

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

MAY 20 2016

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.

Farmington Field Office
Bureau of Land Management

5. Case/Serial No.
NM4457

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Schalk 57 #1E

9. API Well No.
30-039-22540

10. Field and Pool, or Exploratory Area
Basin Dakota

11. County or Parish, State
Rio Arriba County, NM

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Schalk Development Company

3a. Address
P.O. Box 25825, Albuquerque, NM 87125

3b. Phone No. (include area code)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
820' FNL & 820' FEL., Section 12, 30N, 5W

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

TD

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 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 recomplate 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.)

Schalk Development Company proposes to P&A the above well per the attached procedure.

OIL CONS. DIV DIST. 3

Notify NMOCD 24 hrs
prior to beginning
operations

AUG 18 2016

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

**BLM'S APPROVAL OR ACCEPTANCE OF THIS
ACTION DOES NOT RELIEVE THE LESSEE AND
OPERATOR FROM OBTAINING ANY OTHER
AUTHORIZATION REQUIRED FOR OPERATIONS
ON FEDERAL AND INDIAN LANDS**

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)
Jack Evans

Title
Field Tech

Signature
Jack Evans

Date
5-20-16

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by
[Signature]

Title
PE

Date
8/15/16

Office
FFO

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 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

8
KC



Southwestern Region 3
 Carson National Forest
 Jicarilla Ranger District

1110 Rio Vista Lane, Unit 2
 Bloomfield, New Mexico 87413
 Phone: (505) 632-2956
 FAX: (505) 632-3173

Sundry Review Checklist

Activity Type:

Plug & Abandon (P&A) Re-entry/Sidetrack Other: _____

Company Name <i>Schalk Development Company</i>		Well Name <i>Schalk 57 #1E</i>	
API Number		Legal Location	
<i>30-039-22540</i>	<i>T 30 N</i>	<i>R 5 W</i>	<i>Sec 12</i>
Footages <i>820 FNL, 820 FEL</i>			

Specialist Review	Review By (initial)	Review Date	Comments
Conditions of Approval (COAs)	<i>Jfm</i>	<i>5/24/2016</i>	
Archeology	<i>RH</i>	<i>7/27/16</i>	<i>See attached stipulations. Pre-work needed before any ground disturbance.</i>
Wildlife	<i>Jfm</i>	<i>5/24/2016</i>	<i>No issues - Refer to Schalk 57 #200 (30-039-30653) Project Record</i>
Construction/Reclamation			
Other:			

Onsite/Field Visit Required No Yes Date Completed: _____

Original COAs apply
 New COAs attached

Forest Service Concurrence

Richard C. [Signature]
 Jicarilla District Ranger

15 AUG 16

 Date

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DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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OILB* 1004013*
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Farmington Field Office
Bureau of Land Management

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1 Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5 Case/Serial No. NM14457
2 Name of Operator Schalk Development Company		6 If Indian Allottee or Tribe Name
3a Address P.O. Box 25825, Albuquerque, NM 87125	3b Phone No. (include area code)	7 If Unit or CA Agreement Name and/or No.
4 Location of Well (Geologic Sec., T., R., M., or Survey Description) 820' E11. & 820' E11., Section 12, 30N, 5W		8 Well Name and No. Schalk 57 #1E
		9 API Well No. 30-039-22540
		10 Field and Pool or Exploratory Area Basin Dakota
		11 County or Parish State Rio Arriba County, NM

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Schalk Development Company proposes to P&A the above well per the attached procedure.

14 I hereby certify that the foregoing is true and correct

Name (Printed Typed) Jack Evans	Title Field Tech
Signature <i>Jack Evans</i>	Date 5-20-16

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
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	

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(Instructions on page 2)

PLUG AND ABANDONMENT PROCEDURE

May 16, 2016

Schalk 57 #1E

Basin Dakota

820' FNL and 820' FEL, Section 12, T30N, R5W
Rio Arriba County, New Mexico / API 30-039-22540

Lat: N _____ / Lat: W _____

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 Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. This well requires the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
3. Rods: Yes____, No X____, Unknown____.
Tubing: Yes X____, No____, Unknown____, Size 2-3/8____, Length 8145'____.
Packer: Yes____, No____, Unknown____, Type____.
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.
4. NOTE: BLM requires a CBL log to be run on all wells where the cement did not circulate to surface or where a T.S. or CBL log was not previously run. This procedure is prepared with the understanding that it may be modified based on the TOC from the CBL.
5. Plug #1 (Dakota/Gallup perforations and top, 8073' – 7895'): Round trip gauge ring or casing scraper to 8073', or as deep as possible. RIH and set 4.5" cement retainer at 8073'. Pressure test tubing to 1000 PSI. Load casing with water and circulate well clean. Pressure test casing to 1000#. *If the casings do not test, then spot or tag subsequent plugs as appropriate.* Circulate well clean. Mix 18 sxs Class B cement inside casing from 8073' to isolate the Dakota interval. PUH.
6. Plug #2 (Gallup top, 6698' – 6598'): Mix and pump 12 sxs Class B cement and spot a balanced plug inside casing to cover the Gallup top. PUH.
7. Plug #3 (Mancos and Mesaverde top, 5994' – 5662'): Perforate squeeze holes 5994'. Attempt to establish rate if the casing pressure tested. TIH and set CR at 5944'. Mix and pump 158 sxs Class B cement, squeeze 129 sxs outside 4.5" casing and leave 29 sxs inside casing to cover through the Mesaverde top. TOH with tubing.

