

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
751-05-1025

6. If Indian, Allottee or Tribe Name
Ute Mountain Ute

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator
Elk San Juan LLC

3a. Address
P.O. Box 210
Midland, Texas 79702

3b. Phone No. (include area code)
432-640-0000

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660' FSL & 1650' FEL Section 24, T31N, R15W

7. If Unit of CA/Agreement, Name and/or No.
N/A

8. Well Name and No.
Ute Mountain Tribal 24-43

9. API Well No.
30-045-34114

10. Field and Pool or Exploratory Area
Verde Field, Gallup

11. Country or Parish, State
San Juan County, New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Elk San Juan LLC intends to plug and abandon the Ute Mountain Tribal #24-43 well following the attached procedure. The work will be handled by Walsh Engineering, Farmington, New Mexico. The timing will depend on equipment availability.

RCVD JUN 27 '13
OIL CONS. DIV.
DIST. 3

RECEIVED

MAY-24 2013

Bureau of Land Management
Durango, Colorado

**SEE ATTACHED
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.
Name (Printed/Typed)

Billy M. Priebe

Title VP - Operations

Signature

Billy M. Priebe

Date 05/22/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title

MSC

Date

6/20/2013

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

[Stamp] *pr*

**PLUG AND ABANDONMENT PROCEDURE
UTE MOUNTAIN TRIBAL 24-43**

SWSE Section 24, T31N, R15W, San Juan County, New Mexico
API 30-045-34114, LAT: 36.88103°N LONG: 108.36526°W

Note: All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sk yield. All cement volumes use 100% excess outside pipe and 50' excess inside. The wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures.

1. Test location rig anchors and replace as necessary. MIRU pulling unit. Record casing, tubing, and bradenhead pressures. NU relief line and blow down well. Kill well with fresh water as necessary. Pump at least tubing capacity down the tubing. ND wellhead and NU BOP. Function test BOP.
2. POH w/ 2889' 2 3/8" tubing.
3. **Plug #1 (Gallup open hole and Mesaverde top 2827-2345')**: Set 7" CIBP @ 2827'. RIH w/ 2 3/8" tubing. Load hole and test casing to 500 psi. Report if casing does not test and procedure will be modified as necessary. Circulate hole clean and spot 100 sacks Class B cement above CIBP. WOC and tag plug.
4. **Plug #2 (Pictured Cliffs top, 835-735')**: Spot 29 sacks Class B balanced plug @ 835'. WOC and tag plug.
5. **Plug #3(Fuitland top, 9 5/8" surface pipe shoe, and surface plug)**: Pressure test the bradenhead annulus to 300 psi, note the fluid volume to load. If the BH annulus tests, spot 75 sacks of Class B cement from 370' to the surface. TOH and LD tubing. If the BH does not test, the casing will be perforated at the appropriate depth and the bradenhead annulus filled to surface. WOC.
6. ND BOP and cut off the casing below ground level. Install P&A marker to comply with regulations. RDMO pulling unit. Cut off anchors below ground level. Restore location.

