

**A-PLUS WELL SERVICE, INC.**

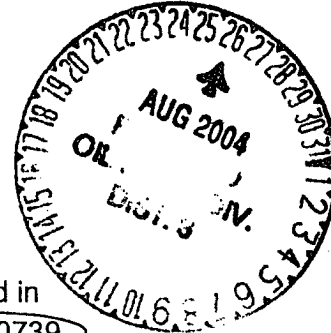
P.O. BOX 1979  
 FARMINGTON, NM 87499  
 505-325-2627 • FAX: 505-325-1211

**ORIGINAL  
 INVOICE**

July 15, 2004

**New Mexico Oil Conservation Division**  
**Aztec District**  
 1000 Rio Brazos Road  
 Aztec, NM 87410

**Invoice #3366**



1 of 3

Rig #9

For the plug and abandonment of the **HSGU #77**, a Gallup well located in  
 Section 13, T-31-N, R-17-W, San Juan County, NM. API #30-045-10739.  
 This work done under NMOCD PA: 41-521-07-00028; **Purchase Doc.: 04-199-000549.**

**Cost Summary:**

ID#	Date	Item Description	Units	Unit Cost	Extension
<b>Workover Rig, Travel and Supervision:</b>					
A1	6/28/04	Contractors Supervisor / Cementer	1.0	\$ 250.00	\$ 250.00
A1	6/29/04	Contractors Supervisor / Cementer	1.0	\$ 250.00	\$ 250.00
A1	6/30/04	Contractors Supervisor / Cementer	1.0	\$ 250.00	\$ 250.00
A1	7/1/04	Contractors Supervisor / Cementer	0.5	\$ 250.00	\$ 125.00
A2	6/28/04	Crew travel, round trip	3.0	\$ 112.00	\$ 336.00
A2	6/29/04	Crew travel, round trip	3.0	\$ 112.00	\$ 336.00
A2	6/30/04	Crew travel, round trip	3.0	\$ 112.00	\$ 336.00
A2	7/1/04	Crew travel, one way	1.5	\$ 112.00	\$ 168.00
A3	6/28/04	Shallow Rig	8.0	\$ 140.00	\$ 1,120.00
A3	6/29/04	Shallow Rig	11.75	\$ 140.00	\$ 1,645.00
A3	6/30/04	Shallow Rig	8.75	\$ 140.00	\$ 1,225.00
A3	7/1/04	Shallow Rig	4.0	\$ 140.00	\$ 560.00
<b>Cementing Services:</b>					
B1	6/28/04	Cementing equipment on location	1.0	\$ 450.00	\$ 450.00
B1	6/29/04	Cementing equipment on location	1.0	\$ 450.00	\$ 450.00
B1	6/30/04	Cementing equipment on location	1.0	\$ 450.00	\$ 450.00
B1	7/1/04	Cementing equipment on location	0.5	\$ 450.00	\$ 225.00
B3	6/30/04	Cement, 78 sxs Type III = 87.3 sxs Type II	87.3	\$ 10.50	\$ 916.65
B3	6/30/04	Cement, place marker, 12 sxs III = 13.4 sxs Type II	13.4	\$ 10.50	\$ 140.70
B3	7/1/04	Cement, set marker, 27 sxs III = 30.2 sxs Type II	30.2	\$ 10.50	\$ 317.10
<b>Wireline Services:</b>					
C1	6/30/04	Wireline unit on location, used	1.0	\$ 250.00	\$ 250.00
C3	6/30/04	Perforate up to 3 squeeze holes at 170'	1.0	\$ 300.00	\$ 300.00
<b>Packers, Retainers &amp; Casing Scrapers:</b>					
D3	6/29/04	Cement retainer, tubing set, 5-1/2"	1.0	\$ 900.00	\$ 900.00
D4	6/29/04	Casing scraper rental, 5-1/2"	1.0	\$ 250.00	\$ 250.00

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**ORIGINAL  
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July 15, 2004

2 of 3

**New Mexico Oil Conservation Division****Aztec District**

1000 Rio Brazos Road  
Aztec, NM 87410

**Invoice #3366****Rig #9**

For the plug and abandonment of the **HSGU #77**, a Gallup well located in  
Section 13, T-31-N, R-17-W, San Juan County, NM. API #30-045-10739.  
This work done under NMOCD PA: 41-521-07-00028; **Purchase Doc.: 04-199-000549.**

