UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports of Wells 27 6 11 46

| 1. Type of Well Gas | | RECEIVED 070 FARMINGTON | 5. 6! M | Lease Number NMSF-080565-A If Indian, All. or Tribe Name |
|--|---|--|------------|--|
| 2. Name of Operator | | | 7. | Unit Agreement Name |
| John E. Schalk | | | • | Maria Namara O Maria |
| 3. Address & Phone No. of Ope | rator | | 8. | Well Name & Number Schalk Gulf #3A |
| P. O. Box 25825, Albuquerque | | | 9. | API Well No. 30-039-22506 |
| ocation of Well, Footage, Sec., | T, R, M | | 10. | Field and Pool Mesaverde |
| 1700' FNL & 905' FEL, Section | n 6, T-25-N, R-3-W | West and the second sec | | Mesaverue |
| | | | 11. | County & State Rio Arriba, NM |
| 12. CHECK APPROPRIATE BOX | | OF NOTICE, REPORT, OTH | ER D | ATA |
| Type of Submission Notice of Intent Subsequent Report X Final Abandonment The above described well w | • | Change of Plans New Construction Non-Routine Fracturi Water Shut off Conversion to Injectio | n 282 /5 | JUL 2006 JUL 2006 STATE OF THE PROPERTY OF T |
| 14. I hereby certify that the foreg | | t. | | Date June 5, 2006 |
| Juniou Juniou | THE | 3000 | _ | Julie 3, 2000 |
| (This space for Federal or State Of APPROVED BY CONDITION OF APPROVAL, if an | Title | | | Date |
| Fitle 18 U.S.C. Section 1001, make United States any false, fictitious or | es it a crime for any persor r fraudulent statements o | on knowingly to make to any or representations as to an | epart | ment or agency of the |

NWOCD &

JUN 2 9 2006
FARMINGTON FRED OFFICE

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

Farmington, New Mexico 87499 505-325-2627 * fax: 505-325-1211

Schalk Development Co. Schalk Gulf #3A

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1700' FNL & 905' FEL, Section 6, T-25-N, R-3-W Rio Arriba County, NM Lease Number: NMSF-080565-A API #30-039-22506

Plug & Abandonment Report

Work Summary:

Notified BLM / NMOCD on 5/17/06

- 5/18/06 MOL. RU rig. Check well pressures: 30# on casing, 280# on tubing. Bled off tubing and casing. POH and LD 226 3/4" rods, 1 2' sub and 1 4' sub, polish rod and pump. ND wellhead. Strip on BOP. Shut in well. SDFD.
- 5/19/06 Check well pressures: 0# on tubing, 0# on casing. Load tubing with 5 bbls of water. Drop standing valve. Pump an additional 25 bbls of water down tubing, no pressure. Tubing on vacuum. PU 8' sub tag, tag tubing or tubing anchor. Attempt to screw back into fish, no good. TOH and tally 107 joints 2.375" tubing and 8' piece of pipe, 3336'. Shut in well. Standby, wait on fishing tools. SDFD.
- 5/22/06 TIH with full opening 2.063" ID, 3.875" OD overshot, 20 joints 2.375" tubing; stacked out at 590'. Unable to work through 3' tight spot. TOH with tubing and overshot. TIH with 3.688" (2.875") collar through tight spot at 590'. TOH. Wait on 3.125" OD full opening overshot. TIH with full opening 2.063" ID, 3.875" overshot, 109 joints 2.375" tubing to top fish at 3411'. Work over fish. TOH with tubing, overshot with 4' fish with standing valve inside. Note: 2.375" tubing (4' piece) recovered with standing valve is very rod worn—almost paper thing and split over the entire 4' piece in a spiral. Windy conditions. SDFD.
- 5/23/06 TIH with full opening 2.063" ID, 3.125" OD overshot, 2.375" tubing and tag top of fish at 3416'. Attempt to work overshot onto fish. TOH with 2.375" tubing, overshot with no fish. Markings on overshot show top of fish to be flared out. TIH with 3.375" OD skirted mill through tight spot, OK. TOH while waiting on collars and 2.375" workstring. RIH with 3.875" OD shortened body overshot. Attempt to get through tight spot at 590', unable. POH and LD overshot. RIH with tubing out of derrick. TOH and LD all tubing. Unable to drill with tubing. RIH with 3.875" OD skirted mill, 101 joints 2.375" workstring to top of fish at 3416'. Note: 6 3.125" drill collars on bottom of string. PU power swivel and hang in derrick. RU pump and circulating lines to mud pit. Prepare to mill tomorrow. Shut in well. SDFD.

