

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30 - 039 - 82326
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E - 1207 - 1
Lease Name or Unit Agreement Name NCRA State
8. Well Number #4
9. OGRID Number 225774
10. Pool name or Wildcat Devil's Fork: Gallup & Mesaverde

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR DIG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator
RESOURCE DEVELOPMENT TECHNOLOGY, LLC

3. Address of Operator
PO BOX 1020, MORRISON, CO 80465

4. Well Location
Unit Letter: 'J': 1685' feet from the South line and 1710' feet from the East line
Section: 16 Township 24 North Range 6 West NMPM Rio Arriba County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input checked="" type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

RDT does desire to Repair the Casing in the subject well which has a potential hole or holes in the casing. RDT desires at all times to leave the Casing in such condition that if the Proposed Casing Repair proves impractical or uneconomic due to mechanical problems that RDT will be in a position to proceed in a timely and economic manner to Plug & Abandon the well in accordance with the guidelines of the NMOCD. Therefore, please review this plan with an eye toward insuring that as we work our way out of the hole (initially) we leave the wellbore behind in a properly abandoned condition. The well is cased with 4-1/2" 9.5# J-55 ST&C Casing which was set & cemented on 11/8/1962. The Form C-103 dated 11/29/1962 indicates 10 sx. of cement circulated for the 8-5/8" Surface Casing set on 10/26/1962.

A scaled wellbore diagram with formation tops, perforations and calculated cement tops is attached for the purposes of this filing & to assist in your decision making. The well has a Gallup/Mesaverde Commingling Order #R-4882 & has commingled production since 12/28/1974. The well has cement coverage of the Gallup Fm. from a Calculated 1st Stage Cement Top @ 5242' to TD @ 5851' w/ Gallup Perfs. f/ 5647'-5657' & 5762'-5777'. The Calculated 2nd Stage Cement Coverage for the Pictured Cliffs Fm. is from the DV Tool @ 2463' to the Calculated Top @ 2273'. There is a CIBP @ 5720' covering the lower set of perforations. Block squeezing/circulating cementing work in August 1974 cured a casing leak @ 4150' & led to probable cement coverage between squeeze perfs. @ 4853' & the corrosion hole @ 4150'. Productive Mesaverde Perforations were then placed in Mesaverde Sands from 4477' - 4813'. (continued):

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE R. A. Schwering TITLE Operations Manager DATE 11/11/2005
Type or print name R. A. Schwering, PE E-mail address: ras.rdt@mindspring.com Telephone No.: (303) 716-3200
For State Use Only

APPROVED BY: H. Villanueva TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 4 DATE NOV 21 2005
Conditions of Approval (if any):

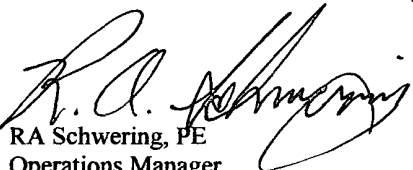
PROPOSED PLAN OF OPERATIONS: Communicate all plans as they change/develop for concurrence by NMOCD:

