Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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.*

5. Lease Serial No.
NMNM-20307

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
Navajo O 18

1. Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8. Well Name and No.
10

2. Name of Operator
Pure Resources, L. P.

9. API Well No.
30-045-30936

3a. Address
500 W. Illinois, Midland, Texas 79701

3b. Phone No. *(include area code)*
432 620-5650

10. Field and Pool, or Exploratory Area
Basin Dakota

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
660' FSL & 1975' FEL
Sec. 18, T-25-N, R-10-W

11. County or Parish, State
San Juan, New Mexico

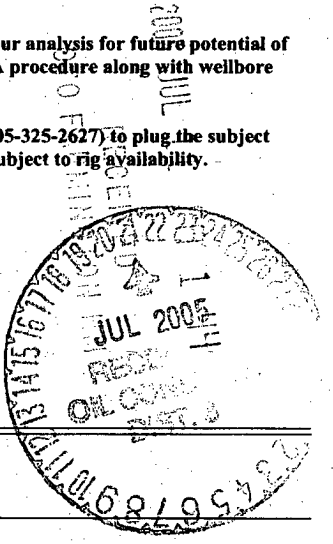
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☑ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 recomplete 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 recompletion 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.)

Approval is requested for the plugging and abandonment of the Navajo O 18 #10 well. We have completed our analysis for future potential of this wellbore and have decided the best course of action is to plug and abandon the well. Attached is the P&A procedure along with wellbore diagrams showing both the current and proposed plugging status .

Pure has secured the services of Mr. Bill Clark with A-Plus Well Service, Inc. in Farmington, New Mexico (505-325-2627) to plug the subject well. The well will be scheduled for plugging as soon as possible after approval of the proposed procedure, subject to rig availability.



14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
Bill Horne

Title Production Engineer

Signature

Date 07/06/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason

Title

Date JUL 19 2005

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.

Office

Title 18 U.S.C. 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)

NMOCD

PLUG AND ABANDONMENT PROCEDURE

June 28, 2005

Navajo O - 18 #10
Basin Dakota
660' FSL' & 1975' FEL, Section 18, T25N, R10W, San Juan County, New Mexico
API 30-045-30936 / Lat: _____ / Long: _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Type III, mixed at 14.8 ppg with a 1.32 cf/sx yield.

1. Install and test rig anchors. Prepare blow pit. Comply with all NMOCD, BLM and Pure Resources safety rules and regulations. Conduct safety meeting for all personnel on location. MOL and RU daylight pulling unit. NU relief line and blow well down; kill with water as necessary. ND wellhead and NU BOP and stripping head; test BOP.

2. PU and TIH with 2.375" tubing workstring. Tag existing CIBP at 5950', or as deep as possible.

3. **Plug #1 (Dakota perforations, 5950' – 5850'):** Load casing with water and circulate well clean. Pressure test casing to 800#. *If the casing does not test, then spot or tag subsequent plugs as appropriate.* Mix 10 sxs Type III cement and set a balanced plug above CIBP to isolate the Dakota perforations. PUH to 4935'.

4. **Plug #2 (Gallup top, ~~4935~~ 5043' – ~~4835~~ 4943'):** Mix 10 sxs Type III cement and spot balanced plug inside casing to cover the Gallup top. PUH to 3280'.

5. **Plug #3 (Mesaverde top ~~and~~ 7" Casing shoe, ~~3280~~ 3157' – 3057'):** Mix ~~10~~ sxs Type III cement and spot balanced plug inside casing to cover the Mesaverde top ~~through~~ the 7" casing shoe. PUH to 2320'. 2418'-2318'

6. **Plug #4 (Chacra top, 2320' – 2220'):** Mix 10 sxs Type III cement and spot balanced plug inside casing to cover the Chacra top. TOH with tubing.

7. **Plug #5 (Pictured Cliffs and Fruitland tops, 1557' – 1190'):** Round-trip 4.5" wireline gauge ring or casing scraper to 1507'. Then perforate 3 squeeze holes through the 4.5" casing at 1557'. Establish rate into squeeze holes and attempt to circulate to surface out the intermediate annulus. Set 4.5" cement retainer at 1507'. Establish rate under the CR into the intermediate annulus. Mix and pump 66 sxs cement, squeeze 37 sxs outside the 4.5" casing into the annulus and leave 29 sxs inside the 4.5" casing. TOH with tubing.

