

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979
 FARMINGTON, NM 87499
 505-325-2627 • FAX: 505-325-1211

COPY

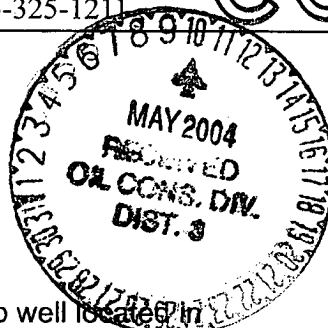
April 30, 2004

New Mexico Oil Conservation Division

1 of 2

Aztec District

1000 Rio Brazos Road
 Aztec, NM 87410

Invoice 3283

Rig #9

For the plug and abandonment of the **HSGU #246**, a Gallup well located in SW, Section 3, T-30-N, R-16-W, San Juan County, NM. Review report for work details. This work done under NMOCD PA: 41-521-07-00028, Purchase Doc.- 04-199-000613.

549

Cost Summary:

ID#	Date	Item Description	Units	Unit Cost	Extension
Workover Rig, Travel and Supervision:					
A1	4/2/04	Contractors Supervisor / Cementer	1.0	\$ 250.00	\$ 250.00
A1	4/6/04	Contractors Supervisor / Cementer	1.0	\$ 250.00	\$ 250.00
A1	4/7/04	Contractors Supervisor / Cementer	0.5	\$ 250.00	\$ 125.00
A2	4/1/04	Crew travel, one way	1.0	\$ 112.00	\$ 112.00
A2	4/2/04	Crew travel, round trip time	2.0	\$ 112.00	\$ 224.00
A2	4/6/04	Crew travel, round trip time	2.0	\$ 112.00	\$ 224.00
A2	4/7/04	Crew travel, one way	1.0	\$ 112.00	\$ 112.00
A3	4/1/04	Shallow Rig	3.50	\$ 140.00	\$ 490.00
A3	4/2/04	Shallow Rig	7.00	\$ 140.00	\$ 980.00
A3	4/6/04	Shallow Rig	10.00	\$ 140.00	\$ 1,400.00
A3	4/7/04	Shallow Rig	3.75	\$ 140.00	\$ 525.00
Cementing Services:					
B1	4/2/04	Cementing equipment on location	N/C	\$ 450.00	
B1	4/6/04	Cementing equipment on location	1.0	\$ 450.00	\$ 450.00
B1	4/7/04	Cementing equipment on location	0.5	\$ 450.00	\$ 225.00
B3	4/6/04	Cement, plug #1, plug #2, sxs	117	\$ 10.50	\$ 1,228.50
B3	4/7/04	Cement, set P&A marker, sxs	17	\$ 10.50	\$ 178.50
B5	4/6/04	Calcium Chloride, per pound	80	\$ 0.60	\$ 48.00
Wireline Services:					
C1	4/6/04	Wireline unit on location, used	1.0	\$ 250.00	\$ 250.00
C3	4/6/04	Perforate squeeze holes at 140'	1.0	\$ 300.00	\$ 300.00
Packers, Retainers & Casing Scrapers:					
D3	4/2/04	Cement retainer, tubing set, 5-1/2"	1.0	\$ 900.00	\$ 900.00
D4	4/2/04	Casing scraper rental, 5-1/2"	1.0	\$ 250.00	\$ 250.00
Workstrings & Miscellaneous Rentals:					
E1.1	4/2/04	Workstring rental, 2-3/8, feet	1176	\$ 0.12	\$ 141.12
E6.3	4/1/04	Companion flange rental, 5-1/2"	1.0	\$ 50.00	\$ 50.00
E14	4/2/04	Waste fluid container, days used	2.5	\$ 30.00	\$ 75.00

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2 of 2

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For the plug and abandonment of the **HSGU #246**, a Gallup well located in
SW, Section 3, T-30-N, R-16-W, San Juan County, NM. Review report for work details.
This work done under NMOCD PA: 41-521-07-00028, Purchase Doc.- 04-199-000013.

