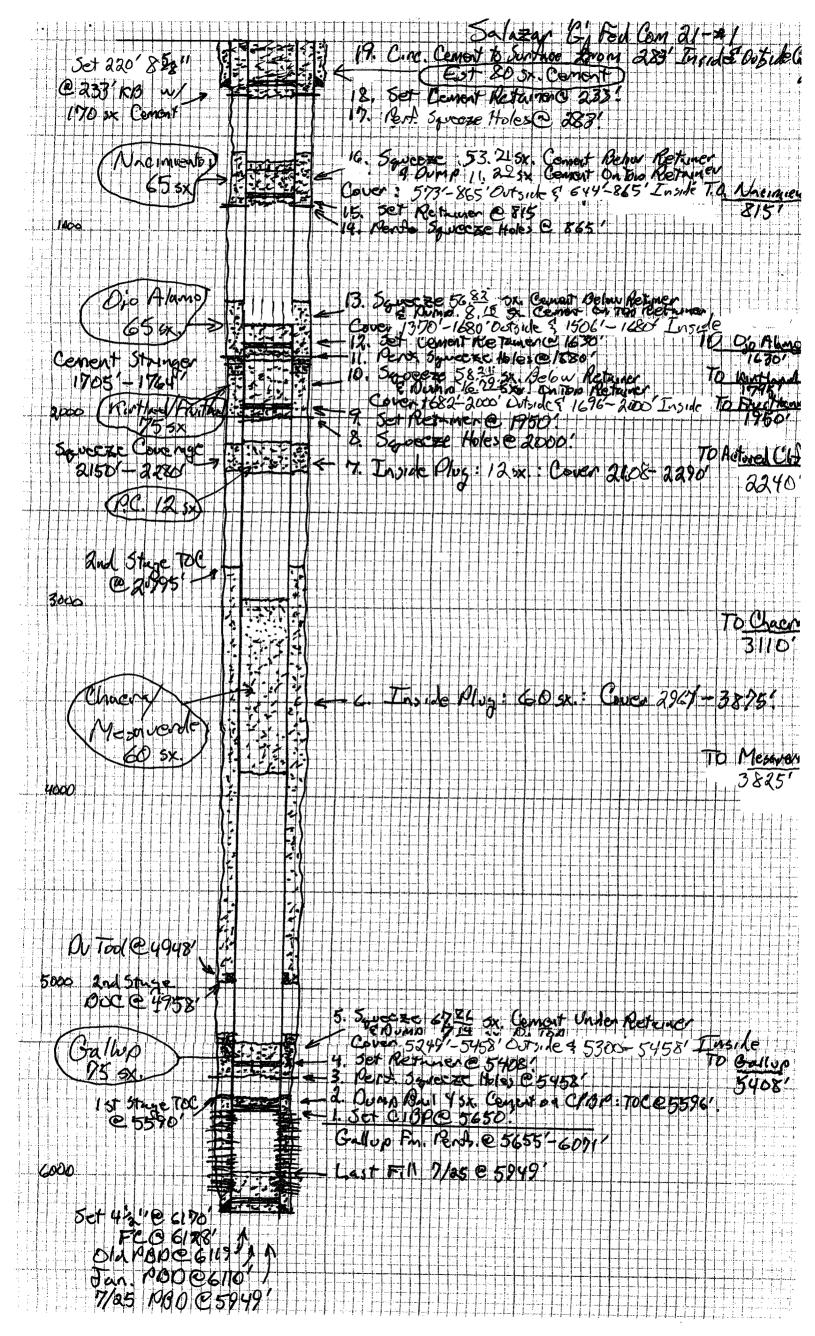
Submit 3 Copies To Appropriate District Office	State of New Me	1.100	(V) Origination C-103
District I 1625 N. French Dr., Hobbs, NM 88240	Energy, Minerals and Natu		June 23, 2006 ELL API NO.
<u>District II</u> 1301 W. Grand Ave., Artesia, NM 88210	OIL CONSERVATION	1 11 V 1 N 11 11 V	30 – 039 - 23051
District III	1220 South St. Fran	1.5	Indicate Type of Lease STATE FEE
1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM	Santa Fe, NM 87	7505	State Oil & Gas Lease No.
87505			
SUNDRY NOTICE (DO NOT USE THIS FORM FOR PROPOSAL DIFFERENT RESERVOIR. USE "APPLICA"	JG BACK TO A	Lease Name or Unit Agreement Name Salazar 'G' Com. 21	
PROPOSALS.) 1. Type of Well: Oil Well G	8.	Well Number #1	
2. Name of Operator		OGRID Number 225774	
3. Address of Operator	(RDT) 10	. Pool name or Wildcat	
PO BOX 1020, MORRISON	N, CO 80465		Devil's Fork: Gallup
4. Well Location	A Control of the Control	10,000 6 . 6	
	feet from the <u>North</u> line and winship <u>25 North</u> Rang	ge <u>6 West</u> NMP	n the <u>East</u> line M <u>Rio Arriba</u> County
	11. Elevation (Show whether DR,		IV _KIO ATTIDA COURTY
Pit or Below-grade Tank Application □ or C	KB 6322' GL 6309'		
Pit typeDepth to Groundwate		rater well Distance	from nearest surface water
Pit Liner Thickness: mil	Below-Grade Tank: Volume		uction Material
	propriate Box to Indicate N		
-		· ·	
NOTICE OF INT	SUBSE REMEDIAL WORK	QUENT REPORT OF: ALTERING CASING	
	PLUG AND ABANDON 💢 CHANGE PLANS 🔲	COMMENCE DRILLIN	
PULL OR ALTER CASING	MULTIPLE COMPL	CASING/CEMENT JO	ов 🗆
OTHER:	П	OTHER:	П
13. Describe proposed or complet		pertinent details, and give	ve pertinent dates, including estimated date
of starting any proposed work or recompletion.). SEE RULE 1103. For Multip	le Completions: Attach	wellbore diagram of proposed completion
RDT Does Propose to Plug & Abandon	n This Well As Follows:		
