

Submit 3 Copies To Appropriate District Office
District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-039-05238
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E 1207
7. Lease Name or Unit Agreement Name NCRA State
8. Well Number #6
9. OGRID Number 2096
10. Pool name or Wildcat Ballard Pictured Cliffs

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Benson-Montin-Greer Drilling Corp.	
3. Address of Operator 4900 College Blvd, Farmington, NM 87402	
4. Well Location Unit Letter I : 1816 feet from the South line and 990 feet from the East line. Section 36 Township 24N Range 6W NMPM County Rio Arriba	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6829' GL	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P. AND A. <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

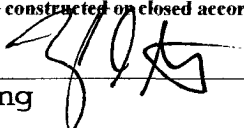
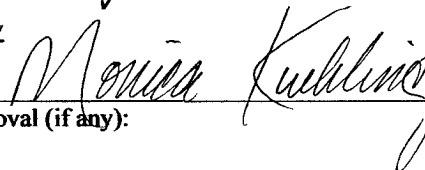
See attached Plug and Abandonment Report.

RCVD APR 2 '08

OIL CONS. DIV.

DIST. 3

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Zach Stradling Type or print name For State Use Only		TITLE Engineer zstradling@bmgsdrilling.com E-mail address:	DATE 4/1/08 505-325-8874 Telephone No.
APPROVED BY: Conditions of Approval (if any):		Deputy Oil & Gas Inspector, District #3	DATE 5-6-08

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

Farmington, New Mexico 87499

505-325-2627 * fax: 505-325-1211

BMG Drilling Corporation

NCRA State #6

August 20, 2007

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1816' FSL & 990' FEL, Section 36, T-24-N, R-6-W

Lease Number: E 1207

Rio Arriba County, NM

API #30-039-05238

Plug & Abandonment Report

Work Summary:

- 8/13/07 MOL and RU. Check well pressure: tubing and casing, 60 PSI; bradenhead valve rusted shut. RU relief lines to earth pit. Blow well down. Attempt to remove bradenhead. Valve broken off at nipple, no pressure. Screw off 8.625" wellhead cap and screw on companion flange. NU BOP, test. PU and release tubing hanger. TOH and LD 68 joints 1.25" IJ tubing, heavy scale. RIH with 5.5" gauge ring to 2250'. RIH with 5.5" PlugWell CIBP and set at 2246'. Shut in well. SDFD.
- 8/14/07 TIH with 71 joints 2.375" A-Plus workstring and tag CIBP at 2246'. Load hole with 17 bbls of water and establish circulation out casing. Circulate clean with additional 33 bbls of water. Attempt to pressure test 5.5" casing, leak 2 bpm at 200 PSI.
Plug #1 with CIBP at 2246', spot 50 sxs Type III cement (66 cf) inside casing from 2246' to 1765' to isolate the Pictured Cliffs interval and cover the Fruitland and Kirtland tops. PUH and WOC. TIH with tubing and tag cement at 2127'. Cement fell 362'. Load casing with water and noticed black dirty water returns. Circulate well clean with 70 bbls of water; coal chunks in returns.
Plug #1a spot 38 sxs Type III cement (51 cf) inside casing from 2127' to 1761' to cover the Fruitland and Kirtland tops. PUH with tubing. Shut in well. SDFD.
- 8/15/07 TIH with tubing and tag cement at 1778'. TOH with tubing. Load casing with water. Attempt to pressure test, leak 2 bpm at 400 PSI with blow out bradenhead. Perforate 3 holes at 1760. TIH with 5.5" DHS CR and set at 1710'. Load casing with 2 bbls of water. Attempt to pressure test casing, establish rate 2 bpm at 400 PSI with blow out bradenhead. Sting into CR. Unable to establish rate into squeeze holes. Pressured up to 2000 PSI and held. Henry Villanueva, NMOCD, approved procedure change (perforation 30' above CR, run packer to get rate into hole and test casing from 200' to surface). TOH and LD tubing. Perforate 3 holes at 1680'. TIH with 5.5" DHS packer on 2.375" tubing; stacked out at 605'. Unable to get deeper. Set packer and test casing from packer to squeeze holes at 1680'. Establish rate 2 bpm at 400 PSI. Got communication out casing. Yo-yo packer to isolate several holes in casing from 605' to 166'. Casing tested from 166' to surface at 800 PSI. TIH with 5.5" DHS CR and set at 1653'. Attempt to establish rate into squeeze holes below CR at 1680', held at 2000 PSI. TOH with tubing. TIH open-ended to 1653' and tag CR. Load casing with water.
Plug #2 with CR at 1653', mix and pump 127 sxs Type III cement (168 cf) inside casing from 1653' to 430' in two stages to cover the Ojo Alamo top and the 8.625" casing shoe. Plug #2 approved by Henry Villanueva, NMOCD. TOH and LD all tubing. Shut in well. SDFD.

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Work Summary – Continued:

8/16/07 TIH with 2.375" tubing and tag cement at 539'. TOH and LD tubing. Load casing with 4 bbls of water. Attempt to pressure test, leak 2 bpm at 400 PSI. Had small blow out bradenhead valve, then stopped after 40 bbls. Pumped an additional 15 bbls of water with no blow or circulation out bradenhead. TIH with 5.5" PlugWell CIBP and set at 160'. Perforate 3 holes at 150'. Load hole with 2 bbls of water and establish circulation out casing. Circulate well clean with additional 18 bbls of water. Establish rate 2 bpm at 250 PSI.

Plug #3 mix and pump 47 sxs Type III cement (62 cf) down 5.5" casing from 150' to surface, circulate good cement out bradenhead.

Dig out wellhead. Issue Hot Work Permit. Open well. Had pressure and cement flow. Shut in well. Procedure change approved by Henry Villanueva, NMOCD (leave shut in overnight). SDFD.

8/17/07 Remove casing and bradenhead valves. Showed cement (solid). ND BOP and remove companion flange. Chip out cement from BOP / flange. Issue Hot Work Permit. Cut off wellhead. Had to chip out cement from 8.625" and 5.5" casings. Mix 25 sxs Type III cement and install P&A marker. RD. MOL.

H. Villanueva, NMOCD representative, was on location.