**Cost Summary:****Workstrings & Miscellaneous Rentals:**

E1.1	6/29/04	Workstring rental, 2-3/8, feet	1186	\$	0.12	\$	142.32
E6.3	6/29/04	Companion flange rental, 5-1/2"	1.0	\$	50.00	\$	50.00
E14	6/28/04	Waste fluid container, days used	4.0	\$	30.00	\$	120.00

**Transportation and Miscellaneous Services:**

F1.a	6/28/04	Unit #141, Haul workstring & pit to loc.	8.0	\$	74.00		\$592.00
F1.b	6/29/04	Unit #141, Move workstring into position;	2.0	\$	74.00		\$148.00
F1.c	6/30/04	Unit #141, Hold workstring on location;	2.0	\$	74.00		\$148.00
F1.d	7/16/04	Unit #152, Haul waste pit to IEL landfarm, unload;	1.0	\$	74.00		\$74.00
F2.d	7/16/04	Helper for above	1.0	\$	20.00		\$20.00
F3.a	7/7/04	Unit #19 and gooseneck #87; haul tubing to A+ yard;	3.0	\$	50.00		\$150.00
F4	6/28/04	Float #98, rental, carry workstring;	3.0	\$	15.00		\$45.00
F6.a	6/29/04	Unit #265, Haul 1 load of water to tank;	5.5	\$	50.00		\$275.00
F14	6/29/04	Purchase water	1.0	\$	20.00		\$20.00
F6.b	6/28/04	Unit #134, Haul 1 load of water to location	2.0	\$	50.00		\$100.00
F6.c	6/29/04	Unit #134, Haul 1 load of water to location	2.0	\$	50.00		\$100.00
F6.d	6/30/04	Unit #134, standby with water for cementing	2.0	\$	50.00		\$100.00
F6.e	7/1/04	Unit #155, Haul waste fluid to location;	2.0	\$	50.00		\$100.00
F6.f	6/24/04	Unit #155, Receive waste fluid; then hold	2.0	\$	50.00		\$100.00
F6.g	6/24/04	Unit #155, Receive waste fluid, then hold	2.0	\$	50.00		\$100.00
F7.a	6/28/04	Backhoe, More road repair, very dusty & rough	7.0	\$	50.00		\$350.00
F7.b	7/15/04	Backhoe, Clean up location, remove trash & junk;	3.0	\$	50.00		\$150.00
F2.b	7/15/04	Helper for above	3.0	\$	20.00		\$60.00
F11	6/22/04	P&A marker, purchase	1.0	\$	120.00		\$120.00

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**ORIGINAL  
INVOICE**

July 15, 2004

**New Mexico Oil Conservation Division**

3 of 3

**Aztec District**

1000 Rio Brazos Road  
Aztec, NM 87410

**Invoice #3366**

Rig #9

For the plug and abandonment of the **HSGU #77**, a Gallup well located in  
Section 13, T-31-N, R-17-W, San Juan County, NM. API #30-045-10739.  
This work done under NMOCD PA: 41-521-07-00028; **Purchase Doc.: 04-199-000549.**

**Cost Summary:****Third Party Charges:**

G1	7/16/04	IEI landfarm, Inv #01819, take solid waste	1.0	\$	18.00	
			Total	\$	18.00	
		Third Party Handling Charge	0.08	\$	1.44	\$19.44

**Salvage Credit:**

S1	Salvage, 38 joints 2-3/8" EUE tubing	1178	\$	1.20	(\$1,413.60)
		TOTAL		\$	12,920.61
		TAX	\$	0.06	\$ 823.69
		TOTAL DUE		\$	13,744.30

**THANK YOU****CREDIT to Purchase Order # 04-199-0549**

\$ (837.81)

(From 7-14-04 letter to NMOCD, attached)

**Net Due \$ 12,906.49**

OK TO PAY  
Charlie Herrin  
9-1-04

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

# COPY

1. **Type of Well**  
 WIW

2. **Name of Operator**  
 Central Resources, Inc. C/o NMOCD

3. **Address & Phone No. of Operator**  
 1000 Rio Brazos Road, Aztec, NM 87410 505-334-6178

**Location of Well, Footage, Sec., T, R, M**

1975' FSL and 670' FWL, Section 13, T-31-N, R-17-W,

5. **Lease Number**  
 BIA #14-20-603-2022

6. **If Indian, All. or Tribe Name**  
 Navajo

7. **Unit Agreement Name**  
 Horseshoe Gallup Unit

8. **Well Name & Number**  
 HSGU #77

9. **API Well No.**  
 30-045-10739

10. **Field and Pool**  
 Horseshoe Gallup Unit

11. **County & State**  
 San Juan County, NM

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

**Type of Submission**

**Type of Action**

<input type="checkbox"/> Notice of Intent	<input checked="" 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	<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 type="checkbox"/> Other -	

**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: 04-199-000549.

6/28/04 MOL, long and very rough access road. RU.