14.8 PPG Yields 14.11 Bbl. S 2967' to 3875'. POOH. WC 4. Abandon Pictured Cliffs Fm. Bbl. Slurry (15.84 Cu. Ft. Cer WOC Overnight. Tag Plug @ 5. Abandon Fruitland Fm. Top @ Retainer @ 1950'. Mix & Pu (99 Cu. Ft. Cement) & Displa & Leaving 20.09 Sx. Cement 6. Abandon Ojo Alamo Fm. Top Pump 65 sx. Class 'C' Cemen Displace w/ 4.50 Bbl. FW. Sc Cement Inside Casing: Cover 7. Abandon Nacimiento Fm. Top Pump 65 sx. Class 'C' Cemen Displace w/ 0.50 Bbl. FW. Sc Cement Inside Casing: Cover 8. Abandon Surface Casing @ 2 80 sx. Class 'C' Cement OR Head & Good Cement out of	lurry (79.2 Cu. Ft. Cement) & Displace W/7 Bbl. FW. Top @ 2240': Mix & Pump 12 st. Top @ 1 Top	splace w/ 10 Bbl. FW. x.: Class 'C' Cement @ Balanced Plug Inside C 795': Perf. Squeeze H % CaCl2 @ 1.32 CF/S; 4.91 Sx. Cement Outsid to 2000'. WOC 4 Hou @ 1680'. Mechanically @ 14.8 PPG Yields 15.2; le Casing: Covering 13 rnight. Tag Plug @ 156 @ 865'. Mechanically @ 14.8 PPG Yields 15.2; le Casing: Covering 57 rs. Tag Plug @ 644'. 3'. Mechanically Set Co & CF/Sx. @ 14.8 PPG Retainer. POOH. Top	y Set Cement Retainer @ 1630'. Mix & 8 Bbl. Slurry (85.8 Cu. Ft. Cement) & 70' to 1680': 310' & Leaving 11.48 Sx.
I hereby certify that the information ab	ove is true and complete to the books a scording to NMOCD guidelines [est of my knowledge an	d belief. I further certify that any pit or below- n (attached) alternative OCD-approved plan
0100 10	The state of the s		
Type or print name R. A. Schwering For State Use Only	· · · · · · · · · · · · · · · · · · ·	ras.rdt@mindspring.com	U 3 1 2006
APPROVED BY: / / / / / / Conditions of Approval (if any):	TITLE		The state of the s
RA Schwering, PE: Operations		ur Sullivan: Pum	per Du 2006
PHONE: (303) 716-3200 FAX: (303) 716-5780	Cell: Home:	(505) 320-198 (505) 632-912	COLOCKLOW, O
Colo. Cell: (303) 919-6826	Home.	(303) 032-712	CLCOMEDIV. 6
NM Cell: (505) 947-3072			OL 200 RECENTOR OF THE COLORS
			P Canada



