 10.50	\$ 916.65
B3	8/17/04	Cement, marker, 7 sxs Type III = 7.8 Type II	7.8	\$ 10.50	\$ 81.90
Wireline Services:					
C1	8/17/04	Wireline unit on location, used	1.0	\$ 250.00	\$ 250.00
C3	8/17/04	Perforate squeeze holes at 153'	1.0	\$ 300.00	\$ 300.00
Packers, Retainers & Casing Scrapers:					
D3	8/16/04	Cement retainer, tubing set, 4-1/2"	1.0	\$ 900.00	\$ 900.00
D4	8/16/04	Casing scraper rental, 4-1/2"	1.0	\$ 250.00	\$ 250.00
Workstrings & Miscellaneous Rentals:					
E1.1	8/16/04	Workstring rental, 2-3/8, feet	1049	\$ 0.12	\$ 125.88
E6.3	8/16/04	Companion flange rental, 4-1/2"	1.0	\$ 50.00	\$ 50.00
E14	8/16/04	Waste fluid container, days used	2.0	\$ 30.00	\$ 60.00

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Section 33, T-31-N, R-16-W, San Juan County, NM. **API #30-045-10136**
This work done under NMOCD PA: 41-521-07-00028; Purchase Doc.: 04-199-000613.

Cost Summary:

ID#	Date	Item Description	Units	Unit Cost	Extension
Transportation and Miscellaneous Services:					
F1.a	8/16/04	Unit #141, Haul waste pit # 525 and workstring	2.0	\$ 74.00	\$ 148.00
F1.b	8/17/04	Unit #141, Move workstring into position	2.0	\$ 74.00	\$ 148.00
F4	8/16/04	Float #99, Hold tubing workstring;	2.0	\$ 15.00	\$ 30.00
F1.c	8/18/04	Unit #152, haul waste pit to land farm	1.25	\$ 74.00	\$ 92.50
F2.c	8/18/04	Helper for above	1.25	\$ 22.00	\$ 27.50
F3.a	8/17/04	Tower Report #22896, Unit #19, haul tubing;	1.00	\$ 50.00	\$ 50.00
F6.a	8/16/04	Unit #134, Haul 1 load of water to location	2.0	\$ 50.00	\$ 100.00
F6.b	8/17/04	Unit #134, Haul 1 load of water to location	2.0	\$ 50.00	\$ 100.00
F6.c	8/16/04	Unit #155, Haul / hold waste water from steel pit	2.0	\$ 50.00	\$ 100.00
F6.d	8/17/04	Unit #155, Haul / hold waste water from steel pit	2.0	\$ 50.00	\$ 100.00
F11	8/17/04	P&A marker, purchase	1.0	\$ 120.00	\$ 120.00
Third Party Services:					
G1	8/18/04	Industrial Ecosystems, Inv #4310;	1.0	\$ 27.00	
		land farm solid material from steel pit			
		Third Party Handling Charge	Total 8%	\$ 27.00 \$ 2.16	\$ 29.16
Salvage Credit:					
S1		Salvage, 2-3/8" EUE tubing, 36 joints	1116	\$ 1.20	\$ (1,339.20)
				TOTAL	\$ 6,483.39
				TAX 6.3750%	\$ 413.32

THANK YOU**TOTAL DUE \$ 6,896.71**

OK for Payment
Chank Tlem
9-14-04

submitted in lieu of Form 3160-5

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Sundry Notices and Reports on Wells

COPY

- | | |
|--|---|
| <p>1. Type of Well
WIW</p> <p>2. Name of Operator
Vulcan Minerals and Energy, C/O NMOCD</p> <p>3. Address & Phone No. of Operator
1000 Rio Brazos Road, Aztec, NM 87410 505-334-6178</p> <p>4. Location of Well, Footage, Sec., T, R, M

1980' FSL and 386' FWL, Section 33, T-31-N, R-16-W,</p> | <p>5. Lease Number
BIA #14-20-603-734</p> <p>6. If Indian, All. or Tribe Name
Navajo</p> <p>7. Unit Agreement Name
Horseshoe Gallup Unit</p> <p>8. Well Name & Number
HSGU #65</p> <p>9. API Well No.
30-045-10136</p> <p>10. Field and Pool
Horseshoe Gallup Unit</p> <p>11. County & State
San Juan County, NM</p> |
|--|---|

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment

Type of Action

☒ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☐ Other -

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut off

☐ Conversion to Injection

13. Describe Proposed or Completed Operations

A-Plus Well Service Plugged and Abandoned the above well NMSA 1978, Section 13-1-127, Purchase Agreement: 04-521-0700028; Purchase Document: 04-199-000613.