RECEIVED

MAY 24 2013

Bureau of Land Management
Durango, Colorado

Ute Mountain Tribal 24-43

Proposed P&A

Verde Gallup

SWSE, Section 24, T-31-N, R-15-W, San Juan County, NM

Lat: 36.88103° N / Long: 108.36526° W API #30-045-34114

Spud: 5/7/09

Completion: not completed

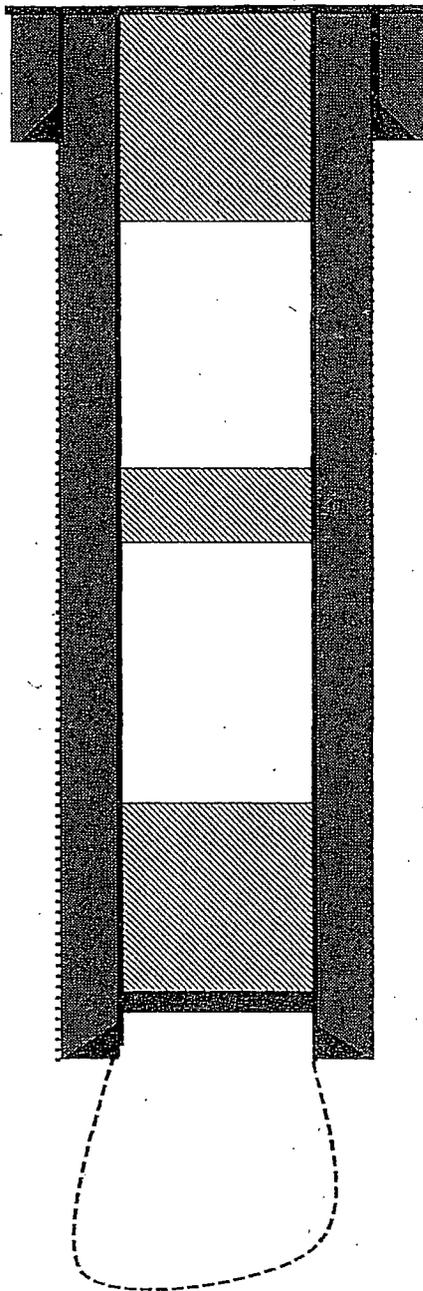
Elevation: 5549' GL
5561' KB

Kirtland @ surface *est

Fruitland @ 320' *est

Pictured Cliffs @ 785' *est

Mesaverde @ 2395' *est



TOC @ surface

9.625", 36#, J-55 Casing set @ 215'
Cement with 200 sxs, circulate to surface

Plug #3: 370' - 0'
Class B cement, 75 sxs

Plug #2: 835' - 735'
Class B cement, 29 sxs

Plug #1: 2827' - 2345'
Class B cement, 100 sxs

Set Casing @ 2827'

7", 23#, J-55 casing set @ 2877'
Cmt with 346 sxs (circulated to surface)

12.25" hole

8.75" Hole

6.25" Hole

TD 3705'