Proposed Plug Sizes & Coverages:

Nacimiento	Ojo Alamo	Fruitland	Pictured Cliffs	Mesaverde	Gallup						Surface Shoe	Nacimiento	Ojo Alamo	Kirtland	Fruitland	Pictured Cliffs	Chacra	Mesaverde	Gallup	Gallup Perfs			Тор:
815	1660	1950	2240	3825	5408						233	815	1660	1795	1950	2240	3110	3825	5408	5655-6071			Depth:
ÇŖ	SR	CR	0	0	CR						SR	SR	SR		윘				SR	CIBP			TOOL: Depth:
815	1680	1950	2290	3875	5408						233	815	1680		1950				5408	5650			_
7.875"	7.875"	7.875"			9.75"		_					7.875"	7.875"	_	7.875"				9.75"		\downarrow	\downarrow	Hole:
3.15	6.42	7.55	8.86	15.00	20.93	Volume In Tubing						0.2278	0.2278		0.2278				0.4080			Cu.Ft/Ft	OD Factor:
3.3	3.3	3.3			3.3	Sx. Below CR						50.41	53.52		54.91				64.56				Sx. OD:
11.29	8.18	16.79			7.14	Sx. In Tbg. Above CR						66.542576	70.640391		72.485989				85.2192				Cu. Ft.:
2.65	1.92	3.95			1.68	Bbl. Cement In Tbg						292.1145825	310.1035361		318.2055105				208.8506813			Fill-Up:	Annular
0.50	4.50	3.60	8.10	11.20	19.25	Displacement @ Sting-Out or @ Balance	4-1/2"	4-1/2"	4-1/2"		283	865	1680		2000	2290		3875	5458	5650		Spot Bottom:	Squeeze
15.28	15.28	17.63	2.82	14.11	17.63	Slurry Volume	11.6#	11.6#	11.6#		Surface*	573	1370		1682				5249			Slurry:	Top OD
9.75000	9.75000	11.25000	1.80000	9.00000	11.25000	Mix Water	3.98757	0.02372	0.08672			0.08720	0.08720		0.08720	0.08720		0.08720	0.08720	0.08720		Cu.Ft/Ft	ID Factor:
			196.3268715	981.6343573		Feet In & Out @ Balance	ō	Cu. Ft./Ft.	Cu. Ft./Ft.			14.59	11.48		20.09	12		60	10.44	4			Sx. ID:
85.8	85.8	99	15.84	79.2	99	Slurry Volume Cu. Ft.		Wall	ID			19.25742	15.15961		26.51401	15.84		79.2	13.7808	4.72			Cu. Ft.:
								TOTAL Sx. Used =		*Cem		220.842	173.8487		304.0598	181.6514		908.2569	158.0367	54.12844		Fill-Up:	Inside
			7	10		Balance Plug STOP Displace		Used =		*Cement Volume As Needed To Circ. To Surface		644	1506		1696	2108		2967	5300	5596		Slurry:	Top ID
								436.00		s Needed T	80.00	65.00	65.00		75.00	12.00		60.00	75.00	4.00		Sx.:	Total
Class 'C'	Class 'C'	Class 'C'	Class 'C'	Class 'C'	Class 'C'					o Circ. To	Class 'C'	Class 'C'	Class 'C'		Class 'C'	Class 'C'		Class 'C'	Class 'C'	Portland		Туре	Cement
1.32	1.32	1.32	1.32	1.32	1.32					Surface	1.32	1.32	1.32		1.32	1.32		1.32	1.32	1.18	9	Per Sx	Yield:

DEVELOPMENT TECHNOLOGY LLC KESOURCE

July 27, 2006

AFE RDT-0021

Plug & Abandon Procedure Or P&A Well Salazar 'G' Fed. Com. 21-#1 API#: 30-039-23051 1650' FNL & 1850' FEL, Unit G Section 21, T. 25 N., R. 6 W., Rio Arriba County, NM

CASING DETAILS: 4-1/2" 11.6# K-55 8rd. ST&C Casing: Surf. to 6170'. FC @ 6128". PBD @ 5949' (7/2006) & Prev. 6110' (1/2006).

CEMENTING DETAIL:

TOC: 1st Stage:

5590': CBL

200 sx. Class 'H' Cement + 2% Gel: @ 1.22 cf/sx @ 15.4 PPG.

