

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT--" for such proposals.

SUBMIT IN TRIPLICATE

070 FARMINGTON, NM

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

2. Name of Operator
Central Resources, Inc.

3. Address and Telephone No.
P.O. Box 1247, Bloomfield, New Mexico 87413 (505) 632-3476

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1975' FSL, 670' FWL, Sec. 13, T31N, R17W

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

TYPE OF SUBMISSION

☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☒ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Procedure:

Central Resources, Inc. will plug the well during 1999 as follows:

- Clear hole of all reasonably recoverable production equipment.
- Set retainer at 1189' and pump 12 sx cement below retainer and spot 45 sx cement on top. Bring up to 968'.
- Perforate at 170'.
- Break circulation out bradenhead and pump 55 sx cement to circulate 1 bbl and leave casing and annulus full.
- Set marker and reclaim location.

Appropriate notifications will be made in advance of plugging operations.

ENTERED
AFMSS

JUN 18 1999

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

BY Sm

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

Signed Rodney L. Seale Title District Manager Date June 7, 1999

(This space for Federal or State office use)

Approved by James D. Walker Title Team Lead Date 6/21/99
Conditions of approval, if any: US EPA Region 9 1/22/04

Title 18 U.S.C. Section 1001, makes 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 manner within its jurisdiction.

*See Instruction on Reverse Side

FARMINGTON COPY

P-11 on file

API WELL # Well Name Well # Operator Name Type Stat County UL Sec Twp N/S Rng W/E Feet NS Ft EW Order_No
30-045-10739 HORSESHOE GALLUP UNIT 077 PLAYA MINERALS & ENERGY INC I A San Juan L 13 31 N 17 W 1975 S 670 W
R-2210

api_number status csg_1 csg_1q csg_1d csg_2 csg_2q csg_2d csg_3 csg_3q csg_3d
liner_size liner_quan tubing t_set_dept csg_perf 30-045-10739 WI 8 5/8 120 100 5 1/2
1415 100 2 1348 1239-58

Procedure

MIRU, NUBOPE,

POOH Lay Down Rods & Tubing if present,

RIH with Gauge ring,

Pick up work string, Run Scraper if required,

RIH Set CIBP 1189 ', cap with 221 'cement .

Test casing.

POOH lay down tubing.

RU wire line RIH, perforate @ 170 ' + - 50' under surface casing shoe or Mesa Verde base whichever is lower..

Establish Circulation; circulate cement to surface inside and outside casing

Cut off well head and install P&A marker

Cut off anchors 2' below ground

Clean and level location

CENTRAL RESOURCES, INC.

HORSESHOE GALLUP #77

Elevation: 5630' GL, 5640' KB

$$\frac{170}{7.299(1.18)} + \frac{50}{5.7719(1.18)} + \frac{120}{5.369(1.18)}$$

$$20 + 7 + 19 = 46 \text{ x's}$$

Casing: 8 5/8" 29# LW set @ 120' w/100 sacks

Location: 1975' FSL & 670' FWL
Sec. 13, T31N-R17W
San Juan County, NM

Perf @ 170' plug 170 - surface using 55 x's

Field: Horseshoe Gallup

Zone: Gallup

Perfs: 1239' - 1243' (2 SPF), 1341' - 1350' (2 SPF) & 1354' - 1358' (2 SPF)

Spud Date: 8/24/59

Completion Date: 9/11/59

Converted to Injector: 3/22/63

TOC ≈ 900' 75% eff.

plug from 1189' - 968'

31 x's or greater ✓

Perf @ 1189' Squeeze 12 x's

$$15(7.299) 1.18 = 129'$$

Packer: Type Unknown, set @ 1197' KB (6/4/93)

Perfs: 1239' - 1243', 2 SPF

Perfs: 1341' - 1350', 2 SPF & 1354' - 1358', 2 SPF

PBTD: 1376'

Casing: 5 1/2" 14# J-55 set @ 1415' w/ 100 sacks

TD: 1415'

all up 1018'

Tom DeLong
6-3-99

BLM CONDITIONS OF APPROVAL

The following surface rehabilitation Conditions of Approval must be complied with as applicable, before this well can be approved for final abandonment (see 43 CFR 3162.3-4). **Surface rehabilitation work shall be completed within one year of the actual plugging date. Notification for completion of this work can be submitted with a Sundry Notice.**

1. All fences, production equipment, purchaser's equipment, concrete slabs, deadman (anchors), flowlines, risers, debris and trash must be removed from the location.
2. Production pits will be closed according to the Unlined Surface Impoundment Closure Guidelines, as approved in the Environmental Assessment of December 1993. Any oil stained soils may be remediated on-site according to these guidelines or disposed of in an approved disposal facility.
3. The well pad will be shaped to conform to the natural terrain and left as rough as possible. All compacted areas and areas devoid of vegetation shall be ripped to a minimum of 12" before seeding.