Ute Mountain Tribal 24-43

Current

Verde Gallup

SWSE, Section 24, T-31-N, R-15-W, San Juan County, NM

Lat: 36.88103° N / Long: 108.36526° W API #30-045-34114

Spud: 5/7/09

Completion: not completed

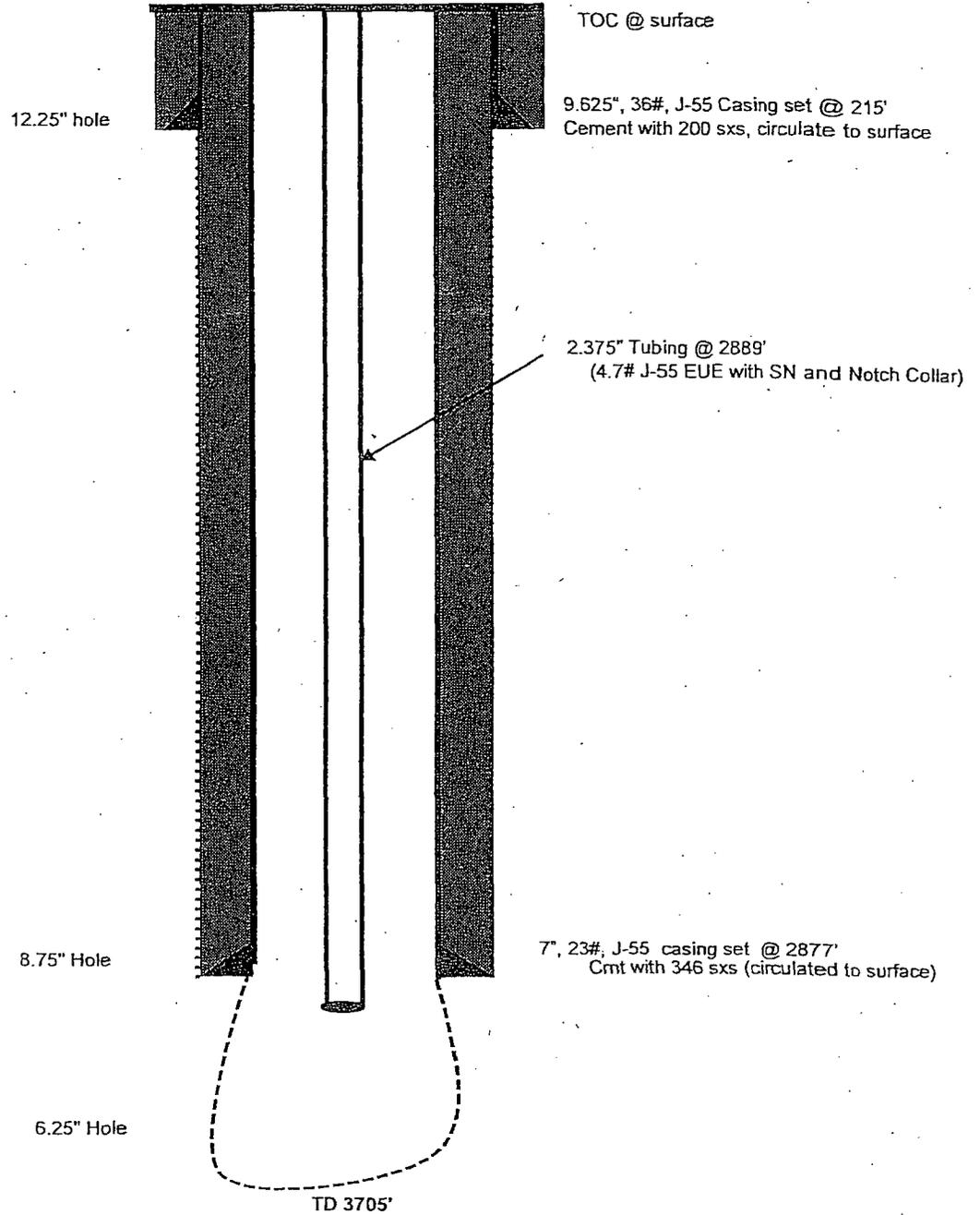
Elevation: 5549' GL
5561' KB

Kirtland @ surface *est

Fruitland @ 320' *est

Pictured Cliffs @ 785' *est

Mesaverde @ 2395' *est



Elk San Juan, LLC
Tribal IMDA: 751-05-1025
Well: Ute Mountain Tribal #24-43
660' FSL & 1650' FEL
Sec. 24, T. 31 N., R. 15 W.
San Juan County, New Mexico

3160

As per the directives of SDR CO-13-01, this well must be plugged within a timeframe provided by the TRFO. Elk San Juan has 60 days from the signature date of this Notice of Intent to commence plugging operations. Failure to do so will result in the issuance of an Incident of Non Compliance.

Conditions of Approval - Notice of Intent to Abandon:

1. Notify this office at least **72 hours** prior to commencing plugging operations.
2. Approval of this Notice of Intent to Abandon (NIA) is for down hole plugging only.
3. Materials used will be accurately measured.
4. 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.
5. Pits are not to be used for disposal of any unauthorized materials.
6. All cement plugs are to be placed through a work string. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.
 - 6a. **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.**
 - 6b. **Surface plugs must be a minimum of 50 ft. within casing and annular voids.**
 - 6c. **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.**
 - 6d. **Tag the Gallup Mesaverde plug.**
 - 6e. **Tag the Pictured Cliffs plug.**
7. The well must be filled with a wellbore mud sufficient to stabilize the wellbore. In the absence of any formation pressure data provided by the operator, this mud will have a minimum weight of **9 ppg**. The mud must be left between all plugs.

8. 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 H₂S.

9. Within 30 days after plugging of the well, file 5 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.

Department Of Interior- Bureau of Land Management – Tres Rios Field Office – Surface COAs

Well Name/Number: UMT 24-43 Operator:Elk San Juan Surface/Mineral Ownership: IND/IND

Leases: 751-05-1025

Location: (STR, QQ) S36,T33N, R7W

API:30-045-34114

PAD(X), ACCESS (X), PIPELINE (X)

REQUIREMENTS AT ALL SITES:

NOTIFICATION:

- **The BLM Minerals Division - Surface Protection Specialist at (970) 385-1242 shall be notified 5 days prior to the onset of pad/road construction.**
- **The BLM Minerals Division – Physical Scientist/Natural Resources Specialist (970) 385-1242 and the BIA-UMU Agency Realty (970) 565-3716 shall be notified at least 48 hours prior to commencement of final plugging activities.**
- **NO SURFACE DISTURBANCE shall begin until the Edge of Disturbance Corners and Midline markers of the permitted area have been re-established and are clearly marked.**

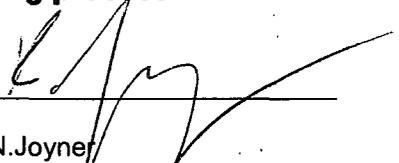
GENERAL REQUIREMENTS:

- **Any cement wash or other fluids should not be mixed with dry cuttings, but placed in a self-contained tank, surrounded by a lined containment dike of 110% of contained volumes for storage and removed for disposal at an approved location off-reservation.**
- **Polymer additives, Gel fluids, Saline Frac fluids or other non-fresh water based fluids stored on site to facilitate horizontal drilling/frac/plugging operations should have 110-125% containment dikes covered by 35 mil minimum thickness impermeable barrier surrounding and beneath Storage Tanks to protect against potential spills.**

- **Any free liquid accumulating should be vacuumed off to insure a minimum of 2ft. of freeboard on all tanks and pits consistently and removed to an approved facility with receipts for chain of custody submitted to BLM –Minerals Division.**
- **All stormwater mitigations will be in accordance with BLM gold book BMP standards and practices.**

AT THIS SITE SPECIFICALLY

- **BLM Physical Scientist/Natural Resources Specialist will be contacted prior to any surface equipment removal.**
- **Currently present drilling pit will not be used for any plugging operations.**
- **Currently present drilling pit will not be used to dispose of any waste materials, generated during the plugging process.**



Ryan N. Joyner
Physical Scientist/ Natural Resource Specialist
BLM-Minerals Division

6/13/13

Date 6/13/2013