

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

DEC 09 2010

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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.

5. Lease Serial No.
Jicarilla Apache Lease 54

6. If Indian, Allottee or Tribe Name
Jicarilla Apache

SUBMIT IN TRIPLICATE -- Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Golden Oil Holding Corporation

3a. Address
2000 Bering Drive, Suite 255, Houston, TX 77057

3b. Phone No. (include area code)
713 626-1110

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
900' FLN & 990' FEL Sec 3, T 22N, R3W

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

8. Well Name and No.
No. 1 Jicarilla Apache 54

9. API Well No.
30-043-20349

10. Field and Pool or Exploratory Area
San Lindrith GI - Dakota

11. Country or Parish, State
Sandoval County, NM

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

TYPE OF SUBMISSION

- ☒ Notice of Intent
- ☐ Subsequent Report
- ☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|--|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <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 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

"We expect to initiate plug and Abandonment action on or about 3/25/11. See attached Plug and Abandonment Procedure"

RCVD DEC 13 '10

OIL CONS. DIV.

DIST. 3

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

Name (Printed/Typed)

Melinda Billon

Title Manager

Signature

Melinda L. Billon

Date

12-3-10

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

DEC 10 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 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 page 2)

NMOCD

PLUG AND ABANDONMENT PROCEDURE

September 30, 2010

Chace Apache 54 #1

So. Lindrith Gallup / Dakota

900' FNL, 990' FEL, Section 3, T22N, R3W, Sandoval County, New Mexico

API 30-043-20349 / Long _____ / _____

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 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 6903'.
Packer: Yes _____, No X, Unknown _____, Type _____.
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

NOTE: BLM requires a CBL log to be run on all wells where the cement did not circulate to surface or where a T.S. or CBL log was not previously run. This procedure is prepared with the understanding that it may be modified based on the TOC from the CBL.

4. PU tubing workstring and round trip 4.5" gauge ring to 5763' or as deep as possible.
5. **Plug #1 (Dakota / Gallup perforations and Dakota top, 5763' – 5570')**: RIH and set 4.5" DHS cement retainer at 5763'. 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. Mix 19 sxs Class B cement and spot a balanced plug inside the casing above the CR to isolate the Dakota and Gallup intervals and tops. PUH with tubing.
6. **Plug #2 (Mesaverde top, 4200' - 4100')**: Spot 12 sxs Class B cement inside casing to cover the Mesaverde top. TOH with tubing.
7. **Plug #3 (Pictured Cliffs and Fruitland tops, ^{2712 2276}2740' – ²⁷¹²2368')**: Perforate 3 HSC holes at ²⁷¹²2740'. TIH and set a CR at 2690'. Establish a rate into the squeeze holes. Mix ~~177~~ 174 sxs Class B cement, squeeze ~~144~~ 142 sxs outside the casing and leave ~~38~~ 32 sxs inside casing to cover the Pictured Cliffs and Fruitland tops. TOH.
8. **Plug #4 (Kirtland and Ojo Alamo tops, 2288' - 1922')**: ~~Perforate 3 HSC holes at 2288'. TIH and set a CR at 2238'. Establish a rate into the squeeze holes. Mix 174 sxs Class B cement, squeeze 142 sxs outside the casing and leave 32 sxs inside casing to cover the Kirtland and Ojo Alamo tops. TOH.~~

- 1162 1062 1162
9. **Plug #5 (Nacimiento top, 1175' – 1075')**: Perforate 3 HSC holes at 1175'. TIH and set a CR at 1125'. Establish a rate into the squeeze holes. Mix 51 sxs Class B cement, squeeze 39 sxs outside the casing and leave 12 sxs inside casing to cover the Nacimiento top. PUH.
 10. **Plug #6(8.625" Surface casing shoe, 319' to Surface)**: Perforate 3 squeeze holes at 319'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 110 sxs Class B cement and pump down the 4.5" casing to circulate good cement out bradenhead. Shut in well and WOC.
 11. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Chace Apache 54 #1

