Form 3160-5 (September 2001)

Final Abandonment Notice

UNITED STATES DEPARTMENT OF THE INTERIOR

Change Plans

Convert to Injection

FORM	APPROVED
OMB N	lo. 1004-0135
Expires J	anuary 31, 200

À	Expires Jar	Expires January 31, 2004				
-5.	Lease Serial No.					
	NM-4454	/				

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	BUREAU OF LAND MANAGEMENT	5. Lease Serial No.			
A SUNDRY NOTICES AND REPORTS ON WELLS		NM-4454 /			
Do not use the abandoned we	his form for proposals to drill or to re-enter an ell. Use Form 3160-3 (APD) for such proposals, 1971 - 6	6. 2ff Indian, Allottee or Tribo Name			
SUBMIT IN TR	RIPLICATE - Other instructions on reverse side	7.1 If Unit or CA/Agreement, Name and/or No.			
1. Type of Well					
Oil Well Gas Well Other		8. Well Name and No.			
2. Name of Operator		SCHALK 54 #2A			
SCHALK DEVELOPMENT CO.		9. API Well No.			
3a. Address 3b. Phone No. (include area code)		30-039-22517			
P.O.Box 25825, Albug, NM 87125 (505) 881-6649		10. Field and Pool, or Exploratory Area			
4. Location of Well (Footage, Sec		Blanco Mesa Verde			
1625' FNL & 79	11. County or Parish, State				
		Rio Arriba County, NM			
12. CHECK AI	PPROPRIATE BOX(ES) TO INDICATE NATURE OF NOT	ICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION				
	☐ Acidize ☐ Deepen ☐ Product	ion (Start/Resume)			
Notice of Intent	☐ Alter Casing ☐ Fracture Treat ☐ Reclama	` <u> </u>			
	Casing Repair New Construction Recomp				
3 Subsequent Penort	- Casing Repair - New Construction - Recomp	ucic — Omer			

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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Plug and Abandon

Plug Back

Schalk Development Co. plugged and abandoned this well per the attached procedure on August 21, 2003.

The location will be used for a Fruitland Coal well to be permitted within the next three months.



Temporarily Abandon

☐ Water Disposal

			N. J			
14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)		\$\$\\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\	1 Sieselle			
Steve Schalk	Title	General Manager				
Signature	Date	October 1, 2003				
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
Approved by		Title	Date			
Conditions of approval, if any, are attached. Approval of this notice does not war certify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations thereon.		Office				
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 it acrime for any person knowingly and will acrime for any person knowingly acrime for acr						

(Instructions on reverse)

OCT 2 0 2003

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

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

Schalk Development Company

August 31, 2003

Schalk 54 #2A

Page 1 of 2

1625' FNL & 790' FEL, Section 2, T-30-N, R-5-W Rio Arriba County, NM

Plug & Abandonment Report

Lease Number: NM 4454 API Number: 30-039-22517

Cementing Summary:

- **Plug #1** with retainer at 5556', spot 20 sxs cement inside casing from 5556' to 5272' to isolate the Mesaverde perforations.
- Plug #2 with 15 sxs cement inside casing from 4421' to 4313' to cover the Chacra top.
- Plug #3 first stage, with 30 sxs cement with 2% CaCl₂ inside the casing from 3430' up to 3040' to cover the Pictured Cliffs and Fruitland top; then, PUH to 3040 and reverse circulate well clean with 15 bbls water; second stage, with 45 sxs cement with 2% CaCl₂ inside the casing from 3040' up to 2585' to cover Kirtland and Ojo Alamo tops.
- Plug #3a with spot 45 sxs cement inside casing from 2928' to 2335' to re-cover Kirtland and Ojo Alamo tops.
- Plug #4 with 96 sxs cement (48 sxs with 2% CaCl₂) inside casing from 2112' to 857' to cover Nacimiento top and old casing leak interval.
- Plug #5 with 115 sxs cement pumped down the 4-1/2" casing from 357' to surface, ran out of cement and over displaced with 2.5 bbls of water to circulate good cement out the bradenhead.
- Plug #5a with 16 sxs cement inside casing from 156' to surface, circulate good cement out the casing valve.