549

Cost Summary:

ID#	Date	Item Description	Units	Unit Cost	Extension
Transportation and Miscellaneous Services:					
F1.a	4/1/04	Unit #141, Haul A+ workstring/float #98 to loc.	1.50	\$ 74.00	\$ 111.00
F1.b	4/7/04	Unit #152, Haul waste pit to IEI and unload	1.75	\$ 74.00	\$ 129.50
F4	4/1/04	Float #98 with workstring, rental	3.0	\$ 15.00	\$ 45.00
F6.a	3/31/04	Unit #265, Haul 1 load of water to central tank	4.0	\$ 50.00	\$ 200.00
F6.b	4/2/04	Unit #134, Haul 1 load of water to location	1.5	\$ 50.00	\$ 75.00
F6.c	4/6/04	Unit #134, Haul 1 load of water to location	1.5	\$ 50.00	\$ 75.00
F6.d	4/2/04	Unit #155, Hold waste fluid from pit, standby	4.0	\$ 50.00	\$ 200.00
F.7	4/30/04	B-hoe, Clean up location and wellhead	2.0	\$ 50.00	\$ 100.00
F11	3/11/04	P&A marker, purchase	1.0	\$ 120.00	\$ 120.00
F14	3/31/04	Purchase water,	1.0	\$ 20.00	\$ 20.00
Third Party Charges:					
G1	4/7/04	Industrial Ecosystems, Inv #3913		\$ 270.00	
		land farm semi-solid material from steel pit			
		Total		\$ 270.00	
		Third Party Handling Charge	8%	\$ 21.60	\$ 291.60
Salvage Credit:					
S1		Salvage, 2-3/8" EUE tubing, 40 joints	1240	\$ 0.70	\$ (868.00)
				TOTAL	\$ 9,287.22
				TAX 6.3750%	\$ 592.06
				TOTAL DUE	\$ 9,879.28

THANK YOU

ORIGINAL SIGNED BY CHARLIE T. PERREN

DEPUTY OIL & GAS INSPECTOR, DIST. 2

submitted in lieu of Form 3160-5

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Sundry Notices and Reports on Wells

<p>1. Type of Well WIW</p> <p>2. Name of Operator Vulcan Minerals & Energy, c/o NMOCD Aztec District Office</p> <p>3. Address & Phone No. of Operator 1000 Rio Brazos Road, Aztec, NM 87410 505-334-6178</p> <p>Location of Well, Footage, Sec., T, R, M 1920' FSL and 350' FWL, Section 3, T-30-N, R-16-W,</p>	<p>5. Lease Number SF-081226-B</p> <p>6. If Indian, All. or Tribe Name</p> <p>7. Unit Agreement Name Horseshoe Gallup Unit</p> <p>8. Well Name & Number HGU #246</p> <p>9. API Well No. 30-045-09886</p> <p>10. Field and Pool Horseshoe Gallup Unit</p> <p>11. County & State San Juan County, NM</p>
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12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission	Type of Action
<input checked="" type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other -
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut off
	<input type="checkbox"/> Conversion to Injection

13. Describe Proposed or Completed Operations

A-Plus Well Service Plugged and Abandoned the above well NMSA 1978, Section 13-1-127, Contract Number: 04-521-07-00028.

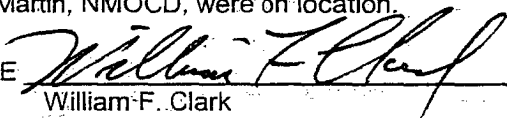
4/01/04 MOL. RU. Relief line to steel pit. ND wellhead. Release packer. NU BOP, test. SDFD.

4/02/04 No pressure. TOH and LD 40 joints 2-3/8" tubing and 5-1/2" packer. TIH with A+ workstring and 5-1/2" casing scraper to 1176'. TIH and set 5-1/2" DHS CR at 1176'. Pump waste fluid from water truck below CR. Sting out of retainer and load casing with 6 bbls of water. Circulate well clean with additional 26 bbls of water. Attempt to pressure test casing to 500#, bled down to 400# in 2.5 minutes. Plug #1 with retainer at 1176', mix 32 sxs cement, unable to get cement weight up, reverse out. Circulate well clean.

