Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

R	C	1	1	/ <u>C</u>		No
		 	15	Leas	e Serial	No

FORM APPROVED OMB No. 1004-0137

Expires: July 31, 2010

മൂം - 9002-1126 AUG 15 SUNDRY NOTICES AND REPORTS ON WELLS If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enterage Lang Management abandoned well. Use Form 3160-3 (APD) for such proposals gion Field Office Mary) SUBMIT IN TRIPLICATE – Other instructions on page 7. If Unit of CA/Agreement, Name and/or No. 1 Type of Well Well Name and No. Oil Well Other Gas Well Sureau of Land Hariegement Nassau Texaco 11 #1 2. Name of Operator Running Horse Production Co. 9. API Well No 30-045-28367 3b. Phone No. The anguare of Colorado 3a. Address 10. Field and Pool or Exploratory Area PO Box 369 Ignacio, CO 81137 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. Country or Parish, State San Juan County, NM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Other Casing Repair New Construction Recomplete ✓ Subsequent Report Change Plans ✓ Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal 13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.) See Plugging summary attached **RCVD AUG 19'08** OIL CONS. DIV. DIST. 3 7/22/08 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) J. Dusty Mars Title Engineer II Date 08/04/2008 Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by **Fitle**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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

Office

entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

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

Running Horse Production Company

July 22, 2008 Page 1 of 1

Nassau Texaco 11 #1

1180' FNL & 1280' FEL, Section 11, T-26-N, R-12-W

San Juan County, NM

Lease Number: NOG-9002-1126

API #30-045-28367

Plug & Abandonment Report

Notified BLM on 7/18/08

Plugging Summary:

07/21/08 Wait on dozer from Consolidated Constructors to pull rig up sandy hill. MOL and RU. Check well pressure: tubing, 10 PSI; casing, 90 PSI; bradenhead, 0 PSI. Lay relief lines. PU on rods. Unseat pump. LD 48 rods, 1 pump. Strip off wellhead. NU BOP and companion flange. TOH and tally 34 joints 2.375" tubing, 1073' total. LD 4 joints 1 – 12' sub, and 1 tubing pump barrel. PU 4.5" casing scraper. Had to work scraper through welded-on 4.5" casing extension. TIH with tubing to 1073'. TOH and LD scraper. Shut in well. SDFD.

07/22/08 Check well pressure: casing, 60 PSI; bradenhead, 0 PSI. Blow down well. TIH with 4.5" DHS CR and set at 1053'. Load hole with ½ bbl and attempt to pressure test bradenhead. Unable to pressure test; found pin hole below 7" casing collar. Pressure test tubing to 1000 PSI, held OK. Sting out of CR. Load casing with 25 bbls of water and circulate clean. Pressure test casing to 800 PSI, held OK.

Plug #1 with CR at 1053', spot 20 sxs Class G cement (23 cf) inside casing from 1053' up to 790' to isolate the Pictured Cliffs / Basin Fruitland Coal intervals and cover the Fruitland top.

PUH to 378'. Load casing with 2 bbls of water.

Plug #2 mix and pump 42 sxs Class G cement (49 cf) inside casing from 378' to surface to cover the Kirtland top, circulate good cement out the casing valve. TOH and LD all tubing. ND BOP. Dig out wellhead. Issue Hot Work Permit. Cut off wellhead. Found cement down 15' in the 4.5" casing; annulus full of water. Mix 15 sxs Class G cement and install P&A marker. RD and MOL.

A - PLUS WELL SERVICE, inc.