6/29/04 NU BOP, test. TOH and LD 38 joints 2-3/8" tubing and packer, packer dragging. Tally and PU 37 joints A+ workstring and round-trip 5-1/2" casing scraper to 1186'. TIH with tubing and set 5-1/2" DHS cement retainer at 1186'. Sting out of retainer. Establish circulation with 16 bbls and circulate well clean with 19 bbls of water. Pressure test casing to 500# for 5 minutes, held OK. Sting into retainer and pump fluid from pit below retainer, displace to CR. Sting out of retainer. Shut in well. SDFD.

6/30/04 Open well, no pressure. Plug #1 with CR at 1186', spot 28 sxs Type III cement (37 cf) inside casing above CR up to 916' to isolate the Gallup interval. TOH and LD tubing. Perforate 2 squeeze holes at 170'. Establish circulation out bradenhead with 6 bbls of water. Pump additional 14 bbls of water to circulate BH annulus clean. Plug #2 with 50 sxs Type III cement ((66 cf) pump down 5-1/2" casing from 170' to surface, circulate good cement out bradenhead. ND BOP. Dig out and cut off wellhead. Found cement down 10' in casing and at surface in annulus. Mix 12 sxs cement to fill casing and set marker. Noticed cement in BH annulus fellback. Observed some oil bubbling up.

7/1/04 TIH with 5 joints 1" tubing, tag cement in BH annulus at 103'. Circulate annulus clean with 7 bbls water. Plug #2a with 20 sxs Type III cement (26 cf) to circulate cement to surface. LD tubing. Set P&A marker with additional 7 sxs cement. RD and MOL.

H. Villanueva, NMOCD; L. Lee, Navajo EPA, and D. Bennalie, Navajo Minerals were on location.

SIGNATURE William F. Clark Contractor

July 31, 2004

(This space for Federal or State Office use)

APPROVED BY \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

CONDITION OF APPROVAL, if any:

22397

Rig No. #9

Date 06/28/04 Day MON

Well Name HORSESHOE GALLUP UNIT # 77

Company PLAYA MINERALS & ENERGY

FROM	TO	DESCRIPTION OF OPERATION
5:30	5:45	LOAD RIG SUPPLIES
5:45	7:15	TRAVEL TO RIG (HGU #71)
7:15	9:30	CHANGE TIRE ON #155
9:30	10:00	START RIG AND EQUIPMENT, HELD PRE-JOB SAFETY MEETING.
10:00	4:30	ROAD RIG AND EQUIPMENT TO LOCATION. (BAD ROADS)
4:30	5:30	SPOT RIG, RIG UP.
5:30	7:00	TRAVEL TO YARD.
		HENRY VILLANUEVA/NMOVED ON LOCATION

Fuel &amp; Motor Oil \_\_\_\_\_ Water Hauled \_\_\_\_\_

Rental Equipment \_\_\_\_\_ Cement Retainers \_\_\_\_\_

## Cementing

**Wireline**

CREW	NAME	UNIT #	MILEAGE	HOURS
Supervisor	MIKE HILDON	#21		
Operator	TRAVIS BEGAY	#19		13.5
Helper	ADAN REYES			13.5
Helper	LORENZO RODRIGUEZ			13.5
Helper	CHRIS MONTANEZ			13.5
Trainee				

Company PLAYA MINERALS & ENERGY

1 1/2 hr T

CREW	NAME	UNIT #	MILEAGE	HOURS
Supervisor	MIKE HIGDON	#21		
Operator	TRAVIS BEGAY	#19		15.0
Helper	LORENZO RODRIGUEZ			15.0
Helper	ADAN REYES			15.0
Helper	CHRIS MONTANEZ			15.0
Trainee				

