5. LEASE

## UNITED STATES

DEPARTMENT OF THE INTERIOR	SF 078360		
GEOLOGICAL SURVEY	6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
SUNDRY NOTICES AND REPORTS ON WELLS	7. UNIT AGREEMENT NAME		
(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9–331–C for such proposals.)	8. FARM OR LEASE NAME		
1. oil Gr. gas	Grace Federal /	9	
well regas other	9. WELL NO.		
2. NAME OF OPERATOR			
Grace Petroleum Corporation	10. FIELD OR WILDCAT NAME  Lybrook Jakley		
3. ADDRESS OF OPERATOR			
143 Union Blvd - Ste 760, Lakewood, CO 80228	AREA		
4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17	Sec. 19, T23N-R6W		
below.) AT SURFACE: 900' FNL & 890' FWL	12. COUNTY OR PARISH		
AT TOP PROD. INTERVAL: same	Rio Arriba	New Mexico	
AT TOTAL DEPTH: same	14. API NO.		
16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE,			
REPORT, OR OTHER DATA	15. ELEVATIONS (SHOW DF, KDB, AND WD)		
	6950'GL 696	2' KB	
REQUEST FOR APPROVAL TO: SUBSEQUENT REPORT OF:			
TEST WATER SHUT-OFF			
FRACTURE TREAT U SHOOT OR ACIDIZE			
REPAIR WELL	(NOTE: Report results of me	ettiple completion or zone	
PULL OR ALTER CASING	change on form 9		
MULTIPLE COMPLETE	NOV	1 4 1984	
CHANGE ZONES	1104	± ±1304	
ABANDON* k L	BUREAU OF LA FARMINGTON	ND MANAGEMENT	
17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state including estimated date of starting any proposed work. If well is d measured and true vertical depths for all markers and zones pertinen	RECOUNTAIN UNITED. KIVE JUD	give pertinent dates, surface locations and	
Proposal: Plug and abandon well 19-1 as follows	•		
1. Kill well w/lease water.		5 0	

- 1
- 2. Spot a 23 sx Class 'G' cmt plug in 4-1/2" from 5500'-5200' (covers perfs @ 5250'-5452').
- 3. Roll hole w/75 bbls 9.2 ppg mud.
- 4. Perforate 8 squeeze holes @ 3400'-02' and squeeze w/30 sx Class 'G' cmt.
- 5. Spot a 10 sx Class 'G' cmt plug in 4-1/2" from 2350'-2222'.
- 6. Spot a 14 sx Class 'G' cmt surface plug in 4-1/2" from 200' to surface.
- 7. Pump 20 sx Class 'G' cmt through Bradenhead down 8-5/8" x 4-1/2" annulus.
- 8. Install permanent monument.
- 9. Clean-up and restore location.

Subsurface Safety Dalve Many, and Type	Set @	Ft.
18. I hereby certify that the foregoing is true and correct	APPROVED	
SIGNED TITLE Dist. Operations MODATE		<del></del>
/James // Johnson (This space for Federal or State office use)		
	NOV 2 6 1984	
CONDITIONS OF APPROVAL, IF ANY:	Deler Jani M. MILLENBACH	
10 X NOVO 0 1004	M. MILLENBACH	
NOV 2 8 1984	AREA MANAGER	
OIL CON DIV	ac man	

## BUREAU OF LAND MANAGEMENT Caller Service 4104 Farmington, New Mexico 87499

Attachment to Notice of

Re: Permanent Abandonment

Intention to Abandon

Well: #1 Grace Federal 19

## CONDITIONS OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."
- 2. The Farmington office (telephone (505) 325-4572) is to be notified in sufficient time for a representative to witness all plugging operations.
- 3. Blowout prevention equipment is required.
- 4. In addition to normal filling of pits and cleanup of location, additional surface restoration work may be required, i.e. ripping of pad and/or access road, reseeding, etc. We have asked the Surface Management Agency for the surface restoration requirements for this well and we should be able to furnish you these requirements within 30 days. After plugging the well and before making final clean-up, you should contact this office unless you have already been advised as to what additional surface restoration work is required.
- 5. The following modifications to your plugging program are to be made (when applicable):
- A) Spot bottom plug from 5500' to 5060'
- B) Spot plug inside and outside 4'12" csg. from 3450' to 3350' to cover the top of the Mesa Verde Fm.
- C) Spot plug from 1952' to 1852' to cover top of the Pictured Cliffs Fm.
- D) Spot plug from 1002' to 902' to cover the top of the Ojo Alamo Fm.
- E) Spot plug across esg. shoe from 378' to 278'.
- F) Spot surface plug from 100' to surface.

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

Office Hours: 7:45 A.M. to 4:30 P.M.

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

- 1. Secure prior approval 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.
- 3. A proper tank or pit will be used to contain all fluids pumped from the well during plugging operations.
- 4. All cement plugs are to be placed through tubing (or drillpipe) and shall be a minimum of 15 sacks or 100 feet in length, whichever is greater.
- 5. Any cement plug placed when well is not full of fluid, or when well may be taking fluid, will be touched after cement has set to verify proper location.
- 6. Mud must be placed between plugs. Minimum consistency of plugging mud must be 9.2 lbs/gal. Brine is to be utilized for mixing mud where possible.
- 7. Within 30 days after plugging work is completed, file Subsequent Report of Abandonment, Form 3160-5 (formerly 9-331), in quintuplicate with Area Manager, Bureau of Land Management, Caller Service 4104, Farmington, New Mexico 87499. 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.
- 8. All permanently abandoned wells are to be marked with a permanent monument, on which has been stenciled or beaded the well name, well number, and well location by quarter-quarter, section, township and range. The monument is to be of steel pipe, not less than four inches in diameter, cemented permanently in the ground, and extending four feet above general ground level. The top should be closed with a screw cap, welding, or a cement plug.
- 9. After plugging work is completed:
  - a. Fill all pits, rat hole and cellar.
  - b. Clean well location of all equipment, concrete bases, pipe, junk and
  - c. Cut or remove tie downs.
- d. If last well on lease, and no additional drilling is contemplated, fill tank battery pits, remove battery equipment, and clean and level battery location.
- e. Accomplish surface restoration as specified by the surface management agency or land owner.

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

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

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