8. **Plug #6 (Kirtland and Ojo Alamo tops, 840' – 560'):** Perforate 3 squeeze holes through the 4.5" casing at 840'. Attempt to establish rate into squeeze holes if the casing pressure tested. Set 4.5" cement retainer at 790'. Establish rate under the CR into the squeeze holes. Mix and pump 53 sxs cement, squeeze 30 sxs outside the 4.5" casing into the annulus and leave 23 sxs inside the 4.5" casing. TOH and LD tubing.

9. **Plug #7 (9.625" Surface Casing shoe, 439' – Surface):** Perforate 3 squeeze holes through the 4.5" casing at 439'. Establish circulation to surface out the intermediate valve. Mix approximately 70 sxs cement and pump down the 4.5" casing to circulate cement to the surface out the 4.5" x 7" annulus. If able, circulate cement out the bradenhead valve also, filling the 7" X 9.625" annulus to surface. Shut in well and WOC.

10. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Navajo O-18 #10
Current
Basin Dakota

660' FSL & 1975' FEL, Section 18, T-25-N, R-10-W , San Juan County, NM

Lat:_____ / Long: _____ / API 30-045-30936

Today's Date: **6/28/05**
Spud: 7/25/02
Comp: 8/27/02
Elevation: 6535' GR
6547' KB

Ojo Alamo @ 610' est

Kirtland @ 790'* est

Fruitland @ 1240'

Pictured Cliffs @ 1507'

Chacra @ 2270'

Mesaverde @ 3230'

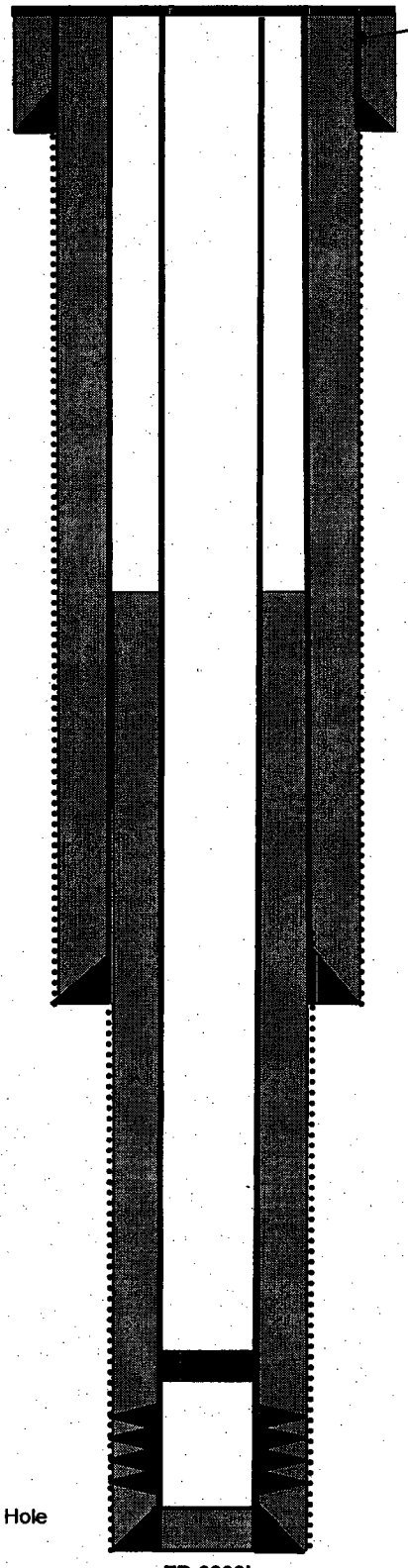
Gallup @ 4885'

Dakota @ 5985'

12.25" Hole

8.75" Hole

6.25" Hole



TD 6233'
PBTD 6186'

Circulated 54 bbls to surface according to Comp Report

9.625" 32.3#, STC Casing set @ 389'
Cement with 225 sxs, circulated to surface

Well History

Nov '02: TOH and LD rods and pump. TOH with tubing. Set 10 Mechanical CIBP at 5950'. Roll hole with T-H 606 packer fluid. Pressure test to 1000#. TA well.