## Daily Report

## A - PLUS WELL SERVICE

22399

P.O. BOX 1979 • FARMINGTON, NM 87499  
505-325-2627 • FAX (505) 325-1211Rig No. #9Date 06/30/04 Day WEDWell Name HORSESHOE GALLUP UNIT # 77Company PLAYA MINERALS & ENERGY

FROM	TO	DESCRIPTION OF OPERATION
5:30	6:30	SAFETY MEETING @ RETC TOPIC: BACK SAFETY & FIRE SAFETY
6:30	6:45	LOAD RIG SUPPLIES
6:45	8:15	TRAVEL TO LOCATION
8:15	8:45	START RIG AND EQUIPMENT. HELD PRE-JOB SAFETY MEETING.
8:45		OPEN WELL (NO PRESSURE)
	9:00	PUMP 1/2 BBL TO CIRCULATE.
9:00	<del>9:00</del>	PLUG #1 - MIX AND PUMP 28 SXS TYPE III <sup>14.8</sup> CMT FROM 1186' TO TOG@916'
<del>9:00</del>	9:30	DISPLACE.
9:30	10:15	LAY DOWN TBG AND STINGER.
10:15		RIG UP WIRELINE. RIB/WIRELINE. PERFORATE/2-1 1/16" BI-WIRE SHOTS@
	10:45	170'. PON/WIRELINE. RIG DOWN WIRELINE.
10:45		PUMP 6 BBLs WATER DOWN CSG TO CIRCULATE OUT BRADENHEAD. CIRCULATE
	11:15	CLEAN/AN ADDITIONAL 14 BBLs.
11:15		PLUG #2 - MIX AND PUMP 50 SXS TYPE III <sup>14.7</sup> CMT DOWN CSG TO
	11:45	CIRCULATE GOOD CMT OUT BRADEN HEAD.
11:45	12:15	NIPPLE DOWN BOP
12:15		DIG OUT AND CUT OFF WELLHEAD CMT@ 10 IN 5 1/2" CSG
	3:00	PLACE P+H MARKER/12 SXS CMT@ SURF IN 8 5/8" CSG
3:00	4:00	RIG DOWN <del>CUT OFF</del> RIG ANCHORS
4:00	5:00	CMT ON MARKER FELL. OIL BUBBLING UP.
5:00	5:30	PULLED DRIVE LINE OFF OF #155
5:30	7:00	TRAVEL TO YARD.
		HENRY VILLANUEVA/NMOCID LEROY LEE/NAVASO EPA
		JIM WALKER/US EPA
		DAVIS BENNALIE/NAVASO MINERALS

Fuel &amp; Motor Oil \_\_\_\_\_ Water Hauled \_\_\_\_\_

Rental Equipment \_\_\_\_\_ Cement Retainers \_\_\_\_\_

Cementing PLUG #1 - 28 SXS TYPE III PLUG #2 - 50 SXS TYPE III P+H MARKER/12 SXSWireline 2- 1 1/16" BI-WIRE SHOTS@ 170' (M.H.)

CREW	NAME	UNIT #	MILEAGE	HOURS
Supervisor	MIKE HIGDON	#21		
Operator	TRAVIS BEGAY	#19		13.5
Helper	LORENZO RODRIGUEZ			13.5
Helper	ADAN REYES			13.5
Helper	CHRIS MONTANEZ			13.5
Trainee				





# A-Plus Well Service, Inc.

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

6149

Date: \_\_\_\_\_

Truck #: 141

Event: #1	From: HGU #71	To: HGU #77	Hours
Start:	What: HAUL FLAT #98 AND PIT #525 TO LOCATION.		
6/28/04	ASSIST / RIG MOVE (BAD ROADS)		
Stop:	Charge to: NMCCD		8.0
Event: #2	From: HGU #77	To:	
Start:	What: STANDBY and Move work string		
6/29/04	into position		
Stop:	Charge to: NMCCD		2.0
Event: #3	From: HGU #77	To:	
Start:	What: STANDBY		
6/30/04			
Stop:	Charge to: NMCCD		2.0
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		12.0
Diesel:	Helper		
Oil:	NM MILES: _____ CO MILES: _____ UT MILES: _____		
Remarks:	F4 - flat w/ Work string		
	(3 days)		

