

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

SUNDRY NOTICES AND REPORTS ON WELLS JUN 15 2010

Do not use this form for proposals to drill or reenter 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

NM&O Operating Co. c/o Walsh Engineering & Production Corp.

3a. Address

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' FSL & 790' FEL (P) Section 5, T25N, R2W

5. Lease Serial No.

NMNM 43749

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No

Guardian Federal #1

9. API Well No.

30-039-24023

10. Field and Pool, or Exploratory Area

Gavilan Pictured Cliffs

11. County or Parish, State

Rio Arriba Co. NM

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 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 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 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.)

NM&O Operating Company intends to plug and abandon this well according to the attached procedure.

See COA & changes to attached procedures

RCVD JUN 22 '10

OIL CONS. DIV.

DIST. 3

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

Name (Printed/Typed)

Paul C. Thompson, P.E.

Title

Agent

Signature

Paul C. Thompson

Date

May 19, 2010

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Original Signed: Stephen Mason

Title

Date

JUN 18 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 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)

NMOCD

Walsh Engineering and Production

P & A Procedure for
NM&O Operating Co.
Guardian Federal #1

Location: 790' FSL & 790' FEL
Sec 5 T25N R2W
Rio Arriba Co. NM
API: 30-039-24023
Field: Gavilan PC
Surface: BLM
Minerals: Federal NM 43749

May 19, 2010

Elev: GL 7370'
KB 7382'

Procedure:

1. Move on location and rig up a service unit. Hold a safety meeting and explain the procedure to the crew. Remove the horsehead and pull and lay down 134 $\frac{3}{4}$ " rods and an insert pump. Nipple down the tubinghead and nipple up the BOP. Remove the tubing donut. Pick up extra joints of 2-3/8" tubing and tag PBTD. Tally the 117 jts of 2-3/8" out (string also contains a seating nipple, perf sub, and mud anchor).

2. TIH and set a 4-1/2" cement retainer at ³⁶²⁷3483' KB (50' above the ~~Ojo Alamo~~ ^{Fruitland} top). Pressure test the tubing to 1000 psi. Sting out of the retainer and load the casing. Pressure test the casing to 1,000 psi. Sting back into the retainer and pump 30 sx (35.4 cu.ft.) of neat cement below the retainer. Maximum injection pressure below the retainer is 2000 psi. Sting out of the retainer and spot an additional 8 sx (5.9 cu.ft.) above the retainer. TOH and lay down the tubing. ^{Bring spot cement to 3344' - 50' above Ojo Alamo top}

- Plug from 2185-2085 to cover Nacimiento top inside & outside of 4 1/2" casing.
3. Perforate 2 squeeze holes at 385' (50' below surface casing shoe).
 4. Connect the pump truck directly to the 4-1/2" casing and attempt to establish circulation through the bradenhead. Pump neat cement as necessary to fill the inside of the 4-1/2" casing and the 8-5/8 X 4-1/2" annulus from 385' to the surface (approximately 110 sx 130 cu.ft). Fill hole with cement as necessary.
 5. Remove wellhead and install a dryhole marker. Remove the surface production equipment and reclaim the location as per surface owner specifications.