1. MIRU. NUBOPE. Tag Bottom & Circ. Hole Clean @ PBD w/ 4% KCl Water. POOH w/ Tubing.
 2. RU Blue Jet WLS & Run CBL & Mechanical Integrity Logs to evaluate cement coverage and casing condition.
 3. Report actual cement coverage to NMOCD & Finalize Well Repair or Abandonment Procedures.
 4. RIH w/ Bit & Scraper to PBD & work thru Tight Spots.
 5. RU A-Plus WL. Set CIBP @ 4400'.
 6. RIH w/ Packer & Isolate Indicated Holes & Pressure Test:
 - a. Determine if there are leaks between Mesaverde TOC Est. @ 4150' & CIBP @ 4400'.
 - b. Squeeze any leaks between Mesaverde TOC & 4400' under a Retainer.
 7. RIH w/ Packer & Isolate Indicated Holes & Pressure Test:
 - a. Determine if Casing with no cement coverage between Mesaverde TOC Est. @ 4150' & Stage Tool @ 2463' has any leaks.
 - b. Design a procedure to cement the void space behind the 4-1/2" casing between the Est. Mesaverde TOC @ 4150' & the Cement Coverage at the DV Tool @ 2463'. INITIAL PLAN:
 - i. Perf. in free pipe above Mesaverde Fm. TOC.
 - ii. Perf. in free pipe immediately below Stage Tool @ 2463'.
 - iii. Set Retainer 100' above perf. above Mesaverde Fm. TOC.
 - iv. Circ annulus between perfs. clean with 4% KCl Water & use returns to calculate necessary cement volume. Mix & pump 150% Excess with Class 'C' Cement.
 - v. Spot 5 sx. cement mixed @ 1.32 Cu. ft./sx. @ 14.8 PPG on Retainer.
- 3168-3068 is P&A
Chacra plug. Set a minimum inside plug of 150' Class 'C' Cement (15 sx. @ 1.32 cu. ft./sx. @ 14.8 PPG) from 3877' to 3727' @ TO Mesaverde Fm. unless the preceding step has solved this problem.
8. RIH w/ Packer & Isolate Indicated Holes & Pressure Test:
 - a. Determine if there are leaks between the 2nd Stage Pictured Cliffs TOC Calculated @ 2273' & the surface.
 - b. Determine whether to chemically cut-off the 4-1/2" casing at TOC and pull the casing & Run and cement a Tie-Back String OR
 - c. Perforate or use casing holes near the TOC in Free Pipe.
 - i. Set a Retainer 100' above the Holes/Perfs.
 - ii. Circ. the annulus clean to the surface with 4% KCl Water. Determine annular volume based on returns.
 - iii. Cement the 4-1/2" casing to surface with Class 'C' Cement. Dump 5 sx. Class 'C' Cement on Retainer.

TO THE NMOCD: As a Separate Matter please provide all of the NMOCD Required Plugs, Inside & Outside, for this well AS CURRENTLY CONFIGURED in order that it be properly abandoned if necessary.

AT THIS POINT THE WELL WILL THEN HAVE EITHER BEEN PROPERLY P&A'd OR BE READY TO RE-ENTER.