4/06/04 Load casing and circulate well clean with 3 bbls of water. Plug #1 with CR at 1176', spot 32 sxs cement with 2.5% CaCl₂ inside casing from 1176' to 900' to cover the Gallup interval. PUH and WOC. TIH and tag cement at 933'. H. Villanueva, NMOCD, approved tag. TOH and LD tubing. Perforate 2 squeeze holes at 140'. Establish circulation out bradenhead with 8 bbls of fresh water. Circulate annulus clean with additional 8 bbls of water. Plug #2 with 85 sxs cement pumped down the 5-1/2" casing from 140' to surface, circulate good cement out bradenhead. Shut in well and WOC. SDFD.

4/07/04 Open up well. Dig out and cut off wellhead. Found cement at surface. Mix 17 sxs cement to install P&A marker. RD. MOL. L. Lee, Navajo EPA, J. Walker, US EPA, V. Jamison, BLM and H. Villanueva, B. Martin, NMOCD, were on location.

SIGNATURE


William F. Clark

Contractor

April 30, 2004

(This space for Federal or State Office use)

APPROVED BY

Title

Date

CONDITION OF APPROVAL, if any:

22202

Date 04/01/04 Day THU

[illegible]

Wireline: _____

CREW	NAME	UNIT #	MILEAGE	HOURS
Supervisor	MIKE HIGDON #221 IN AND FILL	#21		
Operator	JESUS JACOBO	#07		4.5
Helper	SAUL JACOBO			4.5
Helper	LORENZO RODRIGUEZ			4.5
Helper	ERIK LOZANO			4.5
Trainee				

22203

P.O. BOX 1979 • FARMINGTON, NM 87499

505-325-2627 • FAX (505) 325-1211

Rig No. #9

Date 04/02/04 Day FRI

Well Name HORSESHOE GALLUP UNIT # 246 Company PLAYA MINERALS & ENERGY COMPANY

[illegible]

Fuel & Motor Oil _____ Water Hauled _____

Rental Equipment _____ Cement Retainers 5 1/2" DHS @ 1176'

Cementing _____

Wireline _____

CREW	NAME	UNIT #	MILEAGE	HOURS
Supervisor	MIKE HIGDON	#21		
Operator	JESUS JACOBO	#07		11.0
Helper	SAUL JACOBO			11.0
Helper	LORENZO RODRIGUEZ			11.0
Helper				
Trainee				

5840

A-Plus Well Service, Inc.

P.O. Box 1979, Farmington, NM 87499
505-325-2627Date: 04/01/04Truck #: 141

Event: #1	From: HSGU #233	To: HSGU #246	Hours
Start: 3:00	What: LOAD AND HAUL FLOAT #98 TO LOCATION AND SPOT		
Stop: 3:30	Charge to: PLAYA MINERALS & ENERGY % NMOC		.5
Event: #2	From: HSGU #246	To: HSGU #233	
Start: 3:30	What: ROAD TO LOCATION AND LOAD STEEL PIT		
Stop: 4:00	Charge to: PLAYA MINERALS & ENERGY % NMOC		.5
Event: #3	From: HSGU #233	To: HSGU #246	
Start: 4:00	What: ROAD TO LOCATION AND SPOT STEEL PIT		
Stop: 4:30	Charge to: PLAYA MINERALS & ENERGY % NMOC		.5
Event: #4	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #5	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
	Driver: MIKE HIGDON		1.5
Diesel:	Helper		
Oil:	NM MILES: 4.0	CO MILES: _____	UT MILES: _____
Remarks:	HSGU #246		

F1.2

1 1/2 hrs

A-Plus Well Service, Inc.