F1.2  
F1.b  
F1.C

# A-Plus Well Service, Inc.

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

6301

Date: 7-16-04

Truck #: 24/152

Event: #1	From: A-P-W	To: CIVIC PIPE YARD	Hours
Start: 10:30	What: HOOK UP TO UNIT 87 & GO TO CIVIC		
	5 UNLOAD PIPE & DRIVE BACK TO YARD		1.5
Stop: 12:00	Charge to: NMOC		
Event: #2	From: A-P-W	To: HSCU # 80	
Start: 12:00	What: DRIVE TO LOCATION & LOAD PIT		2
Stop: 2:00	Charge to: NMOC		
Event: #3	From: HSCU # 80	To: IEI	
Start: 2:00	What: DRIVE TO IEI & EMPTY OUT PIT		2
Stop: 4:00	Charge to: NMOC		
Event: #4	From: IEI	To: A-P-W	
Start: 4:00	What: LOAD PIT & CHAIN DOWN & DRIVE TO YARD		1
Stop: 5:00	Charge to: NMOC		
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: DUANE GUSTIN		6.5
Diesel:	Helper FLOYD BOGAY		6.5
Oil:	NM MILES: 78	CO MILES:	UT MILES:
Remarks:	46-HWY + 32-DIRT		
	I BROKE FITTINGS OFF THE BACK SIDE OF PIT		
	NMOC HSCU #80, 82, 74, 72, 71		
	Load pit and haul to IEI for disposal		

#152

Shro

F.I.d

1 hr each

F2.d

Helper & hrs. (1 hr)

# A-Plus Well Service, Inc.

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

5972

#19

Date: 7-7-04

Truck #: 87

Event: #1	From: Horseshoe Gulch #74	To: Farmington (Yard)	Hours
Start: 5:00	What: Hauled in 2 1/8" tubing 30 HGV 77		3.00
		41 HGV 74	
Stop: 8:00	Charge to: MMOC		
Event: #2	From:	To:	
Start:	What:		
Stop:	Charge to:		
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: Adam Reyes		
Diesel:	Helper: Crew		
Oil:	NM MILES: 50	CO MILES: _____	UT MILES: _____
Remarks:			
	NMOC HSAU #77		
	Haul 2 1/8" tubing from location to A-Plus yard		

F3.2

3 hrs.

# A-Plus Well Service, Inc.

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

4807

Date: 6-29-04

Truck #: 265

Event: #1	From: A-plus	To:	Hours
Start: 5:30	What: Pine CK 265		
Stop: 6:00	Charge to: N.M.O.C.D.		.5
Event: #2	From: Farmington hydrant	To: Horseshoe, Gallup	
Start: 6:00	What: hauled 1 load from Farmington		
Stop: 3:00	Charge to: N.M.O.C.D.		9
Event: #3	From: Horse shoe Gallup	To: A plus	
Start: 3:00	What: Road Time in		
Stop: 4:30	Charge to: N.M.O.C.D.		1.5
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: Lucky Marez		11
Diesel:	Helper		
Oil:	NM MILES: 58	CO MILES:	UT MILES:
Remarks:	60 m. Dist		
	NMOCDS HSAU # 77		
	Haul 1 load water to tank		
	Purchase 1 load @ \$20		

5 1/2 hrs.

FG.2

5 1/2 hrs

F14

# A-Plus Well Service, Inc.

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

6150

Date: \_\_\_\_\_

Truck #: 131

Event: #1	From: HGU #71	To: HGU #77	Hours
Start:	What: HAUL 1 LOAD FRESH WATER & STANDBY		
6/28/04			
Stop:	Charge to: NMOCD		2.0
Event: #2	From: HGU #77	To:	
Start:	What: HAUL 1 LOAD FRESH WATER & STANDBY		
6/29/04			
Stop:	Charge to: NMOCD		2.0
Event: #3	From: HGU #77	To:	
Start:	What: STANDBY		
6/30/04			
Stop:	Charge to: NMOCD		2.0
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		6.0
Diesel:	Helper		
Oil:	NM MILES: _____	CO MILES: _____	UT MILES: _____
Remarks:			