Plugging Summary:

Notified BLM 8/18/03

8/15/03 MOL and RU. SDFD.

8/18/03 Held Safety Meeting with Safety Alliance on H₂S. Check well for H₂S, zero ppm. Check well pressures: tubing 100#, casing 195# and bradenhead 105#. Line and fence pit. Layout relief line to pit. RU H₂S monitoring equipment. Blow down well. ND wellhead. NU BOP. Release packer and TOH with 174 joints 2-3/8" tubing, 5614'. LD Model R packer. TIH and set 4-1/2" DHS cement retainer at 5556'. Load tubing with 16 bbls water and attempt to pressure test to 1000#. Drop standing valve and TOH with tubing. Found hole in tubing at 320'. Pressure test tubing below to 1000#, OK. TIH with tubing and pressure test to 1000#. RU sandline and fish standing valve. Shut in well. SDFD.

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Schalk Development Company
Schalk 54 #2A

August 31, 2003 Page 2 of 2

1625' FNL & 790' FEL, Section 2, T-30-N, R-5-W

Plug & Abandonment Report

Rio Arriba County, NM Lease Number: NM 4454 API Number: 30-039-22517

Plugging Summary Continued:

- 8/19/03 HSM. Blow down 10# casing pressure and 75# bradenhead pressure. No H₂S detected. Load casing with 47 bbls of water and circulate well clean with 65 bbls. Plug #1 with retainer at 5556', spot 20 sxs cement inside casing from 5556' to 5272' to isolate the Mesaverde perforations. PUH to 4421'. Plug #2 with 15 sxs cement inside casing from 4421' to 4313' to cover the Chacra top. PUH to 3430'. Plug #3: first stage, with 30 sxs cement with 2% CaCl₂ inside the casing from 3430' up to 3040' to cover the Pictured Cliffs and Fruitland top; then, PUH to 3040 and reverse circulate well clean with 15 bbls water; second stage, with 45 sxs cement with 2% CaCl₂ inside the casing from 3040' up to 2585' to cover Kirtland and Ojo Alamo tops. PUH and WOC. TIH and tag cement below Kirtland and Ojo Alamo tops at 2928'. Attempt to pressure test casing to 500#, leak. Plug #3A with spot 45 sxs cement inside casing from 2928' to 2335' to re-cover Kirtland and Ojo Alamo tops. PUH to 2301' and WOC overnight. Shut in well. SDFD.
- 8/20/03 Open up well. TIH and tag cement at 2112'. Attempt to pressure test casing to 500#, leak. PUH to 1622'. Received procedure change from BLM for plug #4. Plug #4 with 96 sxs cement (48 sxs with 2% CaCl₂) inside casing from 2112' to 857' to cover Nacimiento top and old casing leak interval. PUH to 841' and WOC. TIH and tag cement at 985'. Attempt to pressure test casing to 500#, leak. TOH and LD tubing. RU A-Plus wireline truck and perforate 3 squeeze holes at 357'. Establish circulation out bradenhead with 30 bbls of water. Plug #5 with 115 sxs cement pumped down the 4-1/2" casing from 357' to surface, ran out of cement and over displaced with 2.5 bbls of water to circulate good cement out the bradenhead. Shut in well. SDFD.
- 8/21/03 Open up well. TIH and tag cement at 156'. Plug #5a with 16 sxs cement inside casing from 156' to surface, circulate good cement out the casing valve. TOH and LD tubing. ND BOP. Dig out wellhead. Cut off wellhead and found cement at surface in casing and down 30' in annulus. Mix 20 sxs cement to fill the annulus and install P&A marker. RD. MOL.

 V. Lucero with BLM, was on location.