

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

NOV 21 2008

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No
NM 060402

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No

8. Well Name and No.
Fairfield #2

9. API Well No
30-045-06589

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

11. County or Parish, State
San Juan

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Rocanville Corporation

3a. Address c/o Walsh Engineering
7415 E. Main, Farmington, NM, 87402

3b. Phone No. (include area code)
505-327-4892

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
790' FNL and 790' FEL, Sec. 15, T27N, R13W

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input checked="" type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input checked="" type="checkbox"/> Recomplete <input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans <input checked="" type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operations (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 recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent marks 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 recompleation 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.)

Rocanville Corporation plans to squeeze the existing Fruitland Coal perfs and recompleate this well in the West Kutz Pictured Cliffs pool according to the attached procedure.

RCVD NOV 25 '08
OIL CONS. DIV.
DIST. 3

HOLD C104 FOR C-102 for W. Kutz PC Pool

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Paul C. Thompson, P.E.	Title Agent/Engineer
Signature <i>Paul C. Thompson</i>	Date November 19, 2008

THIS SPACE FOR FEDERAL OR STATE USE

Approved by Original Signed: Stephen Mason	Title	Date NOV 24 2008
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 entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, 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.

(Instructions on reverse)

NMOCB 11/25

Walsh Engineering and Production

Workover Prognosis for
Rocanville Corporation
Fairfield #2

Location: 790 FNL & 790 FEL
Sec 15, T27N R13W
San Juan County, NM

Date: November 19, 2008

Field: Basin Fruitland Coal
Surface: Federal
Minerals: Federal NM 060402

Elev: 5955' GL
KB 10'
FTC Perfs: 1275-85, 1289-90, 1318-25'
CIBP: 1415' KB

Objective: Squeeze FTC perfs and re-complete the Pictured Cliffs.

Procedure:

1. MOL and RU completion rig. Hold safety meeting and explain the procedure to the rig crew. NU 2-3/8" relief line to the pit tank and blow the well down. Kill the well with water if necessary. Set and fill two frac tanks with fresh water.
2. TOH with the rod string (no pump). Nipple down the wellhead and nipple up the BOP. TOH with 43 jts of 2-3/8" tubing.
3. Pick up a 4-1/2" tension set packer on the 2-3/8" tubing. Set the packer at approximately 1075'. Load the tubing - casing annulus and pressure test to 500 psi.
4. Establish an injection rate into the perfs with water and squeeze the existing perforations with 100 sx (118 cu.ft.) of Type 5 neat cement. Hesitate squeeze to a maximum pressure of 3,000 psi. Displace the cement below the packer but leave at least 50' of cement on top of the top perf. Release the packer and reverse circulate the tubing clean. POH with 5 joints of tubing and reset the packer. Re-pressure the squeeze to 3,000 psi. SI the well and WOC overnight.
5. Pick up a 3-7/8" bit on six 3-1/8" drill collars on 2-3/8" tubing and drill out the cement retainer and cement. Pressure test the casing to 2,000 psi. Re-squeeze if necessary.
6. Clean out fill to the CIBP at 1415' KB. Drill the CIBP and push down hole to at least 1800' KB. **Note: Previous workover recorded an obstruction? at 1416' KB that was being pushed down hole with a flat bottomed mill.** Circulate the hole clean and pressure test the casing to 1000 psi.

7. Rig up Wireline. Run a cased hole Neutron log and tie it in with the log run on 11/4/08. Perforate the Pictured Cliffs from 1360' to 1690' at potential productive zones as indicated on the neutron log.

8. Pick up the 4-1/2" packer on 2-3/8" tubing and set it below 1335' above the top PC perf.

9. Rig up a pump truck and break down the perfs with water. Pump 500 gal of 15% HCl with inhibitors, and 7/8" ball sealers spaced evenly through the acid. Attempt to ball off the perfs to 3,500 psi. Release the packer and TIH to knock off the balls. TOH with the packer.

7. Nipple down the BOP and install a 5000 psi frac valve directly to the 4-1/2" casing.

11. Rig up frac crew. Frac the Pictured Cliffs with 75,000# 20/40 Brady sand in a 15# crosslinked gel frac fluid with 70% nitrogen. Pump rates are expected to be 35 BPM. Maximum treating pressure is 3500 psi. Flush the sand to 100' above the top perf with foam. Treat with the following schedule if pressures permit:

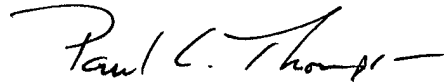
Stage	Foam Vol. (Gals.)	Gel Vol. (Gals.)	Sand Vol. (lbs.)
Pad	15,000	5,000	0
1.0 ppg	7,500	2,250	7,500
2.0 ppg	7,500	2,250	15,000
3.0 ppg	7,500	2,250	22,500
4.0 ppg	7,500	2,250	30,000
Flush	1,170	390	0
Totals	46,170	14390	75,000

11. Rig down frac crew and flow well back to a flow back tank through a 1/4" choke until the well dies.

12. Nipple down the frac valve and nipple up the BOP. Move in and rig up an air package. TIH with a 3-7/8" bit on 2-3/8" tubing. Clean out the well to PBTD. Blow the well clean. TOH and lay down the bit and bit sub.

13. TIH and land the 2-3/8" tubing with a slotted mud anchor and seating nipple on bottom, with the SN below the bottom perf. Nipple down the BOP and nipple up the wellhead. Run a 2" X 1-1/2" RWAC pump on two 1-1/4" sinker bars and 3/4" plain rods. Space out the pump and hang off the rods.

14. Load the tubing with water and pressure test to 500 psi. Start the pump jack and return the well to production.

A handwritten signature in black ink, reading "Paul C. Thompson" with a horizontal line extending from the end of the name.

Paul C. Thompson, P.E.