submitted in lieu of Form 3160-5

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells

		5.	Lease Number
1.	Type of Well Oil	6.	Contract #54 If Indian, All. or Tribe Name
		7.	Jicarilla Apache Unit Agreement Name
2.	Name of Operator Chace Oil c/o Golden Oil Holding Corporation	_	
3	Address & Phone No. of Operator	_ 8.	Well Name & Number Chace Apache 54 #11
Ο.	2200 Post Oak Blvd., Suite 720, Houston, TX 77027 713-626-1110	9.	API Well No. 30-043-20650
Location of Well, Footage, Sec., T, R, M			Field and Pool
	1850' FSL & 1850' FWL, Section 3, T-22-N, R-3-W, Unit K		Chacon Dk/Undes. Gl
	1000 1 02 & 1000 1 WE, 00010110, 1 22 14, 10 0 W, 011111	11.	County & State Sandoval, NM
12	. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OT	HER D	OATA
	Type of Submission Type of Action	18	F 17 18 19 77 32
	X Notice of Intent X Abandonment Change of Plans		
	Recompletion New Construction Subsequent Report Plugging Back Non-Routine Fractu Casing Repair Water Shut off	rs	WAR 2006
	Final Abandonment Altering Casing Conversion to Inject Other – Return to Production	tion (O) (O)	AL DIST. 3
13	. Describe Proposed or Completed Operations	, KE'C	25 2 1 18 2 19 19 19 19 19 19 19 19 19 19 19 19 19
	Golden Oil started working on this well on March 13, 2006 and found the wireline gauge ring was run to 850' and found heavy paraffin.	tubir	
	We plan to hot oil and clean out the tubing to be able to cut the tubing a (or deeper, if able to get down). Then plug this well per the attached pro		
	Please provide verbal approval for this plugging work as soon as possib	le.	**************************************
14	. I hereby certify that the foregoing is true and correct.		
Się	William F. Clark (F-Marked 1)	₋ Da	March 14, 2006
ΑF	nis space for Federal or State Office use) PROVED BY W W Title DNDITION OF APPROVAL, if any:		Date <u>MAR 1 5 2006</u>
			184 ₈ da e e

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly 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.

Chace Apache 54 #11

March 14, 2006

10.7

PLUG AND ABANDONMENT PROCEDURE

South Lindrith Gallup / Dakota 1850' FSL & 1850' FWL, Section 3, T22N, R3W Rio Arriba County, NM

Note: All cement volumes use 100% excess outside pipe and 50' excess inside pipe. 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.

On 3/13/06: MOL and RU pulling unit. Found tubing stuck. RU wireline unit and ran tubing gauge ring to 850', found heavy paraffin in tubing.

Plan to clean out the tubing and then cut the 2.375" tubing as deep as possible.

Plugging Procedure:

- 1. Round-trip 4-1/2" casing scraper to above the tubing stub. Determined by the depth the tubing was cut: 1) plug #1 might not be possible; or 2) the interval for plug#2 may be changed.
- 2. Plug #1 (Dakota perforations and top, 6709' 6609'): TIH and set a 4-1/2" cement retainer at 6709'. Pressure test tubing to 1000#. Pump 40 bbls water down tubing. Mix 11 sxs cement and spot a balanced plug inside casing above CR to isolate the Dakota perforations. TOH.
- 3. Plug #2 (Gallup perforations and top, 6322'- 5610'): TIH and set a 4-1/2" cement retainer at 6322'. Load casing with water and circulate the well clean. Pressure test casing to 500#. If the casing does not test, then spot or tag subsequent plugs as appropriate. Mix 52 sxs cement and spot a balanced plug inside casing above retainer to isolate the Gallup perforations and cover the top. PUH to 4099'.
- 4. Plug #3 (Mesaverde top, 4099' 3999'): Mix #1 sxs cement and spot a balanced plug inside casing to cover the Mesaverde top. PUH to 2605'. instite = oversite 4 1/2" (seeing)
- 5. Plug #4 (Pictured Cliffs, Fruitland, Kirtland and Ojo Alamo tops, 2605' 2098'): Mix 38 sxs cement and spot a balanced plug inside casing to cover through the Ojo Alamo top. PUH to 505'.

(05% ' 95%'

Plus #5 (Nacimiento ten 505' 405'): Miy 11 c

- 6. Plug #5 (Nacimiento top, 595' 495'): Mix 11 sxs cement and spot a balanced plug inside casing to cover the Nacimiento top. TOH and LD tubing.
- 7. Plug #6 (8-5/8" Surface casing, 269' Surface): Connect the pump line to the bradenhead valve Pressure test the bradenhead annulus to 300#, note volume to fill. If it tests, then with tubing at 269', establish circulation out casing valve with water. Mix approximately 20 sxs cement and fill the 4.5" casing to surface, circulate good cement out the casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate 2 holes at the appropriate depth and fill the BH annulus with cement to surface, covering inside 50' below surface casing shoe. TOH and LD tubing. Shut in well.
- 8. ND BOP and cut off casing below surface. Install P&A marker with cement to comply with regulations. RD, move off location, cut off anchors and restore location.