submitted in lieu of Form 3160-5

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

2004 HEQ 12 M 11: 44

Sundry Notices and Reports on Wells	Vi U	ramingion, NM
ATT TO THE	5.	Lease Number NM - 05791
Type of Well	6.	If Indian, All. or
Gas Man	<u>)</u>	Tribe Name
WAR 2001	E3	
En	7.	Unit Agreement Name
Name of Operator		
M&G Drilling Company c/o Robert L. Bayless, Producer, LLC.		
	y 8 .	Well Name & Number
Address & Phone No. of Operator	0	Graham #96
PO Box 168, Farmington, NM 87499 (505) 326-2659	9.	API Well No.
ocation of Well, Footage, Sec., T, R, M	10.	Field and Pool
ovalivit of ffell, i ovlage, occ., 1, N, M	IU.	Otero Chacra
Unit P; 990' FSL and 915' FEL, Section 10, T-27-N, R-8-W, NMPM		Julio Orladia
	11.	County & State San Juan County, NM
2. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, C Type of Submission Type of Action	THER	DATA
Notice of Intent X Abandonment Change of Plans		
Recompletion New Construction		
X Subsequent Report Plugging Back Non-Routine Fra	cturing	
Casing Repair Water Shut off		
Final Abandonment Altering Casing Conversion to In	jection	
3. Describe Proposed or Completed Operations M&G Drilling plug and abandon this well per the attached report of	on Mar	ch 3, 2004.
		ATT
14. I hereby certify that the foregoing is true and correct.		
Signed / / / Title Agent Kevin H. McCord		Date <u>3/10/04</u>
This space for Federal or State Office use) APPROVED BY Title CONDITION OF APPROVAL, if any:		Date
ONDITION OF AFFROVAL, II ALIY.	. <u> </u>	CEPTEN END DECOR
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3AR 15 2004

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

Farmington, New Mexico 87499 505-325-2627 * fax: 505-325-1211

M&G Drilling Company **Graham #96** 990' FSL & 915' FEL, Section 10, T-27-N, R-8-W San Juan County, NM NM-05791, API #30-045-25528 March 5, 2004 Page 1 of 3

Plug & Abandonment Report

Cementing Summary:

- Plug #1 with retainer at 3100', spot 16 sxs cement inside casing above retainer from 3100' to 2938' to cover the Chacra interval.
- Plug #2 spot 36 sxs cement with 2% CaCl2 inside casing from 2273' to 1786' to cover the Pictured Cliffs and Fruitland tops.
- Plug #3 spot 28 sxs cement inside casing from 1538'to 1150' to cover the Kirtland and Ojo Alamo.
- Plug #2a mix and pump 51 sxs cement from 1760' to 1600', squeeze 39 sxs outside 4-12" casing and leave 12 sxs inside casing, displace to 1600'.
- Plug #3a spot 27 sxs cement with 2% CaCl2 inside casing from 1521' to 1156' to cover the Kirtland and Ojo Alamo tops.
- Plug #4 with 132 sxs cement: 1st pump 112 sxs cement down 4-1/2" casing from casing leak at 350' to surface, circulate good cement out bradenhead; 2nd shut in bradenhead and squeeze 20 sxs cement into surface annulus with final pressure at 500#.

Notified BLM 2/19/04

Plug and Abandonment Summary:

- 2/19/04 MOL. Held JSA. RU. Well pressures: tubing 140#, casing 120# and bradenhead 80#. Layout relief line to pit. Line and fence pit. Blow well down. ND wellhead. NU BOP and test. Start to TOH with tubing, too windy. Shut in well & SDFD.
- 2/20/04 Held JSA. Well pressures: 40# on tubing, casing and bradenhead; blow well down to about 10#. Continue to TOH and tally 98 joints 1-1/2" EUE tubing, total tally 3142'. Round-trip 4-1/2" gauge ring to 3100'. PU 4-1/2" DHS cement retainer and set at 3100'. Pressure test tubing to 1000#. Circulate well clean with 60 bbls of water. Pressure test casing to 500#, bled down to 0# in 1 minute. Plug #1 with retainer at 3100', spot 16 sxs cement inside casing above retainer from 3100' to 2938' to cover the Chacra interval. PUH. Note: BLM did not want bradenhead test due to gas blowing. BLM required WOC on Plug #1. Shut in well. SDFD.
- 2/23/04 Held JSA. Open up well and blow down 40# bradenhead pressure to about 5#. TIH with tubing and tag cement at 2926'. PUH to 2273'. Attempt to pressure test casing to 500#, bled down to 0# in 20 seconds. Pump ½ bbl at 400# in 3 minutes. Plug #2 spot 36 sxs cement with 2% CaCl2 inside casing from 2273' to 1786' to cover the Pictured Cliffs and Fruitland tops. PUH and WOC. Open up well. Blow down 40# bradenhead pressure. TIH with tubing and tag cement at 1780'. PUH to 1538'. Attempt to pressure test casing to 500#, same results. Plug #3 spot 28 sxs cement inside casing from 1538'to 1150' to cover the Kirtland and Ojo Alamo tops. PUH and WOC. Shut in well. SDFD.

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San Juan County, NM
NM-05791, API #30-045-25528

March 5, 2004 Page 2 of 3

Plug & Abandonment Report

Plugging Summary Continued:

- 2/24/04 Held JSA. Well pressures casing dead and bradenhead 65# shut in from overnight. Blow to bradenhead. Bleed bradenhead down to 5#, stays steady blow. S. Mason, BLM, required the following: tag on plug #3, pressure test casing, establish rate down bradenhead and notify with results. TIH and tag cement at 1290'. Attempt to pressure test casing, establish rate into BH annulus 1 bbl in 3 minutes at 350# with pump idling. Bled down from 350# to 0# in 10 seconds. Leak at 4-1/2" stub, retighten flange and 8-5/8" x 4-1/2" head. Test with same results. Pump 12 bbls down bradenhead and establish rate 2 bpm at 0# with 3 bbls of water, bradenhead dead; no vacuum. WOO from BLM. TOH with tubing and LD stinger. Wait on Blue Jet Wireline. RIH with Gamma-Ray collar locator to 1215' and POH. RIH with audio tool with bradenhead shut in to 1215', found gas flow in annulus starting at 1215'. RIH with audio tool and bradenhead open to 1215'. Bradenhead gas coming from below 1215'. SDFD.
- 2/25/04 Held JSA. Open up well and blow 65# bradenhead pressure down to about 5#. TIH with 1-1/2" EUE tubing and LD 38 joints. Rack up 98 joints 1-1/2" tubing on 4x4's. Change over to 2-3/8" tubing. Fill earth pit with water to use as return pit for drilling out cement. Spot in float #100 with A-Plus workstring and 6 3-1/8" drill collars. Tally, PU new 3-7/8" blade-bit, x-over, 6 3-1/8" drill collars and 32 joints 2-3/8" tubing and tag at 1220', LD 1 joint. RU power swivel. PU 1 joint and begin drilling at 1220'. Drill down to 1282' and circulate well clean. SI & SDFD.
- 2/26/04 Held JSA. Open up well and blow down 65# bradenhead pressure. TIH with tubing to 1282'. PU power swivel and 1 joint tubing then establish circulation. Begin drilling at 1282'. Drill hard cement with 3-7/8" blade bit with swivel turning 80 to 90 RPM. At about 1362' bradenhead started circulating. Check returns and noticed metal shavings. TOH with tubing and BHA. PU 3-7/8" TRI cone bit and TIH with tubing and collars. Begin drilling hard cement at 1362', no metal shavings. Drill to 1474' and circulate well clean. Note: reverse circulating while drilling all day, pump 2 bpm at 300# to 400# and lost 30-40 bbls of water. SDFD.
- 2/27/04 Held JSA. Open up well, no pressure. TIH with 5 stands tubing to 1474'. PU swivel and 1 joint tubing. Establish circulation out tubing with 4 bbls of water. Begin drilling at 1474'. Continue to drill down to 1780', circulate casing clean for 15 minutes. Hang back swivel. TOH with tubing and LD BHA. Attempt to pressure test casing, leak ½ bbl in 1-1/2 minutes at 500#. RU A-Plus wireline truck and GIH 8 shots in 2 90 degree gun, tag cement at 1790'. Perforate at 1760' with 8 3-1/8" HSC shoots. Load casing with 1-1/2 bbls of water. Attempt to pressure test, 1 bbl in 1-1/2 minutes at 500#. PU 4-1/2" fullbore tension packer and TIH to 325'. Attempt to pressure test above 325',leak. PUH to 260'. Pressure test above 260' to surface, OK. PU 1 joint and set packer at 291'. Attempt to pressure test above 291' to surface, leak. Attempt to pressure test below packer, leak. Determine casing holes from 260' to 356'. TIH with tubing and packer to 1677', set. Attempt to establish rate into squeeze holes, pressured up to 1000#. Pressured up to 2500#, unable to break down. Bled down to 1000# in 2 minutes. TIH with tubing and packer. Shut in well and WOO. SDFD.

