| : TWØ CROSS PRODUCTION | PHONE NO. : 505 326 2916 | Sep. 09 2004 10:06AM P2 |
|--------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|
| <u>8/31/2004 17:28 505325121</u> | 1 APLUSWELLSERVICE | PAGE 82/ |
| submitted in lieu of Form 3160-6 | AMITED STATES | TAXOD 9/a/ |
| | UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT Sundry Notices and Reports on Wells | |
| 1. Type of Well Gas | | 5. Lesse Number MOO-C-1420-4387 |
| 2. Name of Operator J. Thomas Development | 31) ************************************ | 6. If Indian, All. or Tribe Name |
| 3, Address & Phone No. of Oper c/o Jeff Davis, P.O. Box 50 | | 7. Unit Agreement Nan |
| 4. Location of Well, Footage, Sec | | 8. Well Name & Numbe Ute Mountain Ute # |
| 945' FNL and 1110' FWL, So | 8ec. 34, T-31-N, R-14-W | 9. API Well No. 30-045-26808 10. Field and Pool |
| | | Gallup 11. County & State San Juan County, N |
| Type of Submission X Notice of Intent Subsequent Report | | Plans ruction e Fracturing |
| Final Abandonment | Casing RepairWater ShutAftering CasingConversionOther - | to injection |
| 13. Describe Proposed or Comple | oted Operations | |
| J. Thomas Development p | lans to plug and abandon this well per | the attached procedure. |
| | SEE ATTROUGHD | |
| | CONDITIONS OF ASPACIVAL | |
| Title 18 U.S.C. Section 1001 and make to any department or ager representations as to any matter | d Title 43 U.S.C. 1212 make it a crime for any ney of the United States any false, fictitious or within its jurisdiction. | person knowingly and willfully to fizudulent statements or |
| 14. I hereby certify that the forego | | 5-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1 |
| Signed Jeff Davis | Title Agent | Date_August 31, 2004 |
| (This space for Faderal or State Offic APPROVED BY CONDITION OF APPROVAL, if any: | Title 1 1113C | Date 4/4/04 |
| | SEE ATTACHED CONSITIONS OF APPROVAL | |
| | | |

98/31/2004 17:28 5053251211

APLUSWELLSERVICE

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PLUG AND ABANDONMENT PROCEDURE

August 31, 2004

Ute Mountain Ute #34-11
Basin Dakota
NW, Section 34, T31N, R14W
San Juan County, New Mexico, API 30-045-26808
at: ____/ Long:_____/

Lat: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8,3 ppg, sufficient to balance all exposed formation pressures. All coment will be ASTM Type II, mixed at 15.6 ppg with a 1.18 ct/sx yield. 1. Install and test rig anchors. Prepare blow pit. Comply with all NMOCD, BLM and J. Thomas Development safety rules and regulations. Conduct safety meeting for all personnel on location. MOL and RU daylight pulling unit. NU relief line and blow well down; kill with water as necessary. ND wellhead and NU BOF and stripping head; test BOR 2. TOH and tally 2-7/8" tubing and inspect. If necessary LD tubing and PU workstring. Round-trip 5-1/2" casing scraper or gauge ring to 5509", or as deep as possible. If a tubing anchor was recovered from the well then do not run a casing scraper. 16 sxs Type III cement and set = necessary many manual man PUH to 4716'. 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: 4777: casing to cover the Game Atv. 9 2460) 560 miles 16 sxs Type III cement and spot balanced plug inside casing to cover the Measurement and spot balanced plug inside 5 Plug 84 (Pictured Cliffs top and Fruitland tops, 26.40-740 6. 7. Plug #5 (8-5/8" Casing Shan, 122" and the same of th Plug #6 (Surface): Performed 1 8. Shut in w. and WOC.

