UNITED STATES DEPARTMENT OF THE INTERIOR

	Budget Bureau No. 42-R1424
5	. LEASE
	NOO-C-14-20-5592
6	. IF INDIAN, ALLOTTEE OR TRIBE NAME
-	Navajo /
7	. UNIT AGREEMENT NAME
8	. FARM OR LEASE NAME
	Navajo 9-22-7
9	. WELL NO.
	1
_ 10	FIELD OR WILDCAT NAME
	Wildest Kusty (har
_ 11	SEC., T., R., M., OR BLK. AND SURVEY OR
1	AREA
	SENW Sec 9, T22N, R7W
12	COUNTY OR PARISH 13. STATE
<u> </u>	Sandoval New Mexico
- 14	. API NO.
- <u>-</u> -	- <u>-</u>
15	ELEVATIONS (SHOW DF, KDB, AND WD)
	6805 GR
	<u>.</u> .

GEOLOGICAL SURVEY SUNDRY NOTICES AND REPORTS ON WELLS (Do not use this form for proposals to drill or to deepen or plug back to a differe reservoir. Use Form 9-331-C for such proposals.) 1. oil gas well xx other weil 2. NAME OF OPERATOR MCO RESOURCES (INTEGRATED) CORP. 3. ADDRESS OF OPERATOR 5718 Westheimer, Ste 1100 Houston, Texas 77057 4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 1 below.) 1700' FWL & 1590' FNL AT SURFACE: AT TOP PROD. INTERVAL: AT TOTAL DEPTH: 16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE REPORT, OR OTHER DATA REQUEST FOR APPROVAL TO: SUBSEQUENT REPORT OF: TEST WATER SHUT-OFF FRACTURE TREAT SHOOT OR ACIDIZE REPAIR WELL (NOTE: Report results of multiple completion or zone PULL OR ALTER CASING change on Form 9-330.) MULTIPLE COMPLETE **CHANGE ZONES** ABANDON* (other) 17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give 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.)* TD 1975'. Perforated at 1636'-84'; 1732'-37' and 1740'-43'. Spot cement plug 50' above the top perforation at 1586' and 50' below the bettom perforation at 1793'. Place 50' cement plug at the surface and a 4' dry hol narker. PEGETVE Casing will not be recovered. add pluss 1295-1195 30 1110-1010 800 -650 ٠, SEE ATTACHED FOR CONDITIONS OF APPROVAL: Subsurface Safety Valve: Manu. and Type _ Set @ 18. I hereby certify that the foregoing is true and correct Production Analyst June 16, 1988 SIGNED (This space for Federal or State office use) APPROVED BY _ TITLE DATE CONDITIONS OF APPROVAL, IF ANY:

See Instructions on Reverse Side

BUREAU OF LAND MANAGEMENT 1235 La Plata Highway Farmington, New Mexico 87401 Phone (505) 327-5344

Attachment to Notice of

Re: Permanent Abandonment

Intention to Abandon

Well: 1 Navaju 9-22-7

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."

2. Mark Kelly with the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 327-5344.

3. Blowout prevention equipment is required.

4. The following modifications to your plugging program are to be made (when applicable): Add the following plugs

Pictured Cliffs 1295'-1195' +50% excess (12sx)
Fruitland 1110'-1010' +50% excess (12sx)
Oju Alano 800'-650' +50% excess (18sx)

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

GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES FARMINGTON RESOURCE AREA

- 1. Secure prior approval either on a Sundry Notice (Form 3160-5) or verbally from the Fluids Drilling & Production Section at this office before changing the approved plugging program.
- 2. Plugging equipment used shall have separate mixing and displacement pumps and a calibrated tank to assure proper displacement of plugs. The Operator is responsible for providing all measuring devices needed to assure proper measurement of materials being used.
- 3. A proper tank or pit will be used to contain all fluids pumped from the well during plugging operations. Unattended pits are to be fenced.
- 4. All cement plugs are to be placed through tubing (or drillpipe) and shall be a minimum of 100 feet in length with 50% excess inside casing or 100% excess when plug is set in open hole or squeezed into perforations. 15.6#/gal slurry weight is to be used when using class B neat cement or when CaCl2 is used. Use the recommended slurry weight of other type cements when they are used (Class C, Pozzolan etc.).
- 5. Any cement plugs placed when well is not full of fluid, or when well may be taking fluid, (i.e. across perfs-unless bridge plug or retainer is used, across bad csg., or fresh water formations) will be tagged (touched) after cement has set to verify proper location.
 - 5a. Testing The first plug below the surface plug shall generally be tested by either tagging the plug with the working pipe string, or pressuring to a minimum pump (surface) pressure of 1000 psig, with no more than a 10 percent drop during a 15-minute period (cased hole only). If the integrity of any other plug is questioned, it must be tested in the same manner. Also, any cement plug which is the only isolating medium for a fresh water interval or a zone containing a valuable mineral deposit should be tested by tagging with the drill string.
- 6. Mud must be placed between plugs. Plugging mud is to be made up with a minimum of 15 lbs/bbl of sodium bentonite, and a nonfermenting polymer.

 Minimum consistency of plugging mud must be 9 lbs/gal and with a minimum viscosity of 50 sec/qt. Fresh water is to be utilized for mixing mud.
- 7. Following the placement of a cement plug, the withdrawl rate for at least the length of the cement plug shall not exceed 30 ft/min, in order to minimize the contamination of the plug.

- 8. Within 30 days after plugging work is completed, file a Sundry Notice (Subsequent Report of Abandonment, Form 3160-5), in quintuplicate with Area Manager, Bureau of Land Management, 1235 La Plata Highway, Farmington, NM 87401. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date well was plugged.
- 9. All permanently abandoned wells are to be marked with a regulation marker (4" pipe extending 4' above the ground line) containing the information as specified in 43 CFR 3162.6(d). Unless otherwise approved.
- 10. After plugging work is completed the surface is to be rehabilitated in accord with instructions from the Fluids Surface Management Section of the Farmington Resource Area Office.

All above are minimum requirements. The period of liability under the bond of record will not be terminated until the lease is inspected and surface work approved.

Please advise this office when the well location is ready for final inspection.

Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1.

You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.