Form 3:60-5 (November 1983)	UNITED STA	ATES	SUBMIT IN TRIPLICATES (Other instructions on re- verse aide)	Expires August 31, 1985 5. LEASE DESIGNATION AND SERIAL NO.		
(November 1983) (Formerly 9-331) DEPARTMENT OF THE INTERIOR verse side) BUREAU OF LAND MANAGEMENT				SF-078931-B (CA#8561)		
SUND	RY NOTICES AND F rm for proposals to drill or to d use "APPLICATION FOR PERMI	REPORTS ON leepen or plug back to	WELLS to a different reservoir.	e. IF INDIAN ALLOTTEE	OR TRIBE NAME	
OIL GAB OTHER Injection Well				7. UNIT AGREEMENT NAME Central Cha Cha Unit		
2. NAME OF OPERATOR	8. VARN OR LEASE NAME Central Cha Cha Unit					
DUGAN PRODUCTION ADDRESS OF OPERATOR	CTION CORP.	Cara Cara		9. WBLL NO.	Cha Offic	
DO BOY 420 E	armington, NM 8749	99 (2)		10. FIELD AND POOL, OR	WILDCAT	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface				Cha Cha Gallup		
1000 ESI 5 602 EWI				11. SEC., T., S., M., OR BLK. AND SURVEY OR AREA		
			CON. DIV.		,R13W,NMPM	
14. PERMIT NO.		Show whether DF, RT,		12. COUNTY OF PARISE	NM	
		5' GL; 5947' R				
16.		lo Indicate Natur	e of Notice, Report, or O	ENT REPORT OF:		
	TICE OF INTENTION TO:		WATER SHUT-OFF	REPAIRING W	FELL	
TEST WATER SHUT-OFF	PULL OR ALTER CAS		PRACTURE TREATMENT	ALTERING CA	MING	
SHOOT OR ACIDIZE	ABANDON*	x	SHOOTING OR ACIDIZING	ABANDONMEN	IT*	
REPAIR WELL	CHANGE PLANS		(Other)	of multiple completion	on Well	
(Other)	OMPLETED OPERATIONS (Clearly seell is directionally drilled, give	tate all pertineut det	deten	etion Report and Log for including estimated date	e of starting any	
Plan to 1. Spo top	plug and abando ot 9 cu. ft plug p.	n as follow inside 4½°	vs: ' from 5217-5178	across Gall	up	
	rforate casing @ cu.ft. plug 311		below Mesa Ver	de top). Sp	ot	
	rforate casing @ . ft. plug 2525-		below Chacra t	op). Spot 4	6	
	ot 9 cu.ft. plug ctured Cliff top		' casing 1600-15	00' across		
	ot 9 cu. ft plug uitland top.	inside 43'	casing 1280-11	80' across		
6. Per 82	rforate casing @ cu. ft from 236	and circul	late to surface.	jo Alamo).	Spot	
	stall dry hole m	arker. _{((()N()}	LE ATTACHED FOR ITIONS OF APPROVAL			
SIGNED John	ne foregoing is true and correct Alexander	_	erations Manager	DATE 9-1	9-90	
(This space for Federal	l or State office use)			<u> </u>		
APPROVED BY		TITLE		DATE		
÷				FOR Ken Tower	以 取作 成 》	
L)C	* S-	ee Instructions on	Reverse Side	•		

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA 1235 LA PLATA HIGHWAY FARMINGTON, NEW MEXICO 87401

Attachment to Notice of

Re: Permanent Abandonment

Intention to Abandon

Well: 4 Central ChaChe Var

CONDITIONS OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."
- 2. With the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 326-6201.
- 3. Blowout prevention equipment is required.
- 4. The following modifications to your plugging program are to be made (when applicable):

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.

April Marie Carlo Car

- 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.

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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.