

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCT 16 2009

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

NTUA (15728)

3a. Address

PO Box 170
Pe. De France AZ 86504

3b. Phone No. (include area code)

928 729 6217

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660/N x 1980/W

Sec. 20, T 27N, R 17W

5. Lease Serial No.

14-20-0603-927

6. If Indian, Allottee or Tribe Name

Navajo

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

8. Well Name and No. (31957)

Navajo Tr. 4 #1

9. API Well No.

30045 06436

10. Field and Pool, or Exploratory Area (94677)

Wildcat Mississippi

11. County or Parish, State

San Juan, New Mexico

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☒ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 recompleat 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 recompleat 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.)

See Attached

RCVD OCT 28 '09

OIL CONS. DIV.

DIST. 3

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

Name (Printed/Typed)

Rex P. Kontz

Title

Deputy General Manager

Signature

Date

10/13/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

OCT 26 2009

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 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.

(Instructions on reverse)

NMOCD

PLUG AND ABANDONMENT PROCEDURE

September 8, 2009

Navajo Tract 4 #1

Table Mesa Wildcat

660' FNL & 1980' FWL, Section 20, T27N, R17W, San Juan County, New Mexico

API 30-045-06436/ Lat: _____ N Long: _____ W

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. This project requires the Operator to obtain an approved NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
3. Rods: Yes _____, No X, Unknown _____;
Tubing: Yes X, No _____, Unknown _____, Size 2.375", Length 7454';
Packer: Yes X, No _____, Unknown _____, Type Baker Retrievalmatic from 7300' to 7390' unable to read reports.

If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

4. **Plug #1 (Paradox perforations and top, 7030' – 6660')**: RIH and set 4.5" cement retainer at 7030'. Pressure test tubing to 1000 PSI. Pressure test casing to 800 PSI. If casing does not test then spot or tag subsequent plugs as appropriate. Circulate well clean. Spot 32 sxs Class B cement above CR to isolate the Paradox interval. PUH.

5819 5719
5. **Plug #2 (Hermosa top, ~~6140'~~ – ~~6040'~~)**: Mix and pump 24 sxs Class B cement inside casing to cover the Hermosa top. TOH.

4190 4190
6. **Plug #3 (7" casing shoe, 5110' – 5010')**: Perforate 3 squeeze holes at 5110'. Attempt to establish rate into squeeze holes if the casing pressure tested. Set 4.5" cement retainer at 5060'. Establish rate into squeeze holes. Mix and pump 28 sxs Class B cement, squeeze 13 sxs outside the 4.5" x 7" annulus casing and leave 12 sxs inside casing to cover the casing shoe top. TOH.

4190 4190
7. **Plug #4 (DeChelly top, ~~4350'~~ – ~~4250'~~)**: Perforate 3 squeeze holes at 4350'. Attempt to establish rate into squeeze holes if the casing pressure tested. Set 4.5" cement retainer at 4300'. Establish rate into squeeze holes. Mix and pump 27 sxs Class B cement, squeeze 15 sxs outside the 4.5" x 7" annulus casing and leave 12 sxs inside 4.5" casing to cover the DeChelly top. TOH.

→ *Change plug inside casing - 4 1/2" casing from 3453' - 3353'*
8. **Plug #5 (Dakota top, 1542' – 1442')**: Perforate 3 squeeze holes at 1542'. Attempt to establish rate into squeeze holes if the casing pressure tested. Set 4.5" cement retainer at 1492'. Establish rate into squeeze holes. Mix and pump 53 sxs Class B cement, squeeze 26 sxs outside the 7" x 8.75" annulus casing, 15 sxs outside the 4.5" x 7" annulus casing and leave 12 sxs inside 4.5" casing to cover the Dakota top. TOH and LD tubing.

9. **Plug #6 (Surface plug, 827' - Surface):** Perforate 3 HSC holes at 827'. Establish circulation out 4.5" x 7" casing annulus and 7" x 8.75" annulus. If able to establish circulation then Mix and pump approximately 275 sxs cement down the 4.5" casing until good cement returns out casing annulus and bradenhead. Shut in well and WOC. If unable to establish circulation to surface spot plug from 827' to 727'. Set 4.5" cement retainer at 777'. Mix and pump 50 sxs Class B cement, squeeze 23 sxs outside 7" x 8.75" annulus and 9.625" casing, 15 sxs inside 4.5" x 7" annulus and 12 sxs inside 4.5" casing. Then perforate 3 squeeze holes at 100'. Mix and pump approximately 50 sxs from 100' to surface, circulate good cement out casing and annuli.
10. ND BOP and cut off casing below surface casing flange. Install P&A marker with cement to comply with regulations. RD, move off location, cut off anchors and restore location.