8/16/04 MOL and RU. Relief line to steel pit. ND wellhead. Release packer. NU BOP with companion flange, test. TOH and LD 36 joints 2-3/8" tubing and 4-1/2" packer. PU 33 joints A+ workstring and round-trip 4-1/2" casing scraper to 1049'. TIH with tubing and 4-1/2" DHS cement retainer. Shut in well.

8/17/04 No pressure. Set CR at 1049'. Sting out of retainer. Establish circulation and circulate well with 3 bbls of water. Pump an additional 14 bbls of water to circulate well clean. Pressure test to 500#; held OK. Sting into CR. Inject fluid from pit below CR and displace. Sting out of retainer. Plug #1 spot 26 sxs Type III cement (34 cf) from 1049' to 673' to isolate the Gallup interval. TOH and LD tubing. Perforate 2 squeeze holes at 153'. Establish circulation out bradenhead with 1/2 bbl of water. Pump additional 9 bbls of water to circulate BH annulus clean. Plug #2 with 52 sxs Type III cement (69 cf) pump down 4-1/2" casing from 153' to surface, circulate good cement out bradenhead. ND BOP. Dig out and cut off wellhead. Found cement at surface in casing and down 1' in annulus. Mix 7 sxs cement to fill casing and install P&A marker.

H. Villanueva, NMOCD; W. Ashley, Navajo Minerals; V. Euintillie, Navajo Minerals; J. Walker, U.S. EPA; and L. Lee, Navajo EPA; were on location.

SIGNATURE

William F. Clark
William F. Clark

Contractor

August 18, 2004

(This space for Federal or State Office use)

APPROVED BY

Title

Date

CONDITION OF APPROVAL, if any:

22895

Date 08/16/04 Day MON

Company PLAYA MINERALS & ENERGY

1049' Tbg

One Day

CREW	NAME	UNIT #	MILEAGE	HOURS
Supervisor	MIKE HIGDON	#21		
Operator	TRAVIS BEGAY	#19		11.5
Helper	LORENZO RODRIGUEZ			11.5
Helper	ADAN REYES			11.5
Helper	CHRIS MONTANEZ			11.5
Trainee				

Daily Report

A - PLUS WELL SERVICE

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

22896

Rig No. #9

Date 08/17/04 Day TUE

Well Name HORSESHOE GALLUP UNIT #65

Company PLAYA MINERALS & ENERGY

FROM	TO	DESCRIPTION OF OPERATION
5:30	5:45	LOAD RIG SUPPLIES
5:45	6:45	TRAVEL TO LOCATION
6:45	7:15	START RIG AND EQUIPMENT. HELD PRE-JOB SAFETY MEETING.
7:15		OPEN WELL (NO PRESSURE)
		SET CRT @ 1049'. STING OUT. LOAD HOLE / 3 BBLs WATER TO
		CIRCULATE. CIRCULATE CLEAN / AN ADDITIONAL 14 BBLs WATER. PRESSURE
8:00		TEST CSG TO 500 PSI. HELD PRESSURE 5 MIN. NO PRESSURE LOSS.
8:00		STING INTO CRT. INJECT FLUID FROM PIT BELOW CRT. DISPLACE /
9:00		FRESH WATER. STING OUT.
9:00		PLUG #1 - MIX AND PUMP 26 SXS (39.32 FT ³) CMT FROM 1049' TO TOC @
9:30		673'. DISPLACE.
9:30	10:15	LAY DOWN TBG AND STINGER.
10:15		RIG UP WIRELINE. RIH / WIRELINE. PERFORATE / 2 - 1 1/4" BI-WIRE SHOTS
10:30		@ 153'. POH / WIRELINE. RIL DOWN WIRELINE.
10:30		PUMP 1/2 BBL WATER DOWN CSG TO CIRCULATE OUT BRADENHEAD.
10:45		CIRCULATE CLEAN / AN ADDITIONAL 9 1/2 BBLs WATER.
10:45		PLUG #2 - MIX AND PUMP 52 SXS (68.64 FT ³) CMT DOWN CSG
11:15		TO CIRCULATE COGN CMT OUT BRADENHEAD.
11:15	11:45	NIPPLE DOWN BOP.
11:45		DIG OUT AND CUT OFF WELLHEAD. CMT @ SURFACE IN 4 1/2"
1:00		PLACE P+A MARKER / 7 SXS CMT @ 1' IN 8 5/8" CSG
1:00	2:30	RIL DOWN. CUT OFF RIG ANCHORS
2:30	4:30	TRAVEL TO HGU #26. LOAD TBG. TRAVEL TO YARD / FLUAT #87
		HENRY VILLANUEVA / NMDCD
		VAL EUINTILLIE / NAVAJO MINERALS
		LEROY LEE / NAVAJO EPA
		JIM WALKER / US EPA
		ON LOCATION