P.O. Box 1979, Farmington, NM 87499
505-325-2627Date: 4-7-04Truck #: 152

Event: #1	From:	To:	Hours
Start: 7:30	What: PZL TRIP		
			1/2
Stop: 8:00	Charge to: BROG		
Event: #2	From: YARD	To: Bohernadon STORE	
Start: 8:00	What: P.H. float #95		1
Stop: 9:00	Charge to: BROG		
Event: #3	From: Bohernadon STORE	To: S.J. 32-9 #84	
Start: 9:00	What: Haul float & spot		1 1/2
Stop: 10:30	Charge to: BROG		
Event: #4	From: S.J. 32-9 #84	To: YARD	
Start: 10:30	What: TRAVEL BACK		1
Stop: 11:30	Charge to: BROG		
Event: #5	From:	To:	
Start: 11:30	What: LOAD UP PIT #515		1/2
Stop: 12:00	Charge to: NMOC D		
Event: #6	From: YARD	To: HSG #244	
Start: 12:00	What: TRAVEL TIME		1
Stop: 1:00	Charge to: NMOC D		
Event: #7	From:	To:	
Start: 1:00	What: unload PIT, P.H. BROWN PIT, & secure		1
Stop: 2:00	Charge to: NMOC D		
Event: #8	From: HSG #244	To: YARD	
Start: 2:00	What: TRAVEL TO 121 YARD, unload cement from pit & back to YARD, unload pit, pit tip		3
Stop: 5:00	Charge to: NMOC		
	Driver: Bill RANDALL		9 1/2
Diesel:	Helper: Julius Jim	2 hrs YARD	9 1/2 = 11 1/2 hrs
Oil:	NM MILES: 140	CO MILES:	UT MILES:
Remarks:	NMOC D	HSG #246	
		HSG #233	
	Haul waste pit to TES		
	and unload material		

F1.6

1/2
3 3 1/21 3/4 hrs.
1 3/4 hrs

A-Plus Well Service, Inc.

P.O. Box 1979, Farmington, NM 87499
505-325-2627Date: 3-31-04Truck #: 965-155

Event: #1	From: <u>A-plus</u>	To:	Hours
Start: <u>5:30</u>	What: <u>Free CK 265</u>		
Stop: <u>6:00</u>	Charge to: <u>NM O.C.D.</u>		<u>.5</u>
Event: #2	From: <u>ASupts Meeting</u>	To:	
Start: <u>6:00</u>	What:		<u>2</u>
Stop: <u>8:00</u>	Charge to: <u>Conson</u> <u>Conson Phillips</u>		
Event: #3	From: <u>A-plus</u>	To: <u>Horseshoe Gallup</u>	
Start: <u>8:00</u>	What: <u>hauled 1 load - Returned To yard</u>		<u>4</u>
Stop: <u>12:00</u>	Charge to: <u>NM O.C.D.</u>		
Event: #4	From: <u>A</u>	To:	
Start: <u>12:00</u>	What: <u>Lunch</u>		<u>#1</u>
Stop: <u>1:00</u>	Charge to:		
Event: #5	From: <u>A-plus</u>	To:	
Start: <u>1:00</u>	What: <u>Crossed 265</u>		<u>1</u>
Stop: <u>2:00</u>	Charge to:		
Event: #6	From: <u>A-plus</u>	To: <u>Horseshoe Gallup</u>	
Start: <u>2:00</u>	What: <u>Delivered 155 to location</u> <u>Redo in with Bob S</u>		<u>3.5</u>
Stop: <u>5:30</u>	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
Driver:	<u>Lucky Maez</u>		<u>11</u>
Diesel:	<u>40</u>		
Oil:	NM MILES: <u>80</u> CO MILES: _____ UT MILES: _____		
Remarks:	<u>NM O.C.D.</u> <u>ASBU</u>		
	<u>Haul 1 load water to central tank</u>		

F6.2

4 hrs

A-Plus Well Service, Inc.
P.O. Box 1979, Farmington, NM 87499
505-325-2627

5841

Date: 09/02/04

Truck #: 134

Event: #1	From: HSGU #246	To: A-PLUS TANK #302	Hours
Start:	What: TRAVEL TO TANK LOAD/WATER		
09/02/04			
Stop:	Charge to: PLAYA MINERALS & ENERGY		1.0
Event: #2	From: A-PLUS TANK #302	To: HSGU #246	
Start:	What: ROAD TO LOCATION		
09/02/04			
Stop:	Charge to: PLAYA MINERALS & ENERGY		.5
Event: #3	From: HSGU #246	To: A-PLUS TANK #302	
Start:	What: ROAD TO TANK LOAD/WATER		
09/06/04			
Stop:	Charge to: PLAYA MINERALS & ENERGY		1.0
Event: #4	From: A-PLUS TANK #302	To: HSGU #246	
Start:	What: ROAD TO LOCATION		
09/06/04			
Stop:	Charge to: PLAYA MINERALS & ENERGY		.5
Event: #5	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
	Driver: MIKE HIGDON		3.0
Diesel:	Helper		
Oil:	NM MILES: _____ CO MILES: _____ UT MILES: _____		
Remarks:			

F6.b
1 1/2

F6.C
1 1/2

F6.b

3 hrs

A-Plus Well Service, Inc.

