For 1 3160-5 (August 1999) FORM APPROVED **UNITED STATES** Budget Bureau No. 1004-0135 DEPARTMENT OF THE INTERIOR Expires: November 30, 2000 BUREAU OF LAND MANAGEMENT 5. Lease Serial No. NMNM-6681 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter abandoned well. Use Form 3160-3 (APD) for such proposals 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE 1. TYPE OF WELL OIL 8. Well Name and No XWELL TWFI I OTHER Federal C #2 2. NAME OF OPERATOR QUESTAR EXPLORATION AND PRODUCTION COMPANY 9. API Well No. 3. ADDRESS AND TELEPHONE NO. 30-043-20081 1331 SEVENTEENTH STREET, SUITE 800, DENVER, CO 80202 303-672-6900 10. Field and Pool, or Exploratory Area 4. LOCATION OF WELL (FOOTAGE, SEC., T., R., M., OR SURVEY DESCRIPTION) Alamito Gallup 11. County, Parish, State 2310' FSL 790' FEL Sec 31 T23N R7W NMPM Sandoval, NM CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION X Notice of Intent Acidize Deepen Production (Start/Resume) Water Shut-Off Alter Casing Fracture Treat Reclamation Well Integrity Subsequent Report Casing Repair New construction Recomplete Other Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back 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 recomplete 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 recompletion 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.) Plug and abandon per attached procedure.

14. I hereby certify that the foregoing is true and correct Native (**rinkeu*r*; ypeu)		
Title	Sr. Petroleum Engineer	
Signature Lawy Museum Date	04-Apr-01	
(This space for Federal or Site office use) Approved by	Title	Date 5/18/01
Conditions of approval, if any, are attached. Approval of this notice does not warrant or or that the applicant holds legal or equitable title to those rights in the subject lease which we entitle the applicant to conduct operations thereon. Title 18 LIS C. Section 1001 and Title 42 LIS C. Section 1002 and Title 43 LIS C. Section 1003 and Title 43 LIS C. Secti	vould Uttice	

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.

Plug & Abandonment Procedure

Federal C-2 API - 30-043-20081

Alamito Gallup 2310' FSL 790' FEL Sec 31 T23N R7W NMPM Sandoval County, New Mexico

Note: All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures.

- 1. Install and test location rig anchors. Prepare blow pit. Comply with all NMOCD, BLM and Questar safety regulations. MI and RU daylight pulling unit. Conduct safety meeting for all personnel on location. NU relief line. Blow down well, kill with water as necessary.
- 2. ND wellhead and NU BOP, test.
- 3. Cut off tubing just above tubing anchor allowing anchor to fall to bottom.
- 4. TOH and tally 2 3/8" tubing and visually inspect.
- 5. Run 3.625" guage ring to determine max depth obtainable with CIBP.
- 6. Plug #1 (Gallup perforations (4800-04,4911-18,4932-36,4951-53,4990-95,5044-48,5055-57,5074-77) and top 4797'): TIH with tubing and 4 ½" CIBP. Set CIBP at ± 4300' or at max obtainable depth. Load casing with water. Pressure test casing to 500 psi. If casing does not test, spot or tag subsequent plug as appropriate. Spot cement plug inside casing above the CIBP with enough cement to bring the top of the Gallup plug to 4250'. TOH with tubing.
- 7. Plug #2 (Mesaverde top, 2840'): Perforate 3 squeeze holes at 2890'. TIH with w/ 2 3/8" work string to ±2750'. Establish rate into squeeze holes and place the Mesaverde plug from 2890' 2790' inside and outside the 4 ½" casing. TOH with tubing.
- 8. Plug #3 (Pictured Cliffs and Fruitland tops, 1297' 1046'): Perforate 3 squeeze holes at 1347'. TIH with w/ 2 3/8" work string to ±996'. Establish rate into squeeze holes and place the Pictured Cliffs/Fruitland plug from 1347' 996' inside and outside the 4 ½" casing. TOH with tubing.
- 9. Plug #4 (Kirtland and Ojo Alamo tops, 902' 745'): Perforate 3 squeeze holes at 952'. TIH with w/ 2 3/8" work string to ±690'. Establish rate into squeeze holes and place Kirtland/Ojo Alamo plug from 952' 695' inside and outside the 4 ½" casing. TOH with tubing.
- 10. Plug #5 (Naciamento top, surface; 8 5/8" casing shoe at 126'): Perforate 3 squeeze holes at 250'. Establish circulation out bradenhead valve. Mix and pump cement down the 4 ½" casing from 250' to surface. Circulate good cement out bradenhead valve. Shut-in well and WOC.
- 11. ND BOP and cut off wellhead below surface casing. Install P&A marker to comply with regulations. RDMOSU, cut off anchors and restore location.

Federal C-2

2310' FSL 790' FEL Sec 31 T23N R7W NMPM Sandoval County, New Mexico

GR: 6891'