- 8 **Plug #4 (Chacra top, 4540' – 4440')**: Mix and pump 12 sxs Class B cement and spot a balanced plug inside casing to cover the Chacra top. PUH.
- 9 **Plug #5 (Pictured Cliffs, Fruitland, Kirtland and Ojo Alamo tops, 3543' – 2941')**: Mix and pump 50 sxs Class B cement and spot a balanced plug inside casing to cover the Pictured Cliffs, Fruitland, Kirtland and Ojo Alamo tops. PUH.
- 10 **Plug #6 (Nacimiento top, 1593' – 1493')**: Perforate squeeze holes 1593'. Attempt to establish rate if the casing pressure tested. TIH and set CR at 1543'. Mix and pump 51 sxs Class B cement, squeeze 39 sxs outside 4.5" casing and leave 12 sxs inside casing to cover the Nacimiento top. PUH.
- 11 **Plug #7 (13-3/8" casing shoe, 356' – 0')**: Attempt to pressure test the bradenhead annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 30 sxs cement and spot a balanced plug from 356' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing from 356' and the annulus from the squeeze holes to surface. Shut in well and WOC.
12. ND cementing valves and cut off wellhead. Fill annuli with cement as necessary. Install P&A marker to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and cut off anchors. Restore location per BLM stipulations

Schalk 57 #1E

Proposed P&A Basin Dakota

820' FNL, 820' FEL, Section 12, T-30-N, R-5-W
Rio Arriba County, NM, API #30-039-22540

Today's Date 5/11/16
Spud 11/17/80
Completed 5/11/81
Elevation 6676' GI

17.5" hole
(1989) Original Cement Squeeze 120 sxs
with 2% CaCl₂ from 1103' - 1118'
(1999) Cement Squeeze #1 70 sxs
cement from 1500' to 640'
Cement Squeeze #2 34 sxs cement from
1056' to 600'.
Cement Squeeze #3 with 220 sxs;
circulate good cement out bradenhead
from 520' to surface.

Nacimiento @ 1543'

Ojo Alamo @ 2791'

Kirtland @ 3011'

Fruitland @ 3375'

Pictured Cliffs @ 3493'

Chacra @ 4490'

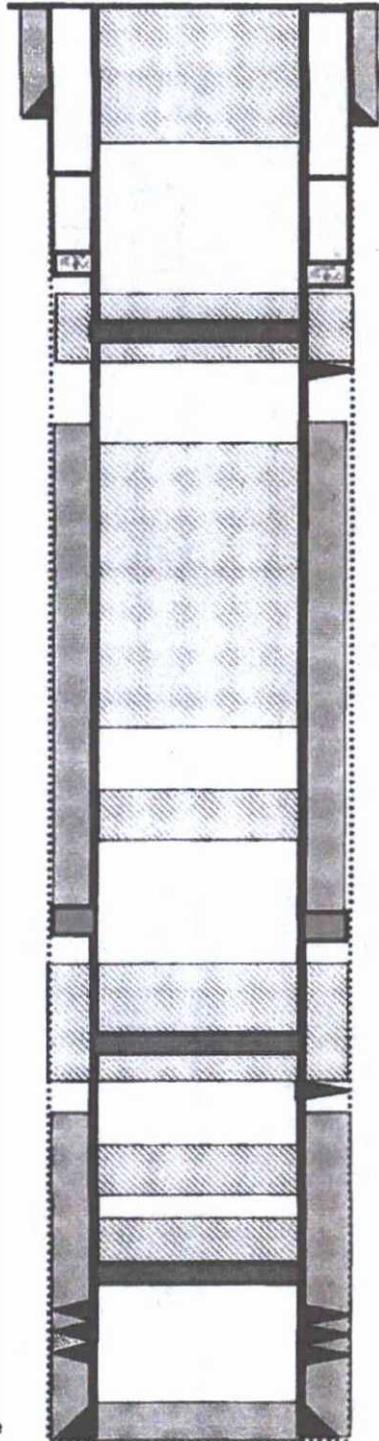
Mesaverde @ 5662'

Mancos @ 5944'

Gallup @ 6648'

Dakota @ 7945'

7.875" hole



TD 8370'

