District III 1301 W Grand Ave., Artesia, NM 88210 1220 South St. Francis Dr.	5. Indicate Type of Lease STATE FEE
1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S St Francis Dr., Santa Fe, NM	6. State Oil & Gas Lease No.
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH	7. Lease Name or Unit Agreement Name Leonard Johnson
PROPOSALS) I. Type of Well: Oil Well	8. Well Number 2
2. Name of Operator Minel, Inc.	9. OGRID Number 014948
3. Address of Operator 15 Vista Cliff Place; Richardson, TX 75080	10. Pool name or Wildcat Blanco Pictured Cliffs South
4. Well Location	1050 6 46 41 5
Unit Letter G: 1850 feet from the N line Section 7 Township 25 N Range 3 V	and 1850 feet from the E line NMPM Rio Arriba County
11. Elevation (Show whether DR, RKB, RT, 7150' GL	
Pit or Below-grade Tank Application □ or Closure □ Pit type Depth to Groundwater Distance from nearest fresh water well	Distance from persect surface water
	bbls; Construction Material
12. Check Appropriate Box to Indicate Nature of N	
TEMPORARILY ABANDON CHANGE PLANS COMMEN	SUBSEQUENT REPORT OF: AL WORK ALTERING CASING NCE DRILLING OPNS. P AND A CEMENT JOB
OTHER:	
13. Describe proposed or completed operations. (Clearly state all pertinent deta of starting any proposed work). SEE RULE 1103. For Multiple Completion or recompletion.	
Minel, Inc. plugged and abandoned this well on 10/17/05 as per the attached we	ell work summary
	DEC 2005 RECEIVED DIST. 3
I hereby certify that the information above is true and complete to the best of my k grade tank has been/will be constructed or closed according to NMOCD guidelines , a general SIGNATURE	nowledge and belief. I further certify that any pit or below- permit or an (attached) alternative OCD-approved plan . DATE 12/9/05
	,
Type or print name John Cayias E-mail address: john.ca	ity Oil & Gas Inspector,
APPROVED BY: / GULLA CURLLINA TITLE	District #3 DATE 9/20/07
Conditions of Approval (if any):	ß

Minel, Inc. Plug and Abandonment Report

Well Name: Leonard Johnson No. 2

API Well No.: 30-039-06086

Formation: Blanco Pictured Cliffs South

Lease Name: Fee Lease

Location: 1850' FNL & 1850' FEL, S7, T25N, R3W, NMPM, Rio Arriba Co., NM

Cementing Summary:

7

Plug #1 with 50 sxs Type III cement w/ 2% CaCl₂ inside casing from 3697' to 3337' to fill Pictured Cliffs perforations and to cover Fruitland, Kirtland and Ojo Alamo tops.

Plug #1A with 25 sxs Type III cement inside casing from from 3337' to 2973' to fill Pictured Cliffs perforations and to cover Fruitland, Kirtland and Ojo Alamo tops.

Plug #2 with CR at 1963', mix 32 sxs Type III cement, squeeze 26 sxs outside 4½" casing from 2015' to 1855' and leave 6 sxs inside casing to 1865' to cover Nacimiento top.

Plug #3 with 84 sxs Type III cement inside casing. Truck ran out of cement. Displaced w/ 2 bbls of water to 123'. Circulated good cement out the bradenhead.

Plug #4 with tubing at 164' and casing open, spotted 8 sxs Type III cement inside 4½" casing from 164' to surface. Shut casing valve and squeezed 25 sxs Type III cement at 250# pressure.

Work Summary:

Notified OCD on P&A 10/13/05

10/10/05 MOL held safety meeting and RU. ND wellhead. NU BOP. Pulled donut through BOP. Tubing free. Land donut. Shut in well and SDFD.

10/11/05 Held safety meeting. Checked pressures: 0# on tubing and casing. Pulled donut and LD 112 joints 1" tubing. RIH with 113 joints 2.375" tubing to 3690'. Attempt to work scraper through. POH with tubing. LD scraper. PU 3.5" DHS bailer. RIH with 113 joints tubing and tag at 3697'. Work bailer. Unable to make any footage. PUH with tubing. 6' of sand in tubing. Shut in well and SDFD.