Holiday: 5590' to 4960'.

Stage Collar:

4448' – 4450'.

TOC: 2nd Stage:

2795': CBL.

Tail Slurry: 100 sx. Class 'H' Cement + 2% Gel: @ 1.22 cf/sx @ 15.4 PPG.

Lead Slurry: 700 sx. of Class 'B' + 2% Na-Meta-Sillicate @ 2.06 cf/sx @ 12.5 PPG

Holiday: 2795' to 2280'.

Squeeze Cement @ Split Casing: 2,280' to 2,150': CBL.

3 Squeezes: 130 sx. (50+50+30) Class 'H' Cement + 1% CaCl2: @ 1.05 cf/sx @ 16.4 PPG.

COMPLETION DETAILS:

Upper Gallup: 5708' - 5780': 22 Holes:

5708'-5714': 4 Holes: 1SP2F 5721'-5729': 5 Holes: 1SP2F 5753'-5765': 7 Holes: 1SP2F 5776'-5780': 3 Holes: 1SP2F

Spot 250 Ga. 15% HCl & Break Down Individual Perfs. Pre-Frac

Frac w/ 42.8k# 20/40 Mesh Sand + 770 STBO

Middle Gallup: 5859' - 5928': 20 Holes:

5859'-5871': 7 Holes: 1 SP2F 5884'-5900': 9 Holes: 1 SP2F 5922'-5928': 4 Holes: 1 SP2F

Spot 250 Ga. 15% HCl & Break Down Individual Perfs. Pre-Frac

SCREEN-OUT Frac w/ 33k# 20/40 Mesh Sand + 1.1 MMCF N2 + 317 BW 2% Slick KCl

Lower Gallup: 5987' - 6071': 23 Holes:

5987'+5989'; 5996'+5998'; 6003'+6005': 6 Holes: 1 SP2F

6019'-6027': 5 Holes: 1 SP2F 6033'-6043': 6 Holes: 1 SP2F 6061'-6071': 5 Holes: 1 SP2F

Spot 250 Ga. 15% HCl & Break Down Individual Perfs. Pre-Frac

Frac w/ 121k# 20/40 Mesh Sand + 2.875 MMCF N2 + 723 BW 2% Slick KCl

History:

Hole In Casing: @ Unknown Depth.

Holes in Tubing: 1992 + 1996 Clean-Out Fill to PBD: 1997. KB = 11': Bottom @ 6092'.

ALWAYS HAVE A SEATING NIPPLE ON THE TUBING.

THIS WELL HAS HAD TRACE AMOUNTS OF H2S AT THE SURFACE.

HAVE H2S SAFETY & FIRE PREVENTION SAFETY ADDRESSED DAILY IN SAFETY MEETINGS WHILE WORKING ON THIS WELL.

- 1. RU A-Plus WL Unit. Safety Meeting. RIH & Set CIBP @ 5650': Isolate Gallup Perfs. NOTE: DV Tool @ 4947' 4950' & Collars @ 5672' & 5632'. Dump Bail 4 Sx. Portland Cement (Yield 1.18 CF/Sx.) on CIBP: Est TOC @ 5596'. Perforate 3 Squeeze Holes @ 5458' (50' Below TO Gallup Fm. @ 5408'). RD WL Unit.
- 2. PU Cement Retainer on Tubing & RIH & Set Tool @ 5408' (Avoid Collars @ 5391' & 5431'). Sting-Out of Retainer & Circ. 1 Barrel or enough to confirm circulation. Sting-In & Est. Injection Rate & Pressure.

 Discuss FINAL Procedure with RAS after determining Injection Rate & Pressure.

COVER GALLUP FM. TOP @ 5408':

Hold a Final Safety & Planning Meeting. Current Plan: Sting-Out & Mix & Pump 14 Bbl. of Class 'C' Cement & Sting-In to Retainer & Fin. Mix & Pump Remaining 3.63 Bbl. Class 'C' Cement (Total of 75 sx. Class 'C' Cement: 17.63 Bbl. of Slurry @ 14.8 PPG @ 1.32 CF/Sx. = 99 Cu. Ft. Cement: Requires 11.25 Bbl. Mix Water).