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979
Farmington, New Mexico 87499
505-325-2627 * fax: 505-325-1211

September 8, 2009

NTUA

P.O. Box 170
Fort Defiance, AZ 86504
Attn: James Watchman

Re: Cost Estimate - **Navajo Tract 4 #1**
NW, Section 20, T27N, R17W
San Juan County, New Mexico

Gentlemen:

A-Plus Well Service is pleased to provide you with this estimate to plug and abandon the referenced well. We have evaluated the attached plugging procedure and **A-Plus** agrees to provide:

- a steel pit for waste fluid containment,
- a double drum pulling unit with crew (45 rig hours),
- crew travel (12 hours travel and 500 miles),
- cement services (cementer 4 days and 500 miles)
- 444 sxs cement,
- 4.5" cement retainers (four),
- perforations (four),
- storage tank and water,
- wellhead removal,
- and an installed P&A marker

necessary for the plugging of this well.

It is our understanding that **NTUA** would provide: the rig anchors, and waste fluid disposal.

A-Plus estimates the cost to plug the referenced well at **\$40,197.00 plus tax**. If needed, additional Class B cement is \$13.50 per sack and a 4.5" cement retainer is \$1120.00.

Please review this proposal and advise us of any questions you may have. This cost estimate is based on the information that you have provided and the planned plugging procedure. In the event the planned procedure is modified or deviated from, then any additional work or services provided by A-Plus will be paid for by the operator in accordance with A-Plus' current price schedule.

We look forward to the opportunity to work for you.

Sincerely,

Bill Clark

Navajo Tract 4 #1

Current

Table Mesa Wildcat
660' FNL & 1980' FWL, Section 20, T-27-N, R-17-W
San Juan County, NM / API #30-045-06436