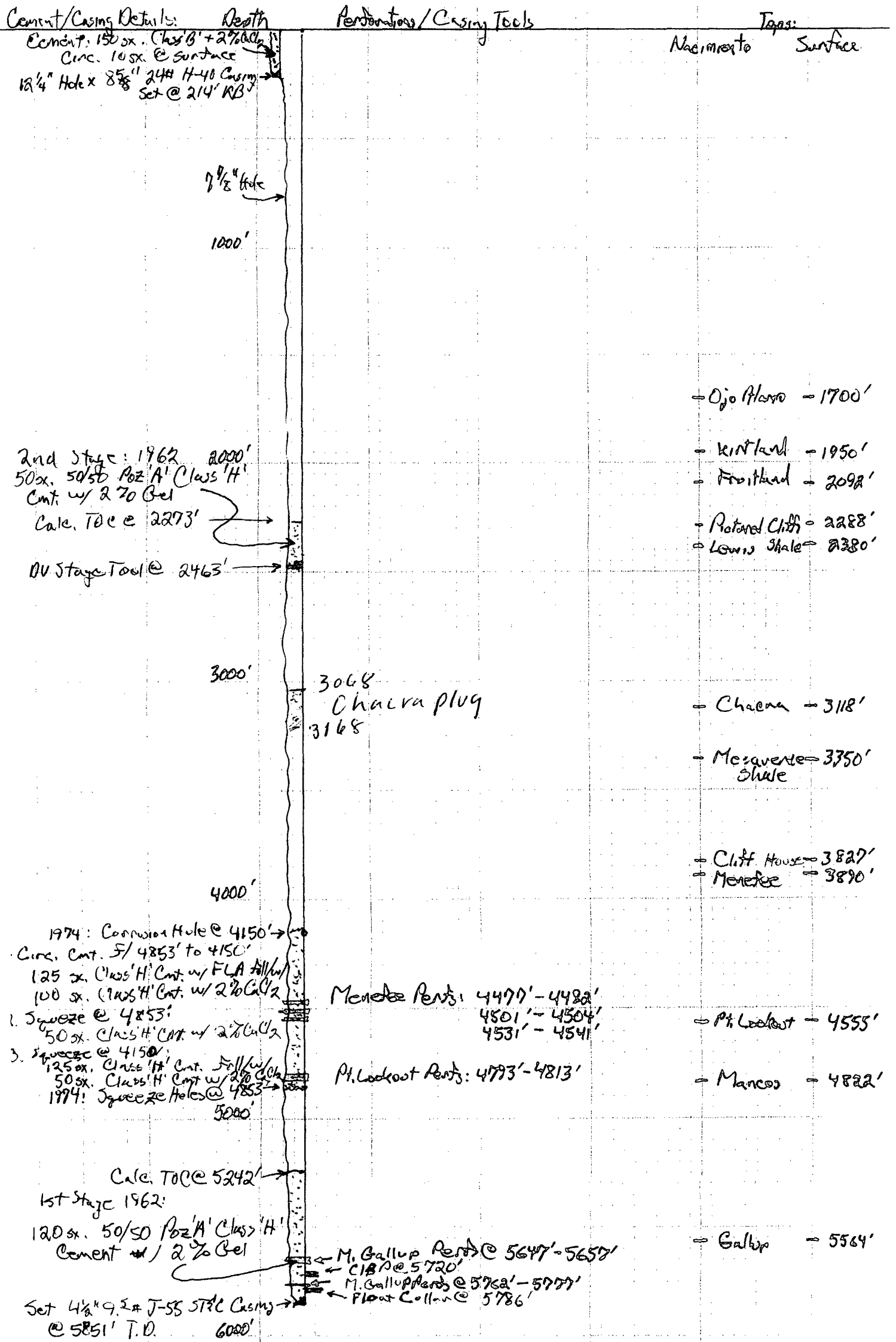
1. Assuming that the well is worth saving then PU Bit & BHA & RIH drilling-out squeezes, retainers & CIBP's. Test to a minimum 500 PSI after each CIBP, Cement Plug or Retainer is drilled out above the CIBP @ 4400'. Test the well for fluid entry prior to drilling-out the CIBP @ 4400'.
2. Drill-out the CIBP @ 4400' after obtaining wellbore integrity to 4400'.
3. Evaluate the Upper Gallup/Mesaverde Zones for clean-up stimulations/productivity. Stimulate as needed.
4. Drill-out the CIBP @ 5720' & past the Insert Float Collar @ 5786' & Cement/Fill to old PBD @ 5828'. POOH.
5. Round-trip scraper to PBD. Circ. clean while on-bottom if possible.
6. RIH w/ Packer & Evaluate Lower Gallup Perfs. (5762' - 5777') for clean-up stimulation/productivity. Stimulate as needed.
7. POOH & LD Packer. RIH w/ Tubing & Land Same. Swab well to Clean-Up. Run Pump & Rods. Finish reconstructing surface facilities including on-lease gas line to Enterprise Gas Line. Resume Production.


R.A. Schwering, PE
Operations Manager
RESOURCE DEVELOPMENT TECHNOLOGY, LLC
PHONE: (303) 716-3200
FAX: (303) 716-5780
Colo. Cell: (303) 919-6826
NM Cell: (505) 947-3072

if P&A:

Add plugs:

FC - Top at 2115 - plug 2465-2065
Krt - " 1855 " 1905-1805
Ojo Alamo " 1780 " 1830-1780
Nacimiento 930 " 980-870



NCRA State #4 Wellbore
Vertically Sealed