13-3/8" 72#, Casing set @ 306'
Cement with 355 sxs, circulated

Plug #7: 356'-0'
Class B cement, 30 sxs

CR @ 1543'

Perforate @ 1593'

Plug #6: 1593' - 1493'
Class B cement, 51 sxs
39 sxs out and 12 sxs in

TOC unknown, did not circulate

Plug #5: 3543' - 2941'
Class B cement, 50 sxs

DV Tool @ 5489'
Stage #2: cement with 850 sxs

Set CR @ 5944'

Perforate @ 5994'

TOC unknown, did not circulate

Plug #4: 4540' - 4440'
Class B cement, 12 sxs

Plug #3: 5994' - 5662'
Class B cement, 158 sxs:
129 sxs out and 29 sxs in

Plug #2: 6698' - 6598'
Class B cement, 12 sxs

Set CR @ 8073'

Dakota Perforations:
8123' - 8225'

Plug #1: 8073' - 7895'
Class B cement, 18 sxs

4.5", 10.5# casing set @ 8370'
Stage #1: cement with 340 sxs

Schalk 57 #1E

Current
Basin Dakota

820' FNL, 820' FEL, Section 12, T-30-N, R-5-W
Rio Arriba County, NM, API #30-039-22540

Today's Date 5/11/16
Spud 11/17/80
Completed 5/11/81
Elevation 6676 GI

17.5" hole
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Nacimiento @ 1543'

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Mancos @ 5944'

Gallup @ 6648'

Dakota @ 7945'

13-3/8" 72#, Casing set @ 306'
Cement with 355 sxs, circulated

TOC unknown, did not circulate

2.375" J-55 tubing @ 8145' with SN @ 8102'

DV Tool @ 5489'
Stage #2: cement with 850 sxs

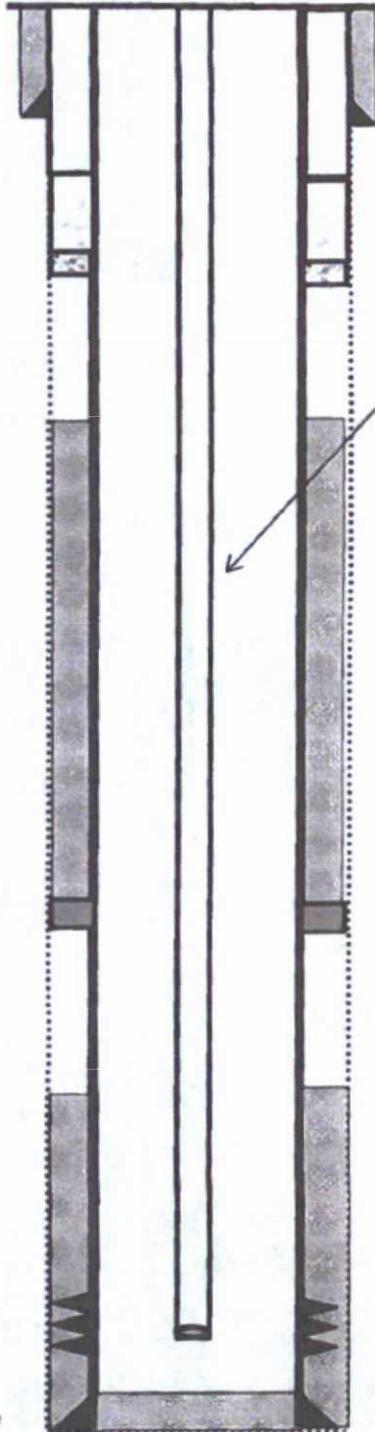
TOC unknown, did not circulate

Dakota Perforations:
8123' - 8225'

4.5", 10.5# casing set @ 8370'
Stage #1: cement with 340 sxs

7.875" hole

TD 8370'



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Schalk 57 #1E

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Leases."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.
3. The following modifications to your plugging program are to be made:
 - a) Set Plug #2 (7090-6990) ft. to cover the top of the Gallup top. BLM picks top of Gallup at 7040 ft.
 - b) Set Plug #3 (6490-6390) ft. inside/outside to cover the Mancos top. BLM picks top of Mancos at 6440 ft.
 - c) Bring the top of Plug #5 to 2761 ft. to cover the top of the Pictured Cliffs, Fruitland, Kirtland and Ojo Alamo tops.
 - d) Bring the top of Plug #6 to 1464 ft. to cover the Nacimiento top. BLM picks top of Nacimiento at 1514 ft.

Top of the Chacra at 4486 ft. will be used for top of Mesaverde for plugging proposes (plug #4).

Operator will run a CBL to verify cement top. Outside plugs will be adjusted accordingly. Submit the electronic copy of the log for verification to the following addresses: jwsavage@blm.gov tsalyers@blm.gov Brandon.Powell@state.nm.us

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.