Displace w/ 19.25 Barrels of Fresh Water & Sting-Out Leaving 7.14 sx. Cement (108' Cement: Est. Top @ 5300') Above Cement Retainer w/ 3.30 sx. Cement Inside Casing Below Retainer @ 5408' to Squeeze Holes @ 5458' & Est. 64.56 sx. Cement Outside Casing Est. @ 5249' to 5458' (209' of Coverage: 50' Below & 159' Above TO Gallup Fm.: Based on Calipered 9.75" OD Hole from Density Log in Hole-Casing Annulus).

POOH. Wait till next morning.

3. RIH & Tag Plug @ 5300'. LD Tubing to 3875' or slightly deeper. Circ. 1 Barrel or enough to confirm circulation.

FINISH COVER MESAVERDE FM. TOP @ 3825' & CHACRA FM. TOP @ 3110':

Hold a Final Safety & Planning Meeting.

Mix & Pump 60 sx. Class 'C' Cement (14.1 Bbl. Slurry @ 14.8 PPG @ 1.32 CF/Sx. = 79.2 Cu. Ft. Cement: Requires 9 Bbl. Mix Water). Cover Inside 2967' to 3875'.

Displace with 10 Bbl. Fresh Water & POOH. Wait 4 Hours.

4. RIH & Tag Plug @ 2967'. LD Tubing to 2290' or slightly deeper. Circ. 1 Barrel or enough to confirm circulation.

FINISH COVER PICTURED CLIFFS FM. TOP @ 2240':

Hold a Final Safety & Planning Meeting.

Mix & Pump 12 sx. Class 'C' Cement (2.82 Bbl. Slurry @ 14.8 PPG @ 1.32 CF/Sx. = 15.84 Cu. Ft. Cement: Requires 1.5 Bbl. Mix Water). Cover Inside 2108' to 2290'.

Displace with 7 Bbl. Fresh Water & POOH. Wait till next morning.

- 5. RIH w/ Tubing & Tag Plug @ 2108'. POOH.
- 6. RU A-Plus WL Unit. Safety Meeting. Perforate 3 Squeeze Holes @ 2000' (50' Below TO Gallup @ 5408'). RD WL Unit.
- 7. PU Cement Retainer on Tubing & RIH & Set Tool @ 1950' (Avoid Collars @ 1930' & 1970'). Sting-Out of Retainer & Circ. 1 Barrel or enough to confirm circulation. Sting-In & Est. Injection Rate & Pressure.

 Discuss FINAL Procedure with RAS after determining Injection Rate & Pressure.

COVER FRUITLAND FM. TOP @ 1950' & KIRTLAND FM. TOP @ 1795':

Hold a Final Safety & Planning Meeting. Current Plan:

Sting-Out & Mix & Pump 14 Bbl. of Class 'C' Cement w/ 1% CaCl2 & Sting-In to Retainer & CHAIN DOWN TUBING & Fin. Mix & Pump Remaining 3.63 Bbl. Class 'C' Cement (Total of 75 sx. Class 'C' Cement w/ 1% CaCl2: 17.63 Bbl. of Slurry @ 14.8 PPG @ 1.32 CF/Sx. = 99 Cu. Ft. Cement: Requires 11.25 Bbl. Mix Water).

Displace w/ 3.60 Barrels of Fresh Water & Sting-Out Leaving 16.85 sx. Cement (304' Cement: Est. Top @ 1696') Above Top of Retainer w/ 3.30 sx. Cement Inside Casing Below Retainer @ 1950' to Squeeze Holes @ 2000' & Est. 54.91 sx. Cement Outside Casing Est. @ 1682' to 2000' (318' of Coverage: 50' Below TO Fruitland Fm. & 112' Above TO Kirtland Fm. Outside Casing: Based on 7.875" OD Hole).

POOH. Wait 4 Hours. RIH & LD Excess Tubing out of Derrick.

- 8. RIH & Tag Plug 1696'. POOH.
- 9. RU A-Plus WL Unit. Safety Meeting. Perforate 3 Squeeze Holes @ 1680'(20' Below TO Ojo Alamo Fm. @ 1660' & 15' above Inside Plug). RD WL Unit.
- 10. PU Cement Retainer on Tubing & RIH & Set Tool @ 1630' (Avoid Collars @ 1608' & 1648'). Sting-Out of Retainer & Circ. 1 Barrel or enough to confirm circulation. Sting-In & Est. Injection Rate & Pressure.

Discuss FINAL Procedure with RAS after determining Injection Rate & Pressure.