P.O. BOX 1979 FARMINGTON, NM 87499 505-325-2627 • FAX: 505-325-1211

PLUGGING CONTROL WORKSHEET

Company: Running House Prod.	Start Work: 7-21-08							
Well Name: NASSAU TEXACO / 1 #	Job Complete: <u>7-22-08</u>							
Purpose: To compare Proposed Plugging Plan (Sundry Procedure) To Actual Work								
Complete For Each Plug Set:								
************************	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~							
•								
Date and Time Plug Set: 8.00 H. M	1 on 7-22-08 Initials: BR							
Dh # /	Actual Work Done:							
From: 1066 To: 850 With: 19 eys coment	Plug # / From: 1053 To: 850 With: 20 eye coment							
From: 1066 10: 850	From: <u>7053</u> To: <u>830</u>							
Widt and contain	VVIIII. SAS CONTONE							
Perforate: No or at	Perforate at: (noies)							
CIBP: No or at	CIBP set at: sxs Under							
Cement Rt: Y No or at 1066	Cement Rt set at: 1033; sxs Under							
Data Durandana ay 1 Astrol Assay A	20 sxs Above; sxs Into Annulus							
Does Procedure and Actual Agree ?Yes	<u> </u>							
It No, Why Changes? die to the	- fully							
Changes Approved By (Include Time and Da	te):							
***************	**********							
Date and Time Plug Set: 9:00 A.m	Actual Work Done:							
Sunary Procedure:	Actual Work Dones							
51 · A	Actual Holk Bolle.							
Plua# 2	Plug #2							
Plug# 2 From: 320 To: Surface	Plug # 2 From: 377 To: 5 - 7							
Plug # 2 From: 320 To: Surface With: 25 sxs cement	Plug # 2 From: 377 To: 5 cm/2 With: 42 sxs cement							
Plug # 2 From: 320 To: Surface With: 25 sxs cement Perforate: No or at	Plug #							
Plug # 2 From: 320 To: Surface With: 25 sxs cement Perforate: No or at CIBP: No or at	Plug # 2 From: 377 To: 5 cm/2 With: 42 sxs cement Perforate at: (holes)							
Plug # 2 From: 320 To: Surface With: 25 sxs cement Perforate: No or at	Plug # 2 From: 377 To: 5 cm/. With: 42 sxs cement Perforate at: (
Plug # To: Surface With: Sxs cement Perforate: No or at CIBP: No or at Cement Rt: No or at	Plug # 2 From: 377 To: 5 conf. With: 42 sxs cement Perforate at: (holes) CIBP set at: Cement Rt set at:; sxs Under sxs Above; sxs Into Annulus							
Plug # To: Surface From: 320 To: Surface With: 25 sxs cement Perforate: No or at CIBP: No or at Cement Rt: No or at Does Procedure and Actual Agree ?Yes	Plug # To: 5 With: sxs cement Perforate at: (holes) CIBP set at: ; sxs Under sxs Above; sxs Into Annulus No							
Plug # To: Surface With: Sxs cement Perforate: No or at CIBP: No or at Cement Rt: No or at	Plug # To: 5 With: sxs cement Perforate at: (holes) CIBP set at: ; sxs Under sxs Above; sxs Into Annulus No							
Plug #	Plug # 2 From: 377 To: 5cm/. With: 42 sxs cement Perforate at: (holes) CIBP set at: sxs Under sxs Above; sxs Into Annulus No							
Plug # To: Surface	Plug # 2 From: 377 To: 5 cm/. With: 42 sxs cement Perforate at: (_ holes) CIBP set at: Cement Rt set at:; sxs Under sxs Above; sxs Into Annulus No							
Plug # To: Surface	Plug # 2 From: 377 To: 5cm/. With: 42 sxs cement Perforate at: (holes) CIBP set at: sxs Under sxs Above; sxs Into Annulus No							
Plug # To: Surface	Plug # 2 From: 377 To: 5							
Plug #	Plug #							
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Plug # To: Surface From: 320 To: Surface With: 25 sxs cement Perforate: No or at CIBP: No or at Cement Rt: No or at Does Procedure and Actual Agree ?Yes If No, Why Changes? Changes Approved By (Include Time and Da ***********************************	Plug #							
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Plug # To:	Plug #							

If No, Why Changes? _

Changes Approved By (Include Time and Date):