

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AUG 30 2012

FORM APPROVED
OMB No 1004-0135
Expires: January 31, 2004SUNDRY NOTICES AND REPORTS ON WELLS
Farmington Field Office
Bureau of Land Management

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator **M&M PRODUCTION & OPERATION, INC.**3a. Address
PO BOX 34703b. Phone No (include area code)
505-327-69084. Location of Well (Footage, Sec., T., R., M., or Survey Description)
850' FNL & 1980' FWL, Sec. 18 T. 24N, R 8W5. Lease Serial No
NMNM-014580

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No

8. Well Name and No
PAQUENCHE A #39. API Well No.
30-045-0513610. Field and Pool, or Exploratory Area
DUFER POINT-GALLUP DAKOTA11. County or Parish, State
SAN JUAN COUNTY, 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<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 Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. 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 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Gas well
M&M PRODUCTION HAS PLUGGED THE ABOVE MENTIONED WELL, BUT HAS YET TO RECLAIM THE LOCATION. AFTER THE COST OF THE PLUGGING M&M PRODUCTION HAS NOT BEEN ABLE TO AFFORD THE REMOVAL OF THE PRODUCTION TANK AND RECLAMATION OF THE LAND. THE PLUGGING PORTION WAS APROXIMATELY \$60000.00. WITH THIS AMOUNT AND THE GAS PRICES BEING WHAT THEY HAVE BEEN, M&M PRODUCTION IS NOT FINANCIALLY ABLE TO COMPLETE THE RECLAIMING AT THIS TIME. WE HOPE TO HAVE THE PLUGGING BILL PAID FOR IN THE NEXT MONTH. IF WE ARE ABLE TO THEN WE WILL CALL FOR A COMPANY TO COMPLETE THE RECLAMATION OF THE LAND.

IF YOU HAVE QUESTIONS PLEASE CONTACT TERESA McCOWN (505) 327-6908.**RCVD SEP 11 '12
OIL CONS. DIV.
DIST. 3**14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**TERESA McCOWN**Title **PRESIDENT**

Signature

Date **08/30/2012****THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or 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.

Title

Office

SEP 05 2012**FARMINGTON FIELD OFFICE**

Title 18 USC Section 1001 and Title 43 U.S.C Section 1212, make 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

(Instructions on page 2)

NMOCB**AV**

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979
Farmington, New Mexico 87499
505-325-2627 *fax: 505-325-1211

M&M Production & Operation, Inc.
Paquenze A #3

March 13, 2012
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850' FNL and 1980' FWL, Section 10, T-24-N, R-8-W
San Juan County, NM
Lease Number: NMNM-0141580
API #30-045-05136

Plug and Abandonment Report Notified NMOCD and BLM on 3/1/12

Plug and Abandonment Summary:

- Plug #1** with 28 sxs (33.04 cf) Class B cement with 2% CaCl₂ inside casing from 5632' to 5379' to cover the Gallup interval.
- Plug #2** with 53 sxs Class B cement (62.5 cf), squeeze 30 sxs outside casing and leave 5 sxs below CR and 18 sxs above from 4882' to 4681' to cover the Mancos top.
- Plug #3** with 53 sxs Class B cement (62.5) cf, squeeze 30 sxs outside casing and leave 5 sxs below CR with 18 sxs above from 3144' to 2942' cover the Mesaverde top.
- Plug #4** with 135 sxs (159.3 cf), squeeze 75 sxs outside casing and leave 5 sxs below CR and 55 sxs above from 2345' to 1808' to cover the Pictured and Fruitland tops.
- Plug #5** with 113 sxs (133.3 cf), squeeze 73 sxs outside casing and leave 5 sxs below CR and 35 sxs above from 1746' to 1388' to cover the Kirtland and Ojo Alamo tops.
- Plug #6** with 77 sxs (90.9 cf) pumped down the 5.5" casing from 239' to circulate good cement to surface.