Fuel & Motor Oil _____ Water Hauled _____

Rental Equipment _____ Cement Retainers _____

Cementing PLUG #1 - 26 SXS PLUG #2 - 52 SXS P+A MARKER / 7 SXS

Wireline 2 - 1 1/4" BI-WIRE SHOTS @ 153' (S.S.)

CREW	NAME	UNIT #	MILEAGE	HOURS
Supervisor	MIKE HIGDON	#21		
Operator	TRAVIS BEGAY #221 IN AND FILL	#19		13.5
Helper	LORENZO RODRIGUEZ #17 TO YARD			11.0
Helper	ADAN REYES			11.0
Helper	CHRIS MONTANEZ			11.0
Trainee				

A-Plus Well Service, Inc.

P.O. Box 1979, Farmington, NM 87499
505-325-2627

6369

Date: _____

Truck #: 141

Event: #1	From: HGU #66	To: HGU #65	Hours
Start:	What: HAUL FLOAT #98 AND PIT #525		
8/16/04	STANDBY		
Stop:	Charge to: NMDCD		2.0
Event: #2	From: HGU #65	To:	
Start:	What: STANDBY RIG UP TRUCK		
8/17/04			
Stop:	Charge to: NMDCD		2.0
Event: #3	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #4	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #5	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
	Driver: ANIKE HIGDON		4.0
Diesel:	Helper		
Oil:	NM MILES: _____ CO MILES: _____ UT MILES: _____		
Remarks:			
	F-4 Float #99		
	Rental		

F1.2

F1.6

F4

A-Plus Well Service, Inc.

P.O. Box 1979, Farmington, NM 87499
505-325-2627

6461

Date: 8-18-04

Truck #: 152

Event: #1	From: <u>A-P-W</u>	To:	Hours
Start: <u>5:30</u>	What: <u>SAFETY MEETING</u>		<u>1</u>
Stop: <u>6:30</u>	Charge to: <u>A-P-W</u>		
Event: #2	From: <u>A-P-W</u>	To: <u>HSGU #65, 66, 19, 39</u>	
Start: <u>6:30</u>	What: <u>DRIVE TO LOCATION LOAD STEEL PIT #525</u>		<u>2</u>
	<u>5 CHAIN DOWN</u>		
Stop: <u>8:30</u>	Charge to:		
Event: #3	From: <u>HSGU #65</u>	To: <u>IEI</u>	
Start: <u>8:30</u>	What: <u>DRIVE TO TOWN. IEI 5 DUMP STEEL PIT</u>		<u>2.5</u>
	<u>AND DRIVE TO YARD</u>		
Stop: <u>11:00</u>	Charge to: <u>NM OCE</u>		
Event: #4	From: <u>A-P-W</u>	To: <u>HART OIL & GAS</u>	
Start: <u>1:00</u>	What: <u>TAKE STEEL PIT 525 OUT TO LOCATION & DUMP</u>		
	<u>DRIVE TO HSGU & LOAD TANK 308 TAKE TO HART OIL</u>		<u>4.5</u>
Stop: <u>3:30</u>	Charge to: <u>HART OIL & GAS</u>		
Event: #5	From: <u>A-P-W</u>	To: <u>BENCK B#1</u>	
Start: <u>3:30</u>	What: <u>LOAD STEEL PIT #515 DRIVE TO LOCATION</u>		<u>2</u>
	<u>FINALLY DRIVE BACK TO YARD</u>		
Stop: <u>5:30</u>	Charge to: <u>XTO</u>		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
	Driver: <u>DUANE GOSTIN</u>		<u>12</u>
Diesel:	Helper: <u>FRANK BEGAY</u>		<u>12</u>
Oil:	NM MILES: _____ CO MILES: _____ UT MILES: _____		
Remarks:	<u>148 HWY 120 DIRT</u>		
	<u>NMCCD HSGU #65</u>		
	<u>Take waste pit to IEI</u>		
	<u>and Unload, Return to yard</u>		

4 1/2 hr

F1.C

1.25 hr

F2.C

Helper 1.25 hrs

A-Plus Well Service, Inc.

