

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED  
BLM

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**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**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

M & G DRILLING COMPANY C/O KM PRODUCTION

3. Address and Telephone No.

P.O. BOX 2406 FARMINGTON, NM 87499

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

K  
1745' FSL & 1580' FWL SEC 28, T28N, R11W

5. Lease Designation and Serial No.

SF-078863

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

KRAUSE #11

9. API Well No.

30-045-07153

10. Field and Pool, or Exploratory Area

WEST KUTZ *farm*

11. County or Parish, State

SAN JUAN

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 REQUEST EXTENSION OF

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

TIME FOR RECOMPLETION

(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 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.)\*

IN RESPONSE TO YOUR LETTER DATED SEPTEMBER 19, 1996 M&G DRILLING REQUESTS A 6 MONTH EXTENSION OF TIME TO RECOMPLETE THIS WELL IN THE FRUITLAND COAL FORMATION. M&G ALSO REQUESTS THE SAME EXTENSION OF TIME FOR MECHANICAL INTERGRITY TESTING OF THIS WELL. THERE ARE CURRENTLY TWO DIFFERENT PROPOSED LEGISLATIVE INCENTIVES WHICH, IF PASSED, WOULD SIGNIFICANTLY IMPROVE THE ECONOMICS OF THIS RECOMPLETION. THESE PROGRAMS ARE: (1) FEDERAL ROYALTY REDUCTION FOR MARGINAL GAS PROPERTIES AND (2) NEW MEXICO PERCENTAGE REDUCTION IN PRODUCTION TAXES FOR INACTIVE WELLS. THE VIABILITY AND APPLICABILITY OF THESE PROGRAMS SHOULD BE KNOWN IN 6 MONTHS TIME.

RECEIVED  
OCT 28 1996

APPROVAL EXPIRES APR 17 1997

OIL CON. DIV.  
DIST. 3

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

Signed

Title PETROLEUM ENGINEER

APPROVED

(This space for Federal or State office use)

Approved by

Title

OCT 21 1996

Conditions of approval, if any:

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 matter within its jurisdiction.

\*See Instructions on Reverse Side