ND BOP and cut off wellhead below surface casing flange. Include 1924 the street of th

a pps

FROM: TWO CROSS PRODUCTION 08/31/2004 17:28 5053251211

PHONE NO. : 505 326 2916 **APLUSHELLSERVICE** Sep. 01 2004 09:30AM P10

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Ute Mountain Ute #34-11

Current

Basin Dakota MW. Section 34, T-31-N, R-14-W, San Juan County, NM API #30-045-26808

Date: 8/31/04 Spud Date: 9/16/87 Completion Date: 10/28/87 Elevation: 5543' GL

12-1/4" hole

Kirtland @ aurisce

Fruitland @ 480'

Pictured Cliffs @ 790'

Meseverde @ 2410

Gallup @ 4666'

Dalota @ 5552'

TOC @ 240' (CBL)

8-5/8°, 24#, J65 Casing set @ 245° Cement with 326 tota, Circulated to Surface

Well History

Jul '00: Repair tubing and remove broken plunger.

2-7/8" Tubing set at 5500' +/-

Stage Tool @ 3683' Crnt with 600 axes (1781 cf)

TOC@ 4053' ,Calc. 75% V

Dakota Perforations: 5559' - 5619'

CIBP @ 5887' (10/87) 5897 /

Dakota Perforations:

5708' - 5713'

PBTD 5687

J. Thomas Development

Tribal Lease: MOO-C-1420-4387 Well: Ute Mountain Ute #34-11 845' FNL & 1110' FWL Sec. 34, T. 34 N., R. 14 W.

San Juan County, New Mexico

This approval is for the completion of the downhole plugging portion of the well only. Surface reclamation must be completed, weed free vegetation established, and site accepted by the BIA prior to closure and bond release.

The Bureau of Land Management, SJPLC (970.385.1370) shall be notified at least 48 hours prior to commencement of surface reclamation. The BIA (970.565-6094) shall be contacted prior to surface reclamation procedures for specific requirements and seed mixtures.

- •The pits and boreholes shall be filled, access road restored, surface re-contoured to blend with surrounding terrain, top soil evenly redistributed.
- •Well equipment, dead-men, concrete slabs, cables, piping and trash shall be removed, slash piles chipped and scattered.
- •The site shall require weed control, soil preparation and reseeding with a BIA approved seed mix and shall be monitored for 70% growth.

According to the regulations in 43 CFR 3162.3-4, a well site is to be reclaimed and re-vegetated directly following plugging. The BLM-SJRA stipulates that **surface reclamation** be completed within 180 days of final plugging operation completion. When revegetation has subsequently been re-established, BLM shall be notified by the operator with a Final Abandonment Notice. A field inspection will then be arranged between the SUIT/UMU Tribe, the BLM and the respective BIA agency, so that the well pad can be inspected for release from bond liability.

Conditions of Approval - Notice of Intent to Abandon

- 1. Notify this office and Gordon Hammond (UMU Tribe) at least **72 hours** prior to commencing plugging operations.
- 2. Materials used will be accurately measured.
- 3. A tank or approved pit must be used for containment of any fluids from the wellbore during plugging operations. All unattended pits are to be fenced.

| 4. Pits are not to be used for disposal of any unauthorized materials. |
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| |
| 5. All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer. |
| 5a. Cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100 ft. of the casing or annular void(s) between casings, plus 10% excess volume per 1000 ft. of depth. |
| 5b. Surface plugs must be a minimum of 50 ft. within casing and annular voids. |
| 5c. Cement plugs placed to fill an open hole shall have sufficient volume to fill a minimum of 100 ft. of open hole, plus 10% excess volume per 1000 ft. of depth. |
| 6. The well must be filled with a wellbore fluid sufficient to stabilize the wellbore. In the absence of any formation pressure data provided by the operator, this fluid will have a minimum weight of 9 ppg . The fluid must be left between all plugs. |
| 7. A blowout preventer and related equipment shall be installed and tested prior to working in a wellbore with any exposed zones (a) that are overpressured, (b) where pressures are unknown, or (c) known to contain H_2S . |
| 8. Within 30 days after plugging of the well, file 4 copies of a Subsequent Report of Abandonment (SRA) via Sundry Notice. This report should include the following information: |
| a. Date(s) of plugging operations. |
| b. Procedure used to plug the well.c. Depth of plugs. |
| d. Type and volume of plugs set. |
| e. Casing types/lengths left in the well. |