4. Access roads will be shaped to conform to the natural terrain and left as rough as possible to detour vehicular travel. Access will be ripped to a minimum of 12" in depth and waterbarred prior to seeding. All erosion problems created by the development **must** be corrected prior to acceptance of release. Waterbars should be spaced as shown below:

| % Slopes | Spacing Interval |
|------------------|-------------------------|
| Less than 2% | 200' |
| 2 to 5% | 150' |
| 6 to 9 % | 100' |
| 10 to 15% | 50' |
| Greater than 15% | 30" |

All water bars should divert water to the downhill side of the road.

5. All disturbed areas will be seeded between July 1 and September 15 with the prescribed certified seed mix (reseeding may be required).
6. Notify Surfacing Managing Agency seven (7) days prior to seeding so they may be present for that option.
7. The period of liability under the bond of record will not be terminated until the lease is inspected and the surface rehabilitation approved.

Other SMA's may vary slightly in their restoration requirements. It is your responsibility, as the operator, to obtain surface restoration requirements from other SMA's. We need to be provided with a copy of these requirements. Any problems concerning stipulations received from other SMA's should be brought to us.

On private land, we should be provided with a letter from the fee owner stating that the surface restoration is satisfactory.

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: 77 Horseshoe Gallup Unit

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. Mike Flanikan with the 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 Gallup plug to 968'.

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

**GENERAL REQUIREMENTS FOR
PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES
FARMINGTON DISTRICT OFFICE**

1.0 The approved plugging plans may contain variances from the following minimum general requirements.

1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Farmington District office, *Branch of Drilling & Production*.

1.2 Requirements may be added to address specific well conditions.

2.0 Materials used must be accurately measured.

3.0 A tank or approved pit must be used for containment of any fluids from the wellbore during plugging operations and all unattended pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.

3.1 Pits are not to be used for disposal of any constituent(s) of concern.

4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.

4.1 The cement shall be as specified in the approved plugging plan.

4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.3 Surface plugs may be no less than 50' in length.

4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.

5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by: (1) tagging with the work string, or: (2) for cased holes only; pressuring to a minimum surface pressure of 500 PSI, with no more than a 10% drop during a 15-minute period.

5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.

**BLM FLUID MINERALS
Geologic Report**

Date Completed: 6/16/99

| | | | | | | | |
|----------------|----------------------------|----------|----------|----------------|--------------|------------|------|
| Well No. | Horseshoe Gallup Unit # 77 | Location | 1975' | FSL | & | 670' | FWL |
| Lease No. | 14 - 20 - 603 - 2022 | Sec. 13 | | T31N | | | R17W |
| Operator | Central Resources, Inc. | County | San Juan | | State | New Mexico | |
| Total Depth | 1415' | PBTD | 1376' | Formation | Gallup (WIW) | | |
| Elevation (GL) | 5630' | | | Elevation (KB) | 5640' | | |

| Geologic Formations | Est. Top | Est. Bottom | Log Top | Log Bottom | Remarks |
|---------------------|----------|-------------|---------|------------|-----------------|
| San Jose Fm | | | | | |
| Nacimiento Fm | | | | | |
| Ojo Alamo Ss | | | | | |
| Kirtland Shale | | | | | |
| Fruitland Fm | | | | | |
| Pictured Cliffs Ss | | | | | |
| Lewis Shale | | | | | |
| Chacra | | | | | |
| Cliff House Ss | | | | | |
| Menefee Fm | | | | | |
| Point Lookout Ss | | | | | |
| Mancos Shale | | | Surface | 1018 | Surface |
| Gallup | | | 1018 | PBTD | Oil & Gas/Water |
| Dakota Ss | | | | | |
| Morrison | | | | | |

Remarks:

P & A

- BLM geologist's pick for the top of the Gallup fm. reflects the top of the transitional Tocito interval in this well. This top varies from operator's pick in this well.

- It is recommended that the Gallup top in this report be adequately covered with cmt.

Reference Well:

Same

NOTE: This well falls within the Uranium screening area. Called D. Sitzler (Solid Minerals - Rio Puerco FO) 6/17/99. No conflicts exist and no additional stipulations are required for this well.

**ENTERED
AFMSS**

JUN 17 1999

Prepared by: Chip Harraden *CEH*

BY *CEH*