

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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2003 JUN 12 AM 11:04

070 Farmington, NM

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas
☐ Well ☒ Well ☐ Other

2. Name of Operator

Calpine Natural Gas Company, L.P.

3. Address and Telephone No.

1200 17th St., Suite 770, Denver, CO 80202

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1810' FNL & 925' FWL Sec. 23-30N-14W

5. Lease Designation and Serial No.
NM 26357

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Morton #3

9. API Well No.
30-045-31215

10. Field and Pool, or Exploratory Area
Basin Fruit Coal Gas & Harper Hill FS/PC

11. 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

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

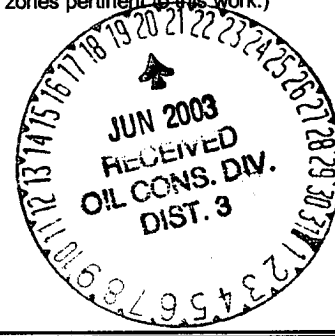
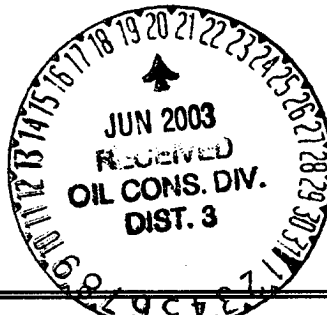
TYPE OF ACTION

- ☐ Abandonment
☒ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Weekly Report



14. I hereby certify that the foregoing is true and correct

Signed

Title OPERATIONS MANAGER

Date

ACCEPTED FOR RECORD
06/10/03

(This space for Federal or State office use)

Approved by

Title

Date

JUN 17 2003

Conditions of approval, if any:

FARMINGTON FIELD OFFICE
Jep

Title 18 U.S.C. Section 1001, makes 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.

*See Instructions on Reverse Side

NMOCB

Morton #3
Harper Hills Pictured Cliffs
Operator: Calpine Natural Gas Company
Drilling Contractor: LB Drilling
San Juan County, NM.

WI: 100 %
AFE: 02-308
Objective: Drill & Complete
Spud Date: 11/14/02

NRI: 69.25%
AFE: \$204,627
Proposed TD: 1580'

- 11/15/02 Current Operations: Waiting on cement. Moved on location and rigged up L&B Speed Drill. Spud surface hole at 1300 hrs. 11/14/02 with bit #1 (8-3/4", STC, F2-RR). Drilled 132' with spud mud. Circulated hole clean, ran survey and TOH. Ran 3 jts (125.06') of 7", 20#, J-55, ST&C casing and set at 130' KB. Rigged up Halliburton and cemented with 50 sx (59 cu.ft.) of Cl "B" with 3% CaCl₂ and 1/4 #/sx celloflake. Displaced cement with 3.75 bbls of water. Job completed at 1830 hrs 11/14/02. Circulated 4.0 bbls of good cement to surface. Hole was staying full. SDON to WOC.
Daily Cost: \$9,161 Cum Cost: \$9,161
- 11/16/02 Current Operations: Drilling @ 530' in 24 hrs. Nipped up the Bradenhead and BOP. Pressure tested casing and BOP to 1000 psi - held OK. Picked up bit #2 (6-1/4", Varel) on 7 4-3/4" DC. Drilled 30' of cement and new formation with water and polymer. Drilling ahead. Circulate hole clean and SDON.
Daily Cost: \$5,441 Cum Cost: \$14,602
- 11/17/02 Current Operations: Drilling @ 1,170'. Made 640' in 24 hrs. Drilling ahead with bit #2 (6-1/4", Varel) and water and polymer. SD for Sunday.
Daily Cost: \$8,853 Cum Cost: \$23,455
- 11/18/02 Current Operations: Preparing to run pipe. TD well at 1,540' with bit #2 (6-1/4", Varel) at 1400 hrs 11/18/02. Circulated hole, short tripped, and circulated the hole clean. TOH for logs. Halliburton ran IES/GR DSN/SDL logs. Prepared to run casing 11/19/02.
Daily Cost: \$7,547 Cum Cost: \$31,002
- 11/19/02 Current Operations: Released rig. Ran 37 jts (1503.76') of 4-1/2", 10.5#, J-55, ST&C new Ipsco casing and landed at 1,508' KB. Insert float is at 1487' KB and the top of the marker joint is at 1,054' KB. Rigged up Halliburton. Preceded cement with 10 bbls of water. Cemented with 130 sx (268 cu.ft.) of 2% EconoLite (metasilicate) with 1/4#/sk celloflake, followed by 50 sx (59 cu.ft.) of Cl "B" with 2 % CaCl₂ and 1/4#/sk celloflake. Reciprocated pipe while pumping cement. Displaced plug with 23.75 bbls of water. Bumped plug to 1500 psi and down at 1030 hrs. 11/19/02. Good circulation throughout job and circulated out 13 bbls of good cement. Float held OK. Nipped down BOPs and set the casing slips. Rigged down and released the rig at 1130 hrs 11/19/02. **FINAL REPORT.**
Daily Cost: \$12,429 Cum Cost: \$43,431
- 06/03/02 Current Operations: Preparing to Frac. Set and filled five frac tanks w/ City water. Installed a 5000# frac valve and pressured the casing and valve to 1500 psi - held OK. Rigged up Halliburton and ran a GR/CCL from PBTD at 1479' - 800'. Perforated the PC from 1399' - 1402' at 2 spf (total of 6, 0.34" holes). Perforated the Basal Fruitland Coal from 1370'-1382' @ 2 spf (total of 24, 0.34" holes). SI well.
Daily Cost: \$6,158 Cum Cost: \$49,589
- 06/04/03 Current Operations: Well open to pit after frac. Rigged up Halliburton. Held Safety Mtg. and pressure test lines. Pumped a 15,000 gal pad @ 15 BPM and 1400 psi. Frac'd the PC and basal coal w/ 75,000# of 20/40 Brady sand @ 1-5 ppg in a 20# Delta frac fluid. Flushed sand to 1350'. Job completed at 0915 hrs 6/3/03. AIR = 15.2 BPM, MIR = 16 BPM, ATP = 850 psi, MTP = 1820 psi. Total fluid = 1101 bbls. Set frac plug @ 1310' KB. Pressure test plug and csg to 3500# - test failed. Set another frac plug @ 1306' KB. Pressure fell f/ 3000 psi to 2500 psi in 6 min. Perf upper coal @ 1274'-1282' KB w/ 4 spf w/ 32 (0.34") holes. Rig up frac crew. Started pad and the well broke @ 1788 psi. Brought rate to 12 BPM @ approx 1250 psi. Pressure suddenly increased to 3500 psi. Shut down and let pressure fall. Resumed pumping and pressure again increased to 3500 psi. Let