F6.b  
F6.c  
F6.d

# A-Plus Well Service, Inc.

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

6276

Date: \_\_\_\_\_

Truck #: 155

Event: #1	From: HGU #71	To: HGU #77	Hours
Start:	What: STANDBY FOR DISPOSAL		
6/28/09			
Stop:	Charge to: NMOCED		2.0
Event: #2	From: HGU #77	To:	
Start:	What: STANDBY FOR DISPOSAL		
6/29/09			
Stop:	Charge to: NMOCED		2.0
Event: #3	From: HGU #77	To:	
Start:	What: STANDBY FOR DISPOSAL		
6/30/09			
Stop:	Charge to: NMOCED		2.0
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		6.0
Diesel:	Helper		
Oil:	NM MILES: _____ CO MILES: _____ UT MILES: _____		
Remarks:			

FG. e  
FG. f  
FG. g

# A-Plus Well Service, Inc.

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

6228

Date: 6-28-04

Truck #: 84

Event: #1	From: <u>A-P-W</u>	To: <u>MSG 77</u>	Hours
Start: <u>6:00</u>	What: <u>HAIR WITH RIG MOVE TO NEW &amp; WORKING ON ROAD</u>		<u>7</u>
	REMOVING POWDER & SOFT DIRT TO GET TO LOCATION		
Stop: <u>1:00</u>	Charge to: <u>NMOC</u>		
Event: #2	From: <u>MSG 77</u>	To: <u>MSG 74</u>	
Start: <u>1:00</u>	What: <u>WORKING ON ROAD REMOVING POWDER &amp; FILLING IN</u>		<u>3</u>
	WASHED OUT SPOTS		
Stop: <u>4:00</u>	Charge to: <u>NMOC</u>		
Event: #3	From: <u>MSG 74</u>	To: <u>MSG 71</u>	
Start: <u>4:00</u>	What: <u>WORKING ON ROAD REMOVING POWDER &amp; FILLING IN</u>		<u>3</u>
	WASHED OUT SPOTS		
Stop: <u>7:00</u>	Charge to: <u>NMOC</u>		
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>DUNN GUSTIN</u>		<u>13</u>
Diesel: <u>89.3</u>	Helper		
Oil:	NM MILES: <u>80</u>	CO MILES: _____	UT MILES: _____
Remarks:	<u>18.3 GALLONS IN UNIT 34 (CONCRETE) 30 GALLONS</u>		
	<u>NMOC HSCU #77</u>		
	<u>Repair road to location</u>		

(F7.2)

7 hrs.

# A-Plus Well Service, Inc.

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

6249

Date: 7-15-04

Truck #: 24

Event: #1	From: A-P-W	To: HSGU # 77	Hours
Start: 5:30	What: CLEAN LOCATION & REMOVE TRASH & RISERS		3
Stop: 8:30	Charge to: NMOCO		
Event: #2	From: HSGU # 72	To:	
Start: 8:30	What: CLEAN LOCATION & REMOVE TRASH & RISERS		3
Stop: 11:30	Charge to: NMOCO		
Event: #3	From: HSGU # 74	To:	
Start: 11:30	What: CLEAN LOCATION & REMOVE TRASH & RISERS		3
Stop: 2:30	Charge to:		
Event: #4	From: HSGU # 82	To:	
Start: 2:30	What: CLEAN LOCATION & REMOVE TRASH & RISERS		3
Stop: 5:30	Charge to:		
Event: #5	From: HSGU # 79	To:	
Start: 5:30	What: FIX ROAD IN TO LOCATION		.75
Stop: 6:15	Charge to:		
Event: #6	From: HSGU # 93	To:	
Start: 6:15	What: FIX ROAD INTO LOCATION		.75
Stop: 7:15	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
	Driver: DUNN GUSTIN		13.5
Diesel: N/A	Helper FLOYD BOGAY		13.5
Oil:	NM MILES: 78	CO MILES: _____	UT MILES: _____
Remarks:	46 HWY + 32 DIRT = 78		
	NMOCO HSGU # 77		
	Clean location + remove trash + risers		

3 hrs.

3 hrs.

Helper 3 hrs.