P.O. Box 1979, Farmington, NM 87499
505-325-2627

5842

Date: 09/02/09

Truck #: 155

Event: #1	From: HSGu # 246	To:	Hours
Start:	What:		
	STANDBY FOR DISPOSAL		
Stop:	Charge to: PLAYA MINERALS & ENERGY		4.0
Event: #2	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #3	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #4	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #5	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
	Driver:		4.0
Diesel:	Helper		
Oil:	NM MILES: _____ CO MILES: _____ UT MILES: _____		
Remarks:			

FG.d



Invoice Number: 3913
Invoice Date: Apr 8, 2004
Page: 1

Industrial Ecosystems Inc.

P.O. Box 2043

Farmington, NM 87499

PH: (505) 632-1782 Fax: (505) 632-1876

TAX I.D. #94-3200034

PLEASE REMIT PAYMENT TO:

Industrial Ecosystems, Inc.

c/o John J. Kiely

401 S. Lasalle St., Suite 606

Chicago, Illinois 60605

Sold To: A PLUS WELL SERVICE
PO BOX 1979
FARMINGTON, NM 87499

Location: HSGU #246

Contact	Payment Terms	Due Date	Customer PO
BILL CLARK	Net 30 Days	5/8/04	

Quantity	Description	Unit Price	Extension
15.00	MATERIAL RECEIVED ON 4/7/2004 MATERIAL TRANSPORTED BY A PLUS WELL SERVICE TRUCK # 254 DISPOSED OF CEMENT WASTE SPLIT LOAD DISPOSAL FEE PER BBL	18.00	270.00
7191 (Modeling)			
6111			
442			

FOR BILLING INQUIRIES PLEASE CALL
(505) 632-1782

Subtotal	270.00
Sales Tax	16.37
Total Invoice Amount	286.37
TOTAL	286.37

ACCOUNTS ARE DUE NET 30 DAYS. PURCHASER AGREES TO PAY FINANCE CHARGES OF 1.5% PER MONTH (ANNUAL PERCENTAGE RATE OF 18%) OR A MINIMUM CHARGE OF .50 PER MONTH. ACCOUNTS THAT HAVE BEEN PLACED FOR COLLECTION WILL BE CHARGED A \$100.00 COLLECTION FEE IN ADDITION TO REASONABLE ATTORNEY FEES AND COLLECTION CHARGES.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenberg

Director

Oil Conservation Division

CERTIFICATE OF WASTE STATUS

1. Generator Name and Address Vulcan Minerals & Energy c/o NMOCD - Charlie Perrin A-Plus Well Service Plugging Contractor to NMOCD	2. Destination Name: J.F.J. Landfarm c/o Industrial Ecosystems Inc. 420 CR 3100 Aztec, NM 87410
3. Originating Site (name): HSGU #233 Unit G, Section 4, T30N, R16W, San Juan County, NM HSGU #246 Unit L, Section 3, T30N, R16W, San Juan County, NM attach list of originating sites as appropriate	Location of the Waste (Street address &/or ULSTR):
4. Source and Description of Waste Cement waste, sediments and fluid from plugging operations.	
5.	

I, William F. Clark representative for:
Print Name

A-Plus Well Service Inc. do hereby certify that, according to the
Resource Conservation and Recovery Act (RCRA) and Environmental Protection Agency's July, 1988, regulatory determination, the
above described waste is: (Check appropriate classification)

☒ EXEMPT oilfield waste

☐ NON-EXEMPT oilfield waste which is non-hazardous by characteristic
analysis or by product identification

and that nothing has been added to the exempt or non-exempt non-hazardous waste defined above.

For NON-EXEMPT waste the following documentation is attached (check appropriate items):

☐ MSDS Information

☐ Other (description)

☐ RCRA Hazardous Waste Analysis

☐ Chain of Custody

This waste is in compliance with Regulated Levels of Naturally Occurring Radioactive Material (NORM) pursuant to 20
NMAC 3.1 subpart 1403.C and D.

Name (Original Signature): William F. Clark

Title: President

Date: 4-7-00

61.2