P.O. Box 1979, Farmington, NM 87499
505-325-2627

6370

Date: _____

Truck #: 134

Event: #1	From: HGU #66	To: HGU #65	Hours
Start:	What: HAUL 1 LOAD FRESH WATER		
8/16/04	STANDBY		
Stop:	Charge to: NMOC D		2.0
Event: #2	From: HGU #65	To:	
Start:	What: HAUL 1 LOAD FRESH WATER		
8/17/04	STANDBY		
Stop:	Charge to: NMOC D		2.0
Event: #3	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #4	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #5	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
	Driver: MIKE HIGDON		4.0
Diesel:	Helper		
Oil:	NM MILES: _____	CO MILES: _____	UT MILES: _____
Remarks:			

F6.2
F6.2

A-Plus Well Service, Inc.

P.O. Box 1979, Farmington, NM 87499
.505-325-2627

6371

Date: _____

Truck #: 155

Event: #1	From: <u>HGU #66</u>	To: <u>HGU #65</u>	Hours
Start:	What: <u>STANDBY FOR DISPOSAL</u>		
<u>8/16/09</u>			
Stop:	Charge to: <u>NMOC D</u>		<u>2.0</u>
Event: #2	From: <u>HGU #65</u>	To:	
Start:	What: <u>STANDBY FOR DISPOSAL</u>		
<u>8/17/09</u>			
Stop:	Charge to: <u>NMOC D</u>		<u>2.0</u>
Event: #3	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #4	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #5	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
	Driver: <u>MIKE HIGDON</u>		<u>4.0</u>
Diesel:	Helper		
Oil:	NM MILES: _____	CO MILES: _____	UT MILES: _____
Remarks:			

F6.C
F6.d



AUG 20 2004

Invoice Number: 4310
 Invoice Date: Aug 20, 2004
 Page: 1

Industrial Ecosystems Inc.

P.O. Box 2043

Farmington, NM 87499

PH: (505) 632-1782 Fax: (505) 632-1876

TAX I.D. #94-3200034

PLEASE REMIT PAYMENT TO:

Industrial Ecosystems, Inc.

c/o John J. Kiely

401 S. Lasalle St., Suite 606

Chicago, Illinois 60605

Sold To: A PLUS WELL SERVICE
 PO BOX 1979
 FARMINGTON, NM 87499

Location: WILLIAM F CLARK
 HSGU#66,65,19,32

23

Contact	Payment Terms	Due Date	Customer PO
WILLIAM F CLARK	Net 30 Days	9/19/04	

Quantity	Description	Unit Price	Extension
	DATE OF SERVICE: 08/18/04		
	MATERIAL TRANSPORTED BY: APLUS WELL SERVICE - TRUCK#152		
	DISPOSED OF CEMENT		
6.00	DISPOSAL FEE PER YARD	18.00	108.00
	G-1		<div> <div>÷ 4</div> <div>= \$27.00</div> <div>per well</div> </div>

FOR BILLING INQUIRIES PLEASE CALL
(505) 632-1782

ACCOUNTS ARE DUE NET 30 DAYS. PURCHASER AGREES TO PAY FINANCE CHARGES OF 1.5% PER MONTH (ANNUAL PERCENTAGE RATE OF 18%) OR A MINIMUM CHARGE OF .50 PER MONTH. ACCOUNTS THAT HAVE BEEN PLACED FOR COLLECTION WILL BE CHARGED A \$100.00 COLLECTION FEE IN ADDITION TO REASONABLE ATTORNEY FEES AND COLLECTION CHARGES.

Subtotal	108.00
Sales Tax	
Total Invoice Amount	108.00
TOTAL	108.00

A-PLUS WELL SERVICE, INC.

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

COPY

August 31, 2004

CAVE Enterprises
PO Box 79
Flora Vista, NM 87415

Invoice #3440

Rig #9

For used tubing from **Horseshoe Gallup Unit** wells, located in T31N, R16W, San Juan County, NM.

This material was credited to NMOCD on the appropriate invoice.

Cost Summary:

HSGU Well	Feet	Type and Size	Value	Salvage
#26	1302	42 joints 2-3/8" tubing	\$ 1.20	\$ 1,562.40
#65	1116	36 joints 2-3/8" tubing	\$ 1.20	\$ 1,339.20
				<hr/>
				\$ 2,901.60
				<hr/>
				NM TAX Exempt - Resale
				<hr/>
				TOTAL DUE \$ 2,901.60

THANK YOU

5-1