Paul C. Thompson

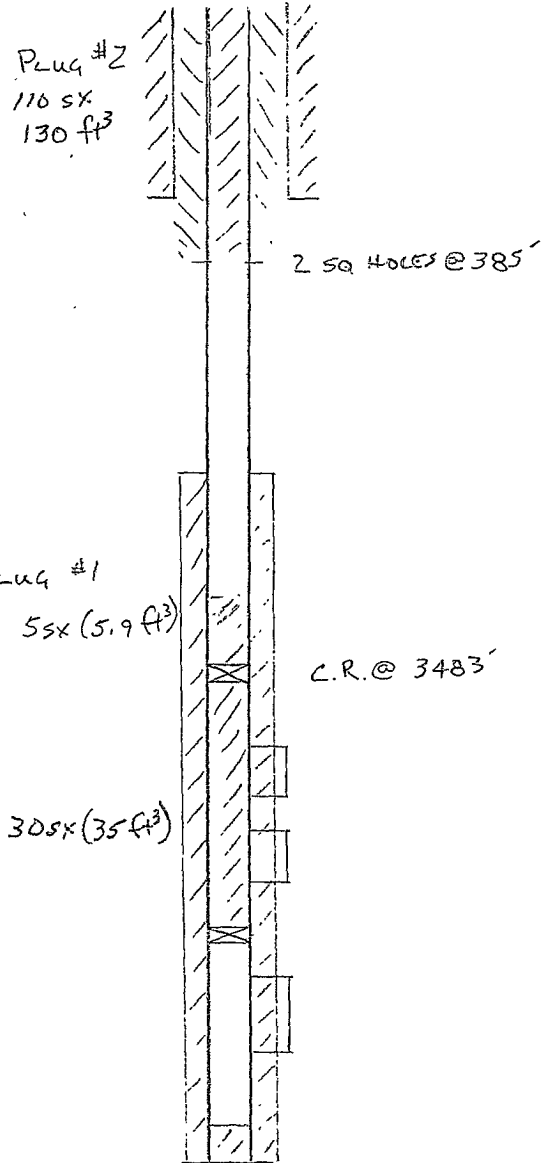
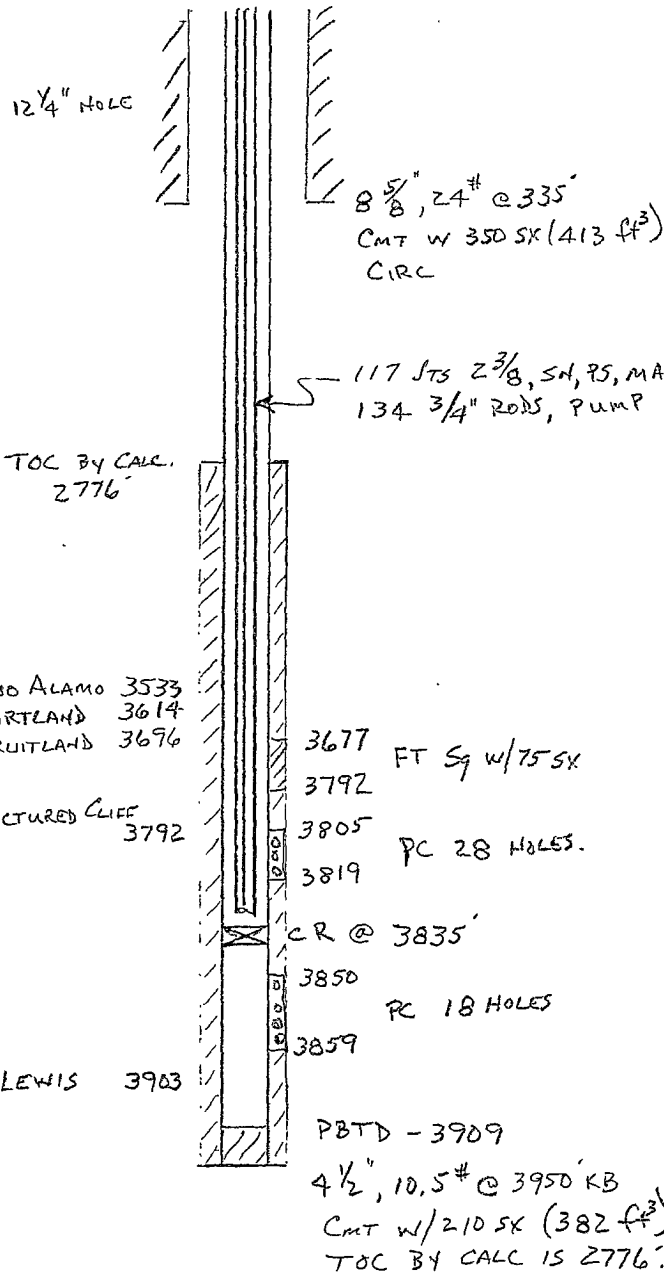
Paul C. Thompson, P.E.

NM#0 OPERATING Co.
 GUARDIAN FEDERAL #1
 (P) SECTION 5, TZSN, RZW
 30-039-24023

GL - 7370'
 KB - 7382'

CURRENT STATUS

P#A STATUS



7/2 5/19/10

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 Guardian Federal

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) Bring the top of the Pictured Cliffs/Fruitland/Kirtland/Ojo Alamo plug to 3344'.
 - b) Place a cement plug from 2185' – 2085' to cover the Nacimiento top inside and outside the 4 ½" casing.

Note: CR/BS to be set within 100' of top part.

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.