

submitted in lieu of Form 3160-5

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

2006 MAR 16 PM 2 58

1. **Type of Well**
Oil

2. **Name of Operator**
Chace Oil c/o
Golden Oil Holding Corporation

3. **Address & Phone No. of Operator**
2200 Post Oak Blvd., Suite 720, Houston, TX 77027 713-626-1110

4. **Location of Well, Footage, Sec., T, R, M**
1000' FNL & 1850' FWL, Section 3, T-22-N, R-3-W, Unit C

5. **Lease Number**
070 FARMINGTON NM

6. **If Indian, All. or Tribe Name**
Jicarilla Apache

7. **Unit Agreement Name**

8. **Well Name & Number**
Chace Apache 54 #9

9. **API Well No.**
30-043-20541

10. **Field and Pool**
Chacon Dakota

11. **County & State**
Sandoval, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission

☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment

Type of Action

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other - Return to Production
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut off
☐ Conversion to Injection



13. Describe Proposed or Completed Operations

Golden Oil plans to repair the casing in this well or plug and abandon it.
A plug and abandonment intent Sundry was approved on October 11, 2002 by the Rio Puerco BLM office.
Please review and re-approve the attached plugging procedure.

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

Signed William F. Clark Title Contractor Date March 14, 2006
William F. Clark

(This space for Federal or State Office use)

APPROVED BY Original Signed: Stephen Mason Title _____ Date MAR 23 2006
CONDITION OF APPROVAL, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly 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.

NMOCD

PLUG AND ABANDONMENT PROCEDURE 9/6/02

3/14/06

**Chace-Apache 54 #9
Chacon Dakota
1000' FNL & 1850' FWL, Section 3, T22N, R4W
Sandoval County, NM**

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

1. Install and/or test rig anchors. Prepare blow pit. Comply with all NMOCD, BLM and Golden safety rules and regulations. MOL and RU daylight pulling unit. Blow well down; kill with water if necessary.
2. Unseat rod pump to determine if rods are free, hot oil if necessary. Re-seat pump and pressure test tubing to 1000#. POH and LD rods. ND wellhead and NU BOP and stripping head; test BOP TOH and tally 2-3/8" tubing at 6980'. If necessary LD tubing and PU workstring. If no anchor recovered, then round-trip a 4-1/2" gauge ring or scraper to 6820'.
3. **Plug #1 (Dakota perforations and top, 6820' – 6720')**: TIH and set a 4-1/2" cement retainer at 6820'. Pressure test tubing to 1000#. Pressure test casing to 500#. If casing does not test then spot or tag subsequent plug as necessary. Mix 11 sxs cement and spot a balanced plug inside casing above retainer to cover the Dakota perforations and top. PUH to 5750'.
5820 5720
4. **Plug #2 (Gallup top, 5905' – 5805')**: Mix 11 sxs cement and spot a balanced plug inside casing to cover the Gallup top. PUH to 4790'.
5. **Plug #3 (Cliffhouse top, 4205' – 4105')**: Perforate 3 squeeze holes at 4205'. If the casing tested, then establish rate into squeeze holes. Set 4-1/2" CR at 4155'. Mix and pump 50 sxs cement, squeeze 39 sxs outside casing and leave 11 sxs inside casing to cover the Cliffhouse top. TOH with tubing. PUH to 2670'.
2722 2158
6. **Plug #4 (Pictured Cliffs, Fruitland, Kirtland and Ojo Alamo tops, 2670' – 2490')**: Mix 41 sxs cement and spot a balanced plug inside casing to cover through the Ojo Alamo top. PUH to 850'.
1165 1065
7. **Plug #5 (Nacimiento top, 850' – 750')**: Mix 11 sxs cement and spot a balanced plug inside casing to cover the Nacimiento top. TOH and LD tubing.
8. **Plug #6 (8-5/8" Surface casing, 270' - surface)**: Perforate 3 squeeze holes at 270'. Establish circulation out bradenhead with water. Mix and pump approximately 95 sxs cement down 4-1/2" casing to circulate cement out the bradenhead valve. Shut in and WOC.
9. ND BOP and cut off casing below surface. Install P&A marker with cement to comply with regulations. RD, move off location, cut off anchors and restore location.