UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells

	RECEIVED	5.	Lease Number NM-4449
1.	Type of Well Gas 070 FARMINGTON HIM	6.	If Indian, All. or Tribe Name
		7.	Unit Agreement Name
2.	Name of Operator Schalk Development Company	0	Mail Name of Name have
3.	Address & Phone No. of Operator	8.	Well Name & Number Schalk 49 #2
	P. O. Box 25825, Albuquerque, NM 87125	9.	API Well No. 30-039-20720
Lo	cation of Well, Footage, Sec., T, R, M	10.	Field and Pool Pictured Cliffs
	850' FNL & 1765' FEL, Section 23, T-30-N, R-4-W		
		11.	County & State Rio Arriba, NM
13.	Notice of IntentX AbandonmentChange of Plans Recompletion New Construction Subsequent Report Plugging Back Non-Routine Fractions Water Shut off Water Shut off Casing Repair Water Shut off Conversion to Inj Other Conversion to Inj Other The above described well was plugged and abandoned on June 16, 200	n acturing ection	attached report.
14. Sie	I hereby certify that the feregoing is true and correct. Title Agent		DateJune 16, 2006

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JUL 0 7 2006

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

Farmington, New Mexico 87499 505-325-2627 * fax: 505-325-1211

Schalk Development Co. Schalk 49 #2

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850' FNL & 1765' FEL, Section 23, T-30-N, R-4-W Rio Arriba County, NM Lease Number: NM-4449 API #30-039-20720

Plug & Abandonment Report

Work Summary:

- 5/26/06 MOL. RU rig. Check well pressures: 200# on casing, 100# on tubing. Attempt to bleed down, would not bleed down. Load casing with 26 bbls of water. Load tubing with 5 bbls of water. RU coil tubing to pull 1" tubing. ND wellhead. Pull 30' 1" tubing. Coil tubing unit broke down. NU wellhead. Shut in well. SDFD.
- 6/12/06 Check well pressures: 20# on casing, 0# on bradenhead. Blow down well. NU BOP. TIH open-ended with 1.25" workstring to 4315'. Pump ½ bbl of water, pressured up to 800#, held OK. TOH with tubing to find and remove plugged joint. Procedure change approved by Virgil Lucero, BLM (no CIBP, plug #1 50' below PC perforation). Load hole with 10 bbls of water to check for other plugs. TIH to 4315'.

 Plug #1 with 15 sxs Type III cement (20 cf) inside the casing from 4315' up to 3706' to fill the Pictured Cliffs perforations and to cover through the Fruitland top. PUH. WOC overnight. SDFD.
- 6/13/06 Check well pressures: 0# on tubing, 0# on casing, 0# on bradenhead. TIH and tag cement low at 4101'.

Plug #1a with 25 sxs Type III cement (33 cf) inside the casing from 4101' up to 3086' to cover the Pictured Cliffs perforations, and Kirtland and Ojo Alamo tops. PUH. WOC. TIH and tag cement low at 3416'. Load hole with 25 bbls of water and circulate clean. Shut in casing. Attempt to pressure test casing to 800#, bled to 300# in 30 seconds.

Plug #1b with 7 sxs Type III cement (10 cf) inside the casing from 3416' up to 3146' to cover the Ojo Alamo top. TOH with tubing. Shut in well and WOC. SDFD.

6/14/06 Check well pressures: 0# on casing, 0# on bradenhead. Load hole with water. Attempt to pressure test casing to 800#, bled down to 500# in 1 minute. RIH with gauge ring. Tag cement at 3180'. TOH and LD gauge ring. Perforate 2 bi-wire holes at 2134'. Load hole with water. Attempt to establish rate into squeeze holes pressured up to 800#, bled down to 500# in 1 minute. Procedure change approved by Virgil Lucero, BLM (no CR on plug #2).

Plug #2 with 7 sxs Type III cement (10 cf) inside the casing to 2184' up to 1900' to cover the Nacimiento top.

PUH. WOC. TIH and tag cement at 2013'. TOH and LD all tubing. Load hole with 2 bbls of water. Perforate 2 bi-wire holes at 233'. Load hole with water and establish circulation out the bradenhead.

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Work Summary - Continued:

Plug #3 with 95 sxs Type III cement (126 cf) inside the casing from 233' to surface, circulate good cement out the bradenhead valve.

ND BOP. Dig out and cut off wellhead.

Mix 20 sxs Type III cement and install P&A marker.

RD and MOL.

Virgil Lucero, BLM representative, was on location 6/12/06 through 6/14/06.