F7.b

F2.b





JUL 31 2004

Invoice Number: 4234  
Invoice Date: Jul 28, 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: BILL CLARK

HSGU#72, #77, #74, #80, #82

Contact	Payment Terms	Due Date	Customer PO
BILL CLARK	Net 30 Days	8/27/04	

Quantity	Description	Unit Price	Extension
1.00	DATE OF SERVICE: 07/16/04  MATERIAL TRANSPORTED BY: APLUS - TRUCK#152  DISPOSED OF CONTAMINATED SOIL DISPOSAL FEE PER YARD	90.00	90.00
		$\div 5$	
		$= 18.00$	

**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	90.00
Sales Tax	
Total Invoice Amount	90.00
<b>TOTAL</b>	<b>90.00</b>

# A-PLUS WELL SERVICE, INC.

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

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July 14, 2004

Mr. Charlie Perrin  
NM Oil Conservation Division  
1000 Rio Brazos Rd.  
Aztec, NM 87410

Re: Purchase Agreement Invoice Review

Dear Charlie:

After the addition and calculation discrepancies discovered relative to the sixteen wells A-Plus plugged for the EPA, through an agreement with the NMOCD; we have completed a review and recalculation of all A-Plus Well Service invoices to the NMOCD for work performed under the Purchase Agreement Number: 41-521-0700028.

The following table summarizes our findings from this invoice review:

Purchase Document Number:	Number Well P&A	Wells Revised	Original Inv. Amount	Revised Inv. Amount	Difference Due NMOCD
04-199-000444	1	0	\$ 12,609.86	No Change	0.00
04-199-000456	1	0	\$ 10,818.66	No Change	0.00
04-199-000457	1	1	\$ 11,647.95	\$ 11,616.03	\$ 31.92
04-199-000490	8	1	\$ 90,665.72	\$ 90,477.75	\$ 187.97
04-199-000549	13	9	\$ 125,755.65	\$ 124,917.84	\$ 837.81
04-199-000613	<u>3</u>	<u>2</u>	<u>\$ 26,577.64</u>	<u>\$ 25,866.42</u>	<u>\$ 711.22</u>
Totals	27	13	\$ 278,075.48	\$ 276,306.56	\$1,768.92

In total 13 invoices had calculation errors and have been revised. Eleven of these problem invoices involve wells which were plugged for EPA and the net amount due the NMOCD is \$1,549.03 as determined on the attached July 13, 2004 HSGU Plugging Invoice Review summary. These eleven wells involve two Purchase Order Numbers as indicated in the summary.

# A-PLUS WELL SERVICE, INC.

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

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July 14, 2004

Page 2

NM Oil Conservation Division

Re: Purchase Agreement Invoice Review

The review of all invoices paid under the Purchase Agreement found two additional invoices with calculation errors. First, for the HSGU #239 well, the original salvage for rods was \$135.00 credit and the revised credit is now \$165.00; this results in a refund due the NMOCD of \$30.00 plus tax of \$1.92 for a total adjustment amount of \$31.92.

Second, for the HSGU #220, the original salvage for tubing was \$883.50 credit and the revised credit is now \$1,060.20; this results in a refund due the NMOCD of \$176.70 plus tax of \$11.27 for a total adjustment amount of \$187.97.

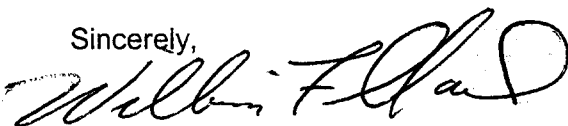
Attached are the following items:

- A copy of the EPA Wells HSGU Plugging Invoice Review spreadsheet (involves two Purchase Order Numbers);
- 6 spreadsheet for the above Purchase Orders, presenting the revised invoice amounts;
- 13 revised invoices, showing the corrections with strikeouts and italics.

What is the appropriate procedure to remit the balances due the NMOCD to correct these invoicing calculation errors? Is it possible to credit a recently plugged well that has not been invoiced (or paid by the NMOCD) included in the same Purchase Order Number? Or would individual PO payments or a lump sum with explanation be best?

If you have any questions about these items, please advise. When you are clear as the re-payment procedure, please let me know. Sorry for this inconvenience.

Sincerely,



William F. Clark  
President

**A-PLUS WELL SERVICE, INC.****COPY**

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

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July 20, 2004

**CAVE Enterprises**  
PO Box 79  
Flora Vista, NM 87415

Rig #9

**Invoice #3374**

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
#74	1271	41 joints 2-3/8" tubing	\$ 1.20	\$ 1,525.20
#77	1178	38 joints 2-3/8" tubing	\$ 1.20	\$ 1,413.60
				<hr/>
				\$ 2,938.80
				<hr/>
		NM TAX Exempt - Resale		
				<hr/>
		<b>TOTAL DUE</b>		<b>\$ 2,938.80</b>

**THANK YOU**