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990' FSL & 915' FEL, Section 10, T-27-N, R-8-W
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March 5, 2004 Page 3 of 3

Plug & Abandonment Report

Plugging Summary Continued:

- 3/1/04 Held JSA. Open up well and blow down 65# bradenhead pressure. Rack up swivel. Load casing with 3 bbls. Perforate from 1730' to 1726' with 16 shots at 90 degrees. TIH with fullbore packer and tubing to 1677', set packer. Attempt to establish rate and pressured up to 2400#. Bled down to 1900# in 15 seconds. Repeat several times, unable to establish rate. Release packer. TOH with tubing and packer. Perforate 1700' to 1698' with Uzzi gun, 36 shots at 10 degrees in 2'. TIH with tubing and packer; set at 1616'. Attempt to establish rate, pressured up to 2400#, unable to establish rate. Changeover to hard line. Pressured up to 3200# and establish-rate-½ bpm at 3200#. Break down to 1-1/2-bpm at 2200# with 35 bbls, bled down. PUH with packer to 1554' with same rate. Mix and pump 40 bbls of mud down bradenhead with final pressure at 1-1/2 bpm at 500#. Plug #2a mix and pump 51 sxs cement from 1760' to 1600', squeeze 39 sxs outside 4-12" casing and leave 12 sxs inside casing, displace to 1600'. Shut in well and WOC. SDFD.
- 3/2/04 Held JSA. Open up well, very light blow on bradenhead. Release packer at 1554'. TIH and tag cement at 1594'. TOH with tubing and LD packer. TIH to 1521'. Load casing with 1-1/2 bbls. Plug #3a spot 27 sxs cement with 2% CaCl2 inside casing from 1521' to 1156' to cover the Kirtland and Ojo Alamo tops. TOH and LD tubing. Shut in well and WOC as required by BLM. Establish circulation out casing leaks. Circulate well clean with 60 bbls of water. TIH and tag cement at 1237'. BLM approved TOC. BLM approved bullhead of Plug #4. Plug #4 with 132 sxs cement: 1st pump 112 sxs cement down 4-1/2" casing from casing leak at 350' to surface, circulate good cement out bradenhead; 2nd shut in bradenhead and squeeze 20 sxs cement into surface annulus with final pressure at 500#. Shut in well and WOC. Dig out wellhead. SDFD.
- 3/3/04 Held JSA. Open up well, bradenhead had a puff when opened. Flashed bradenhead outlet and it ignited and stood burning for 4" sot flame. Would not burn itself out. S. Mason, BLM, approve to let well vent. RD. Note: attempted to pressure test bradenhead. Pumped about 1/4 bbl and pressured up to 400#, lost 100# in 30 seconds and 400# in 6 minutes. Did not cut off wellhead or anchors.
 - J. Coy, L. Jaramillo, O. Torres, BLM representatives, were on location during cement jobs.