Proposed P&A

So. Lindrith Gallup / Dakota

900' FNL, 990' FEL, Section 3, T-22-N, R-3-W, Sandoval County, NM

Lat: _____ N / Lat: _____ W, API #30-043-20349

Today's Date: 9/30/10

Spud: 9/12/78

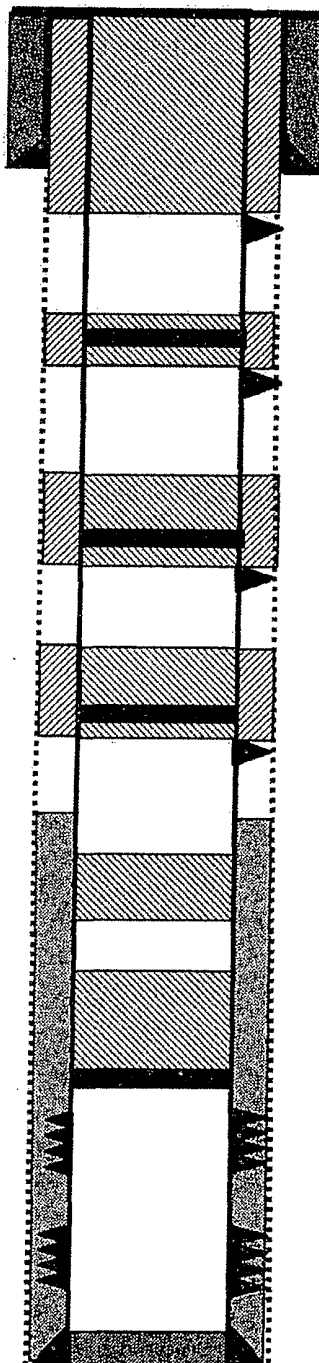
DK Completion: 10/6/78

DK Re-Completion: 11/19/83

GI Completion: 11/19/83

Elevation: 7164' GI
7174' KB

9.625" hole



8.625", 26#, Casing set @ 269'
Cement with 200 sxs, circulate to surface

Plug #6: 319' - 0'
Class B cement, 110 sxs

Perforate @ 319'

Cement Retainer @ 1125'

Plug #5: 1175' - 1075'
Class B cement, 51 sxs;
39 outside and
12 inside.

Perforate @ 1175'

Cement Retainer @ 2238'

Plug #4: 2288' - 1922'
Class B cement, 174 sxs;
32 inside and 142 outside

Perforate @ 2288'

Cement Retainer @ 2690'

Plug #3: 2740' - 2368'
Class B cement, 177 sxs;
33 inside and 144 outside

Perforate @ 2740'

TOC @ 3033' (Calc 75%)

Plug #2: 4200' - 4100'
Class B cement, 12 sxs

Set CR @ 5763'

Plug #1: 5763' - 5570'
Class B cement, 19 sxs

Gallup Perforations:
5813' - 6004'

Dakota Perforations:
Original: 6836' - 6963'
Recomplete: 6471' - 6577',
6755' - 6799'; 6834' - 6863'

4.5" 11.6#, casing set @ 7313'
Cemented with 800 sxs (1300 cf)

7.875" Hole

TD 7313' KB
PBTD 7002' KB

Nacimiento @ 1125' *est

Ojo Alamo @ 1972'

Kirtland @ 2238' *est

Fruitland @ 2418' *est

Pictured Cliffs @ 2690'

Mesaverde @ 4150'

Gallup @ 5620'

Dakota @ 6750'

**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 Jicarilla Apache 54

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 Pictured Cliffs/Fruitland/Kirtland/Ojo Alamo plug from 2712' – 2276' inside and outside the 4 ½" casing.
 - b) Place the Nacimiento plug from 1162' – 1062' inside and outside the 4 ½" casing.

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.