

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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DEC 17 2014

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.  
Fee & Fed (NMSF-081332/081332-B)  
6. If Indian, Allottee or Tribe Name  
7. If Unit or CA/Agreement, Name and/or N

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
**Anschutz Exploration**

3a. Address  
**555 Seventeenth Street, Suite 2400, Denver, CO 80202**

3b. Phone No. (include area code)  
**303-298-1000**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SHL: Unit B, 1070' fnl & 2383' fel of Section 14, T25N, R2W**  
**BHL: Unit D, 830' fnl & 330' fwl of Section 15, T25N, R2W**

8. Well Name and No.  
**Regina Com 25-2-14-15 #1H**

9. API Well No.  
**30-039-31203**

10. Field and Pool, or Exploratory Area  
**Gavilan Mancos**

11. County or Parish, State  
**Rio Arriba, NM**

12. CHECK 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"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Convert to Injection
	<input checked="" type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Other _____

13. Describe Proposed or Completed Operations (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 recomplate 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 shall be filed once Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Reached 12-1/4" TD at 3799' on 12/11/2014. While making the wiper trip, prior to running casing, the drill collar assembly was inadvertently dropped from ~ 2100'. Lost 6 ea. 6" drill collars, x/o, 4 ea. 8" drill collars, x/o & 12-1/4" bit. Made 2 fishing runs and recovered all 6" drill collars but decision was made to abandon fishing operations, leaving 8" drill collars, x/o and bit sub in well. Intend to P&A the 12-1/4" hole from top of fish at 3,668' to 2,500' w/ cement plugs. Will then kickoff cement plug between 2,700' and 2,900' and drill new 12-1/4" hole to previously planned TD of ~ 3800'. Please refer to attached procedure for details.

OIL CONS. DIV DIST. 3

DEC 22 2014

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) <b>John C. Thompson</b>	Title <b>Agent / Engineer</b>
Signature 	Date <b>December 15, 2014</b>

THIS SPACE FOR FEDERAL OR STATE USE

Approved by <b>William Tambekou</b>	Title <b>Petroleum Engineer</b>	Date <b>12/17/2014</b>
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 <b>FFD</b>	

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

To:	<b>Richard Behrendt John Thompson</b>	<b>Brad Chandler</b>	From:	<b>Mark Amundson</b>
Cc:	<b>Meghan Holdershaw Ryan Calhoun Thomas Schmidt Phillip Garrison Monica Stoeber</b>	<b>Galen Brenize Bryan Kang Billy Sewell Jason Thomas Lisa Campbell</b>	Date:	<b>December 16, 2014</b>
Re:	<b>Regina Com 25-2-14-15 Sidetrack Procedure</b>		<b>Final Procedure</b>	

Would you kindly P&A and sidetrack the captioned well as per the following procedure.

### 1.1 Background

1. 12-1/4" hole drilled to 3,799'. The deviation at bottom-hole is approximately 1.3 deg.
2. There is a fish on bottom. Fish consists of a 12-1/4" PDC bit, bit sub, 4\*8" DC's and an XO sub. Length of fish is 130.87'. Top of fish is at ~ 3,668'.
3. Inclination at top of fish is ~ 1.2 degrees.
4. We have experienced losses from 3,430' – 3,552'. This loss interval appears to be healed and well is static.
5. BLM and NMOCD have verbally blessed 'side-tracking'.

### 1.2 Goals

1. The P&A CEMENT PLUG is to be from 3,668' (top of fish) to 3,200'. KO CEMENT PLUG to be from 3,200' to 2,700'. These plugs will spotted in the lower part of the Nacimiento.
2. We desire to 'pop-off' of KO CEMENT PLUG. We do not desire to time-drill off. With the densified hard cement we have and the soft formation across from it, this is practical. Therefore, from the top of cement to 2,900', attempt to 'pop-off'. If we haven't popped-off by 2,900', then start time-drilling.
3. We desire to head due north off of the plug. Going north will help us to hit the desired build section landing point.
4. Desire to have all DLS be less than 3.0 deg/100'. I realize this is a tall order. However, please work towards this end. Attempt to keep max angle under 5.0 degrees. This will help our Production Customers.
5. We will be drilling through the previous loss zones. Please plan for all the freegin' joy this process will bring us.

### 1.3 Clean-out run

1. PU 12-1/4" tricone and RIH with same
  - Address any tight spots on trip
2. Once on bottom, C&C mud. Get same into spec.