Plugging Work Details:

- 3/5/12 Open up well; no pressures. LD on polish rod (bent); POH and LD 230 -3/4" rods and a 2" pump. SI well. SDFD.
- 3/6/12 Check well pressure: tubing 0 psi, casing 1 psi and bradenhead 1 psi. ND the wellhead, NU BOP and test BOP. TOH and tally tubing; 184 joints 2.375" (5793') with SN and perf sub. Round trip 5.5" string mill to 5730'. SI well. SDFD.
- 3/7/12 Open up well; no pressures. TIH and set 5.5" DHS cement retainer at 5632'; pressure test tubing to 1200 PSI, held OK. Load casing with 19 bbls water and circulate clean with 145 bbls more. Attempt casing test, no test. Plug #1 with 28 sxs (33.04 cf) Class B cement with 2% CaCl₂ inside casing from 5632' to 5379' to cover the Gallup interval. Attempt to pressure test casing, establish rate of 1 bbl per min at 500 psi. Perforate 3 HSC holes at 4882'. Set 5.5" CR at 4843'; establish rate into holes 1 bbl per min at 1100 PSI. Plug #2 with 53 sxs Class B cement, squeeze 30 sxs outside casing and leave 5 sxs below CR and 18 sxs above from 4882' to 4681' to cover the Mancos top. TOH with setting tool. SI well. SDFD.

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Plug and Abandonment Summary (continued):

- 3/8/12 Check well pressures: tubing 0, casing 1 PSI and bradenhead 1 PSI. TIH and tag at cement at 4648'. Attempt casing test casing, establish rate at 1 bpm at 500 PSI. Perforate 3 HSC holes at 3144'. Set the DHS cement retainer at 3104'. Attempt casing test, establish rate of 1 bpm at 500 psi. Plug #3 with 53 sxs, squeeze 30 sxs outside casing and leave 5 sxs below CR with 18 sxs above from 3144' to 2942' cover the Mesaverde top. TOH with setting tool. SI well. SDFD.
- 3/9/12 Open up well; no pressures. TIH and tag cement at 2944'. Attempt casing test, establish rate of 1 bpm at 500#. Perforate 3 HSC holes at 2345'. Set cement retainer at 2305'. Attempt to test casing above CR to 800 PSI, bleed down to 700PSI in 2 minutes. Plug #4 with 135 sxs, squeeze 75 sxs outside casing and leave 5 sxs below CR and 55 sxs above from 2345' to 1808' to cover the Pictured and Fruitland tops. TOH with the setting tool. TIH and tag cement at 1855'; TOH with tubing. SI well. SDFD.
- 3/12/12 Open up well; no pressure. Attempt casing test pressure up to 850 PSI; bleed down to 750 PSI in 2 minutes. Perforate 3 HSC holes. Set cement retainer at 1704'. Attempt to test casing above CR, same leak. Sting into CR and establish rate of 1 bbl at 900 PSI. Plug #5 with 113 sxs, squeeze 73 sxs outside casing and leave 5 sxs below CR and 35 sxs above from 1746' to 1388' to cover the Kirtland and Ojo Alamo tops. TOH with setting tool. SI well. SDFD.
- 3/13/12 Open up well; no pressure. TIH and tag cement at 1352'. Attempt casing test, pressure up to 850 PSI, bleed down to 650 PSI in 2 minutes. Perforate 3 HSC holes at 239'. Establish rate of 1 bpm at 500 psi into squeeze holes; then well started to circulate out a hole in the surface casing collar just below ground level and out the bradenhead. Plug #6 with 77 sxs (90.9 cf) pumped down the 5.5" casing from 239' to circulate good cement to surface. Shut in well and WOC. Write Hot Work Permit then cut off wellhead. Found cement down 2' in both the casing and bradenhead annulus. Install P&A marker with 18 sxs cement. RD rig and MOL.

Wanda Weatherford, BLM representative, was on location.