Lat: N 36.56605143160 / Long: W 108.67721108

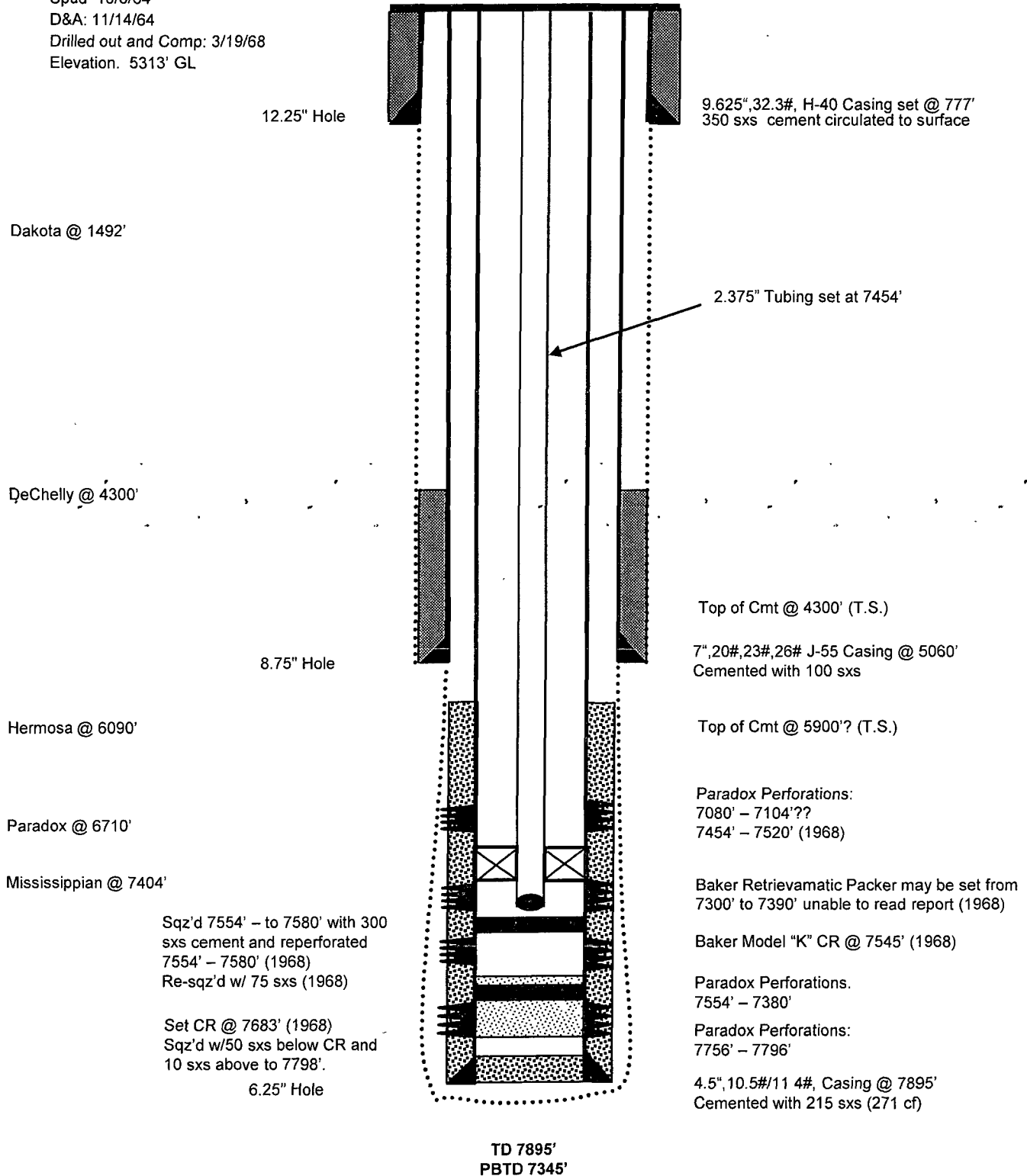
Today's Date: 9/8/09

Spud: 10/8/64

D&A: 11/14/64

Drilled out and Comp: 3/19/68

Elevation: 5313' GL



Navajo Tract 4 #1

Proposed P&A

Table Mesa Wildcat

660' FNL & 1980' FWL, Section 20, T-27-N, R-17-W

San Juan County, NM / API #30-045-06436

Lat: N _____ / Long: W _____

Today's Date: 9/8/09

Spud: 10/8/64

D&A: 11/14/64

Drilled out and Comp: 3/19/68

Elevation: 5313' GL

Dakota @ 1492'

DeChelly @ 4300'

Hermosa @ 6090'

Paradox @ 6710'

Mississippian @ 7404'

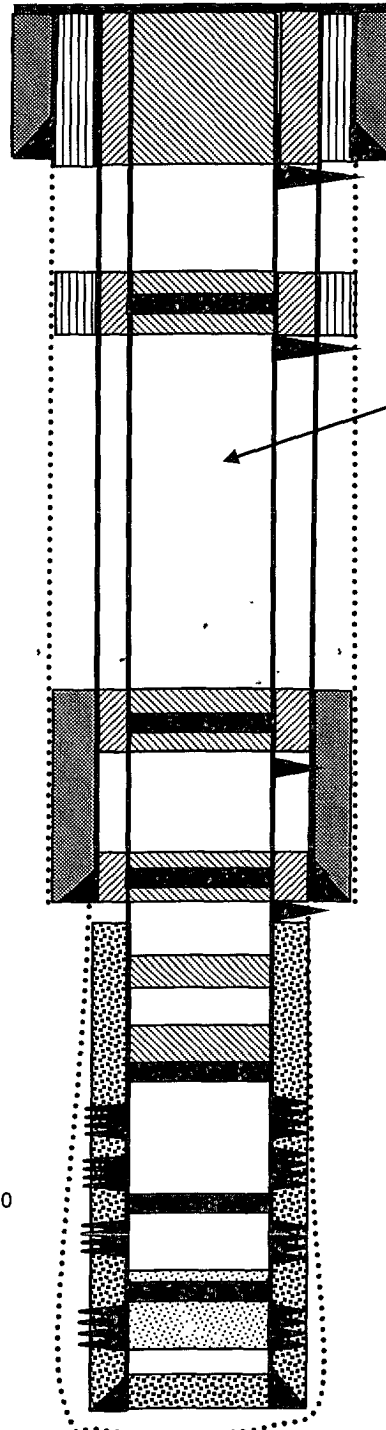
Sqz'd 7554' - to 7580' with 300
sxs cement and reperforated
7554' - 7580' (1968)
Re-sqz'd w/ 75 sxs (1968)

Set CR @ 7683' (1968)
Sqz'd w/50 sxs below CR and
10 sxs above to 7798'

6.25" Hole

12.25" Hole

8.75" Hole



Plug #6: 827' - 0'
Class B cement, 275 sxs

9.625", 32.3#, H-40 Casing set @ 777'
350 sxs cement circulated to surface

Perforate @ 827'

Plug #5: 1542' - 1442'
Class B cement, 53 sxs
12 inside 4 5" 15 outside
4.5" x 7" annulus and 26
outside 7" x 8.75" annulus

Cmt Retainer @ 1492'

Perforate @ 1542'

2.375" Tubing set at 7454'

Plug #4: 4350' - 4250'
Class B cement, 27 sxs.
12 inside and 15 outside

Top of Cmt @ 4300' (T.S.)

Cmt Retainer @ 4300'

Perforate @ 4350'

Plug #3: 5110' - 5010'
Class B cement, 25 sxs:
12 inside and 13 outside

7", 20#, 23#, 26# J-55 Casing @ 5060'
Cemented with 100 sxs

Cmt Retainer @ 5060'

Perforate @ 5110'

Plug #2: 6140' - 6040'
Class B cement, 12 sxs

Top of Cmt @ 5900'? (T.S.)

Set CR @ 7030'

Paradox Perforations:
7080' - 7104'??
7454' - 7520' (1968)

Plug #1: 7030' - 6660'
Class B cement, 32 sxs

Baker Retrievmatic Packer may be set from
7300' to 7390' unable to read report (1968)

Baker Model "K" CR @ 7545' (1968)

Paradox Perforations:
7554' - 7380'

Paradox Perforations:
7756' - 7796'

4.5", 10.5#/11.4#, Casing @ 7895'
Cemented with 215 sxs (271 cf)

TD 7895'
PBTD 7345'

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 1 Navajo Tract 4

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.
3. The following modifications to your plugging program are to be made:
 - a) Place the Hermosa plug from 5819' – 5719'.
 - b) Place the DeChelly plug from 4290' – 4199' inside and outside the 4 ½" casing.
 - c) Place a cement plug from 3453' – 3353' inside and outside the 4 ½" casing to cover the Chinle top.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.