10/12/05 Held safety meeting. Checked pressures: 0# tubing and casing. PU 4-1/2" full bore packer. RIH w/ 107 jts tubing, set packer @ 3500'. Loaded casing w/ 13 bbl of water. Attempted to pressure test casing, leak 3 bpm @ 500#. Released packer, PUH to 3000' reset packer, loaded casing w/ 4 bbl water and pressure tested casing, leak 2 bpm @ 250#. Released packer, PUH to 2500' reset packer, loaded casing w/ 2.5 bbl water and pressure tested casing, leak 2 bpm @ 250#. Established circulation out the bradenhead. PUH pressure testing casing every 500' w/ same results. POH w/ tubing and packer. Decision by Minel, Inc. to plug well. Shut in well and SDFD.

Notified OCD and received verbal approval from Steve Hayden for P&A and procedure change on plug #1. Held safety meeting. Checked pressure: 0# on tubing and casing. RIH w/ 113 jts open end tubing to 3697'. Load well w/ 8 bbls water and circulate clean w/ 65 bbls water. Plug #1 mix and pump 50 sxs (66 cf) Type III cement w/ 2% CaCl₂ from 3697' to 2973' TOC. PUH and WOC. RIH w/ tubing and tag TOC @3337'. Load hole w/ 3 bbl. Plug #1A mix and pump 25 sxs (33 cf) class B cement from 3337' to 2973'. POH, shut in well and SDFD.

10/14/05 Held safety meeting. Checked pressure: 0#. RIH with tubing and tagged tag cement at 3128'. POH. Perforate 3 holes at 2015'. RIH with 4½" DHS CR and set at 1963'. Load casing with 4 bbl water and establish circulation through CR 1

bpm at 1000#. **Plug #2** mix and pump 32 sxs (42 cf) Type III cement squeeze 26 sxs outside the casing and leave 6 sxs inside the casing up to 1865'. PUH and WOC. RIH with tubing and tag cement at 1855'. TOH and LD all tubing. Perforate 3 holes at 150'. Load casing w/ 5 bbl water and establish circulation out the bradenhead. Circulate well clean with an additional 30 bbl water. **Plug #3** with 84 sxs Type III cement (111 cf) inside casing. Truck ran out of cement. Displace with 2 bbl water to 123'. Circulate good cement out the bradenhead. Shutin well and SDFD.

10/17/05

Held safety meeting. Checked pressures: 0#. RIH with tubing and tagged cement at 164'. Tagged cement in casing at 164', below squeeze holes at 150'. Pumped 20 bbl water down tubing with casing shut-in. 1 bpm at 250# with no circulation out the bradenhead. Plug #4 with tubing at 164' and casing open, spot 8 sxs (11 cf) Type III cement inside 4.5" casing from 164' to surface. Shut casing valve and squeeze 25 sxs (33 cf) Type III cement at 250# pressure. TOH and LD all tubing. Shut in well. ND BOP. Dig out and cut off wellhead. Found cement at surface in the 4.5" casing. Mix 10 sxs cement and install P&A marker. RD and MOL.

Leonard Johnson No. 2 Plug and Abandonment Well Drawing

Blanco Pictured Cliffs South Formation SW¼NE¼ S7, T25N, R3W, NMPM, Rio Arriba Co., NM

Lease: Fee Lease
Spud Date: 9/1/1964
Completed: 9/12/1964
Elevation: 7150' GL

12" hole

Nacimiento @ 1965'

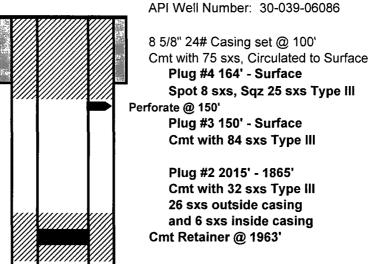
Ojo Alamo @ 3250'

Kirtland @ 3400'

Fruitland @ 3495'

Pictured Cliffs @ 3686'

6 3/4" hole



Perforate @ 2015'

TOC @ 2821' (Calc. 75%)

Plug #1A 3397' - 2973' Cmt with 25 sxs Type III

Plug #1 3697' - 3337' Cmt with 50 sxs Type III

Pictured Cliffs Perforations: 3686' - 3716' 2 shots/ft 3730' - 3745' 2 shots/ft

4 1/2" 9.5#, Casing set @ 3782' Cmt with 150 sxs (176 cf)