

RECEIVEDForm 3160-5
(April 2004)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JAN 20 2010

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007Bureau of Land Management
Farmington Field Office**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.**Lease Serial No
NOO-C-14-20-4324

6 If Indian, Allottee or Tribe Name

Navajo Allotted

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

8. Well Name and No
Chaco Plant 17R9 API Well No
30-045-24525

10 Field and Pool, or Exploratory Area

Gallop Basin Fruitland Coal Sand PC south

11 County or Parish, State

San Juan, New Mexico

SUBMIT IN TRIPLICATE- Other instructions on reverse side.1 Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2 Name of Operator
Coleman Oil & Gas, Inc.3a Address
P.O. Drawer 33373b Phone No. (include area code)
505-327-0356

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

1830' FNL, 1070' FEL H, Section 14, T26N, R12W Latitude 36° 29' 25", Longitude 108° 04' 30"

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 procedure to plug and abandon the Chaco Plant #17R.

RCVD FEB 2 '10

OIL CONS. DIV.

DIST. 3

Notify NMOCD 24 hrs
prior to beginning
operationsSpud Well 09/04/1980
Re-Enter Well 08/09/1997
Rig Released 08/15/199714. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

MICHAEL T. HANSON

Title OPERATIONS ENGINEER

Signature

Michael T. Hanson

Date

1/18/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason

Title

Date

JAN 29 2010

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 USC Section 1001 and Title 43 USC 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 page 2)

NMOCD 10

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this

form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or

present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

This information is being collected to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer, (WO-630), Mail Stop 401 LS, 1849 C St., N.W., Washington D.C. 20240

Coleman Oil & Gas, Inc.

Plug and Abandon Basin Fruitland Geol Formation

Gallegos

Sand PC South

January 12, 2010

Well:	Chaco Plant #17R	Field:	Basin Fruitland Geol <i>Pictured Cliffs</i>
Location:	1830' FNL & 1070' FEL (SENE) Sec 14, T26N, R12W, NMPM San Juan County, New Mexico	Elevation:	6133' RKB 6133' GL
By:	Michael T. Hanson	Lease:	NM 33015
		API #:	30-045-24525

Procedure: (Note: This procedure will be adjusted on site based upon actual conditions)

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 a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of a steel tank to handle waste fluids circulated from the well and cement wash up.
2. 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. POH and LD the rods. Pump the tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP. TOH and tally the 1.5" IJ tubing.
3. ND the BOP and tubing head and pick up on the 2.875" casing. Determine the free point by stretch calculation. If the calculated free point is near 1252', then pump water capacity down the 2.875" casing and into the 2.875" x 4.5" intermediate annulus (IM). Then jet cut the 2.875" casing at 1252'. NU the BOP and TOH and LD the 2.875" casing. If the calculated free point is above 1200', then perforate the 2.875" casing at 1252' with 2 bi-wire holes and attempt to circulate water to surface out the IM annulus valve. If unable to circulate to surface, then change the procedure as appropriate.
4. *Pictured Cliffs/Fruitland*
Plug #1 (Fruitland-Geol perforations, 4.5" casing shoe and Fruitland top, 1346' – 853'): Set a 4.5" wireline cement retainer at 1200'. TIH with tubing and sting into the cement retainer; establish rate below CR. Sting out and circulate the 4.5" casing clean. Pressure test 4.5" casing to 600 PSI. *If casing does not test, then spot or tag subsequent plugs as appropriate.* Mix 50 sxs sxs Class B cement, squeeze 20 sxs below the CR to fill the perforations and to cover the 4.5" casing shoe, then leave 30 sxs above CR to cover the Fruitland top. PUH with tubing to 409'.
5. **Plug #2 (Kirtland, Ojo Alamo tops, 7" Surface casing, 409' - Surface):** Connect the pump line to the bradenhead valve and attempt to pressure test the BH annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 35 sxs Class B cement and spot a balanced plug inside the 4.5" casing from 409' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the 4.5" casing from 409' and the BH annulus to surface. Shut well in and WOC.
7. ND BOP and cut off wellhead. Fill 4.5" casing with cement as necessary. Install P&A marker to comply with regulations. RD, MOL, cut off anchors, and restore location.

COLEMAN OIL GAS, INC.
Chaco Plant #17R

SURFACE CASING
7" 26# J-55 LT&C @ 85'
CEMENTED WITH 35 SXS
CLASS B W/ 2% CAL CL 1/4 #/SX

PRODUCTION CASING
4-1/2" 10.50# J-55 LT&C @ 1202
CEMENTED WITH 100 SXS B
TAIL WITH 50 SACKS REG.

PRODUCTION CASING
2 7/8" 10.50# J-55 LT&C @ 1477
CEMENTED WITH 75 SXS B

TUBING STRING
42 JTS 1 1/2 IJ TBG
TUBING PUMP
BOTTOM @ 1375.33

CEMENT CIRCULATED TO SURFACE
ON SURFACE & PRODUCTION CASING

4 1/2" CASING SET @ 1202

CEMENT TOP ON 2 7/8" CASING @ 1266' GL

PERFORATIONS @
1341'-1346'

PBTD @ 1467' FT. KB.
PIPE LANDED @ 1471' FT. KB.
T.D. @ 1477' FT. KB.