COVER OJO ALAMO FM. TOP @ 1660':

Hold a Final Safety & Planning Meeting. Current Plan:

Sting-Out & Mix & Pump 13 Bbl. of Class 'C' Cement w/ 1% CaCl2 & Sting-In to Retainer & CHAIN DOWN TUBING & Fin. Mix & Pump Remaining 3.46 Bbl. Class 'C' Cement (Total of 65 sx. Class 'C' Cement w/ 1% CaCl2: 15.28 Bbl. of Slurry @ 14.8 PPG @ 1.32 CF/Sx. = 85.8 Cu. Ft. Cement: Requires 9.75 Bbl. Mix Water).

Displace w/ 4.50 Barrels of Fresh Water & Sting-Out Leaving 8.18 sx. Cement (154' Cement: Est Top @ 1506') Above Retainer w/ 3.30 sx. Cement Inside Casing Below Retainer @ 1630' to Squeeze Holes @ 1680' & Est. 53.52 sx. Cement Outside Casing @ 1370' to 1680' (310' of Outside Coverage: 20' Below TO Ojo Alamo Fm. & 290' Above TO Ojo Alamo Fm. Outside Casing: Based on 7.875" Hole).

POOH. Wait till next morning.

11. RIH & Tag Plug @ 1506'. LD Tubing to 815'.

- 12. RU A-Plus WL Unit. Safety Meeting. Perforate 3 Squeeze Holes @ 865' (50' Below TO Nacimiento Fm. @ 1660'). RD WL Unit.
- 13. PU Cement Retainer on Tubing & RIH & Set Tool @ 815' (Avoid Collar @ 805'). Sting-Out of Retainer & Circ. 1 Barrel or enough to confirm circulation. Sting-In & Est. Injection Rate & Pressure. Discuss FINAL Procedure with RAS after determining Injection Rate & Pressure.

COVER NACIMIENTO FM. TOP @ 815':

Hold a Final Safety & Planning Meeting. Current Plan: Sting-In Retainer & CHAIN DOWN TUBING & Mix & Pump 15.28 Bbl. Class 'C' Cement (Total of 65 sx. Class 'C' Cement w/ 2% CaCl2: 15.28 Bbl. of Slurry @ 14.8 PPG @ 1.32 CF/Sx. = 85.8 Cu. Ft. Cement: Requires 9.75 Bbl. Mix Water).

Displace w/ 0.5 Barrels of Fresh Water & Sting-Out Leaving 11.29 sx. Cement (171' Cement: Est. Top @ 644') Above Retainer w/ 3.30 sx. Cement Inside Casing Below Retainer @ 815' to Squeeze Holes @ 865' & Est. 50.41 sx. @ 573' to 865' (292' of Outside Coverage: 50' Below TO Nacimiento Fm. & 242' Above TO Nacimiento Fm. Outside Casing: Based on 7.875" Hole).

POOH. Wait 4 Hours.

- 14. RIH & Tag Plug @ 644'. LD Tubing to 288'.
 - 15. RU A-Plus WL Unit. Safety Meeting. Perforate 3 Squeeze Holes @ 283' (50' Below Reported Surface Casing Shoe). RD WL Unit.
 - 16. PU Cement Retainer on Tubing & RIH & Set Tool @ 233' (Avoid Collar @ 242'). Sting-Out of Retainer & Circ. 1 Barrel or enough to confirm circulation. Sting-In & Est. Circulation. Discuss FINAL Procedure with RAS after determining Injection Rate & Pressure.

FILL CASING ANNULUS AND ID TO SURFACE COMPLETELY FROM 283':

Hold a Final Safety & Planning Meeting. Current Plan:

Sting-In Retainer & CHAIN DOWN TUBING & Mix & Pump Class 'C' Cement until Good Cement Returns out Braden-Head. Sting-Out and POOH. Wash Pump & Lines to Pits. NDBOPE. RIH & Circ. Cement to Surface. POOH & LD Remaining Tubing. Top Fill Casing.

Est. 80 sx. Class 'C' Cement: 18.80 Bbl. of Slurry @ 14.8 PPG @ 1.32 CF/Sx. = 105.6 Cu. Ft. Cement: Requires 12 Bbl. Mix Water).

RD MO PU. Have Welder Cut-Off Anchors & Casing below Surface Casing Flange. Install P&A Marker to comply with NMOCD Regulations. Finish Location Reclamation.

RA Schwering Operations Manager & RDT

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