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- 06/04/03 (continued) pressure fall to 500 psi, then opened well to pit. Started pumping again @ 1-1/2 BPM – well broke @ 2500 psi. Increased rate to 12 BPM and re-started the pad. Pumped a 3000 gal pad @ 12 BPM and 1730 psi. Frac'd the upper coal w/ 5000# of 20/40 Brady sand at 1 ppg in a 20# Delta frac fluid. Well screened off as 2 ppg sand hit the formation. Increased rate to 15 BPM during 1 ppg stage. Opened well after 15 min SI and very little fluid flowed back. Job completed @ 1330 hrs 6/3/03. AIR = 12.0 BPM, MIR = 15 BPM, ATP = 2000 psi, MTP = 3500 psi. Total fluid = 225 bbls. RD Halliburton and installed flow back manifold. Opened well to the pit through a 1/4" choke @ 1530 hrs w/ 2000 psi. Well died in 2 min. Left well open to pit.
Daily Cost: \$61,021 Cum Cost: \$110,610
- 06/05/03 Current Operations: Laid down the bit and bit sub. MOL and rig up J.C. Well Service. Remove frac valve & install tubing head. Pick up a 3-7/8" bit and bit sub on 2-3/8" tbg. Tag fill at 1106' KB. Circ out sand to the frac plug at 1306'. Drilled the frac plugs at 1306' and 1310'. TIH, tagged fill again at 1416' KB. Circ out sand to PBTD at 1480' KB. Circ hole clean w/ 40 bbls of fresh water. TOH.
Daily Cost: \$2,583 Cum Cost: \$113,193
- 06/06/03 Current Operations: Well pumping to pit. TIH w/ an open-ended tail jt, 4' perf sub, seating nipple and 44 additional jts plus one 10' sub (1435.19') of used 2-3/8", 4.7#, J-55 EUE 8rd tbg. Landed at 1438' KB. Seating nipple is at 1401' KB. TIH w/ a 2" x 1-1/2" x 12' RWAC-Z pump on 4-1/4" sinker bars, 51-3/4" used rods and one 10' pony rod. Spaced out the pump and hung off the rods. Well did not pump up. Loaded the tbg with water but the tubing would not hold pressure. Pulled rods and pump. Found the traveling valve ball and seat covered w/ a black sticky substance. Replaced the pump and ran it on the same rod string. Loaded the tbg and pressure tested the pump and tubing to 400 psi – held OK. Started the pump jack and left the well pumping to the pit. Rigged down and released rig.
Daily Cost: \$7,683 Cum Cost: \$120,876