3. POOH.

#### 1.4 RIH w/ stinger

1. PU orange-peeled stinger and 600-650' of 2-3/8" 8Rnd tubing. RIH with same. Gently tag fish.
2. At TD, circulate well aggressively. C&C mud as is necessary.

#### 1.5 MIRU BJ Services

1. Ensure all lines are properly secured and all overhead lines are properly tethered.
2. Test lines to 2,500 psi.
3. Please have a redundant BJ pump truck on location and ready.

#### 1.6 Spot P&A CEMENT PLUG

1. Immediately above the fish, pump the following BALANCED PLUG
  - 25 Bbls of freshwater
  - 485 sxs (83.7 Bbls) of 15.8 ppg Baker P&A Plug Cement. Slurry to contain Class G + 0.3% bwoc R-3 + 0.1% bwoc FL-52A. Slurry yield – 1.15 cuft/sx. Water requirements – 4.89 gal/sx. Excess to be 50%.
  - Pump rate to be 4-6 Bbl/min.

#### 1.7 POOH to top of P&A CEMENT PLUG and circulate well

1. Very slowly POOH to ~ 3,140'.
2. Gingerly break circulation and circulate out any cement
  - Circulate the 'long' way for at least 2\*BU
  - While circulating, wash down to ~ 3,200'
  - At all times, while cement is in annulus, keep pipe aggressively moving.
  - Record the Bbls of cement returned to surface.

#### 1.8 Spot KO CEMENT PLUG at 3,200'

1. At 3,200' pump the following BALANCED PLUG
  - 20 Bbls of freshwater
  - 15 Bbls of 9.5ppg Sealbond 25 Plus Spacer
  - 675 sxs (120.2 Bbls) of 17.5 ppg Baker KO Plug Cement. Slurry to contain Class G + 0.9% CD-32 bwoc + 0.1% BA-59 bwoc + 0.1% R-3 bwoc + 0.04% StaticFree bwoc + .005 gps FP-6L. Slurry yield – 0.94 cuft/sx. Water requirements – 3.33 gal/sx. Excess to be 55%.
  - Pump rate to be 4-6 BPM.

#### 1.9 POOH to 2,500' and circulate out any cement

1. Very slowly POOH to ~ 2,500'. This is well above the desired KO plug top.
2. Gingerly break circulation and circulate out any cement
  - Circulate the 'long' way for at least 2\*BU
  - At all times, while cement is in the annulus, aggressively reciprocate and rotate drillstring
  - Record the Bbls of cement returned to surface.

### 1.10 POOH to ~ 2,400' and circulate well

1. POOH to 2,400'
2. At a reduced pump rate, circulate well for ~ 6 hrs and allow cement to cure.
3. Condition mud as is necessary.

### 1.11 RIH with stinger and tag top of cement

1. RIH with stinger and tag top of cement. If cement top is not above 2,900', then spot another KO plug.

### 1.12 POOH & LD stinger

### 1.13 PU directional tools and RIH w/ same

1. MU directional assembly
  - 12-1/4" PDC bit
  - Gyrodata 8" 7/8 4.0 hard rubber motor with a 1.83 deg fixed bend. Rev/gal – 0.16. Motor to have a 12.0" straight-vained stabilizer. **NOTE: MAX SURFACE ROTARY SPEED WITH THIS MOTOR IN THE HOLE IS 50 RPM.**
  - MWD equipment
  - 2 \* 8" Aztec DC's
  - HWDP
  - DP
2. RIH. Tag cement plug.
3. Break circulation
  - Ensure that mud is treated with bicarb to deal with cement contamination.
4. **Please do not drill-out cement for a minimum of 24 hours from the time the KO CEMENT PLUG was set.**

### 1.14 Kick-off of cement plug

1. Slowly rotate string and drill-off all contaminated cement
  - If while rotating and drilling contaminated cement, the bit accidentally kicks-off, COOL! Head due north.
2. Once drilling indicates that contaminated cement is gone and cement is good and firm, orient bit to due north and attempt to 'pop-off' plug.
3. If you haven't 'popped-off' of plug by 2,900', begin time-drilling operations.
4. Once away from old hole, follow the Gyrodata directional plan (forthcoming).
5. Do everything possible to minimize angles and dog-legs.

Thanks in advance for your help!

Mark Amundson