TOC @ 2050' (CBL)

7" 20#, J-55 Casing @ 3107'
Cement with 480 sxs (995 cf)

CIBP set at 5950' (2002)

Dakota Perforations:
6018' – 6168'

4.5" 11.6#, N80 Casing @ 6232'
Cemented with 600 sxs (1230 cf),
TOC @ 2050' (CBL).

Navajo O-18 #10
Proposed P&A

Basin Dakota

660' FSL & 1975' FEL, Section 18, T-25-N, R-10-W , San Juan County, NM

Lat:_____ / Long: _____ / API 30-045-30936

Today's Date: **6/28/05**
Spud: 7/25/02
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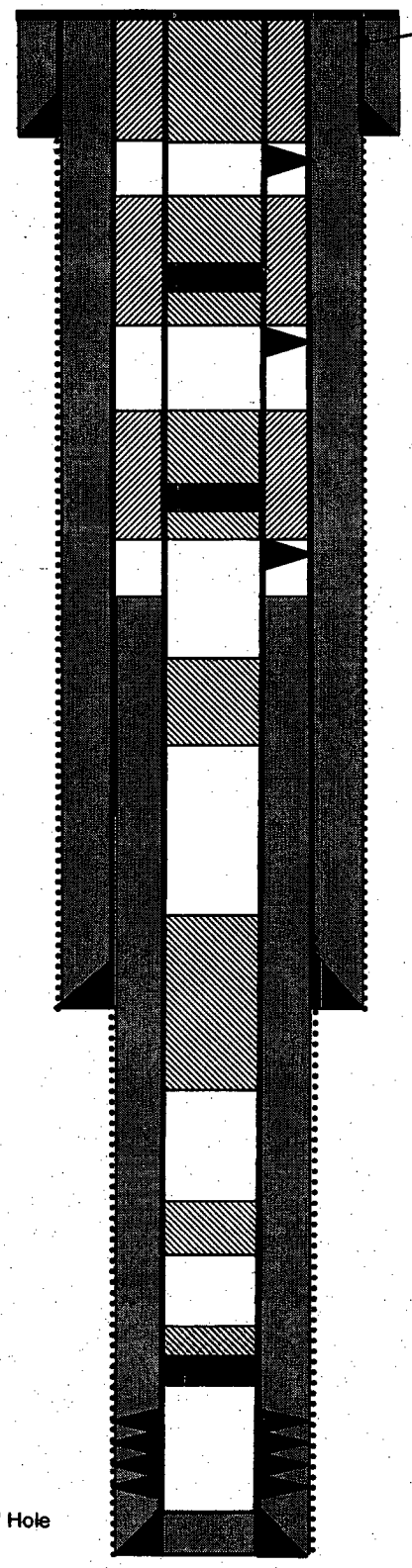

TD 6233'
PBTD 6186'

Circulated 54 bbls to surface according to Comp Report

9.625" 32.3#, STC Casing set @ 389'
Cement with 225 sxs, circulated to surface

Perforate @ 439'

Plug #7: 439' – 0'
Type III cement, 70 sxs

Plug #6: 840' – 560'
Type III cement, 53 sxs, 30 sxs outside and 23 sxs inside

Cmt Retainer @ 790'

Perforate @ 840'

Plug #5: 1557' – 1190'
Type III cement, 66 sxs, 37 sxs outside and 29 sxs inside

Cmt Retainer @ 1507'

Perforate @ 1557'

TOC @ 2050' (CBL)

Plug #4: 2320' – 2220'
Type III cement, 10 sxs

Plug #3: 3280' – 3057'
Type III cement, 19 sxs

7" 20#, J-55 Casing @ 3107'
Cement with 480 sxs (995 cf)

Plug #2: 4935' – 4835'
Type III cement, 10 sxs

Plug #1: 5950' – 5850'
Type III cement, 10 sxs

CIBP set at 5950' (2002)

Dakota Perforations:
6018' – 6168'

4.5" 11.6#, N80 Casing @ 6232'
Cemented with 600 sxs (1230 cf),
TOC @ 2050' (CBL).