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Work Summary – Continued:

- 5/24/06 PU power swivel and 1 joint tubing and tag top of fish at 3424'. Pump 20 bbls of water. Mill down 5' to clean top of fish to 3429'. Note: used 160 bbls of water to mill with no circulation. LD 1 joint. Hand swivel back. TOH with 102 joints 2.375" tubing, 6 3.125" drill collars, jars and skirted mill. TIH with 3.125" OD full opening overshot and 109 joints 2.375" tubing to top of fish. Work over fish. TOH with tubing and overshot with fish, 15' piece, 1 joint with last 1-1/2 foot broken off and wedged into itself. Note: joints showed rod cut. Break down fishing tool. Shut in well. SDFD.
- 5/25/06 TIH with 3.75" OD skirted mill, jars 6 3.125" collars, 104 joints 2.375" tubing and tag top of fish at 3474'. PU power swivel. Pump 20 bbls of water. Mill down through collar from 3474' to 3476'. Note: used 200 bbls of water with no circulation to surface. Hang back power swivel. TOH with tubing, collars, jars and skirted mill. TIH with 3.125" OD full opening overshot, 2.375" tubing to top of fish at 3476'. Work over fish. RU wireline. RIH with 1.688" gauge ring to 3500', stacked out. Work through to 3520', hung up. Work down to 3532'. Attempt to continue, unable. Attempt to work anchor free, broke grapple in process, pulling 40,000#. TOH with tubing and broken grapple. Shut in well. SDFD.
- 5/26/06 TIH with 3.125" OD full opening overshot, 110 joints 2.375" tubing, sub up and latch onto fish at 3476'. RIH with 1.230 gauge ring inside 2.375" through tight spots to 5600'. Procedure change approved by Cole Thomas, BLM to back off tubing at 5510'. RU back off shot. RIH and shoot at 5510'. Attempt to back off tubing, lost string on sub just below stripping rubber. PU 20 joints tubing at 617' down. Screw into drop string. POH with 40,000# to 65,000# with 130 joints overshot with fish, 47 joints, tubing anchor, 18 joints SN, 4' perf sub and 10' mud anchor. RIH with 3.5" gauge ring to 5600'. Shut in well. SDFD.
- 5/30/06 TIH with 6 3.125" drill collars. TOH and LD 6 3.125" drill collars. RIH with PlugWell CIBP and set at 5586'. TIH with 130 joints and tag CIBP at 5586'. Load tubing with 46 bbls of water and circulate hole clean with total of 90 bbls of water. Shut in well. Attempt to pressure test casing, establish rate 1 bpm at 200#.

 Plug #1 with CIBP at 5586', mix and pump 11 sxs Type III cement (15 cf) inside the casing from 5586' up to 5424' to isolate the Mesaverde perforations and top. PUH. WOC. TIH and tag cement at 5421'. Load casing with 10 bbls of water. Attempt to pressure test casing, establish rate 1 bpm at 200#. PUH to 3971'. Shut in well. SDFD.

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Work Summary – Continued:

5/31/06 Perforate 3 holes at 4021'. RIH with PlugWell CR and set at 3971'. TIH with tubing and tag CR at 3971'. Load casing with 10 bbls of water. Attempt to pressure test casing, establish rate 1 bpm at 300#. Sting into CR. Establish rate into squeeze holes 2 bpm at 500#.

Plug #2 with CR at 3971', mix and pump 108 sxs Type III cement (143 cf), squeeze 89 sxs outside the casing from 4021' to 3750' and leave 19 sxs inside the casing to 3750' to cover the Pictured Cliffs and Fruitland tops. TOH with tubing and reverse circulate 20 bbls, leaving TOC at 3757'.

WOC. Load casing with water and attempt to establish rate, pressured up to 700#, bled down to 250# in 45 seconds. Tag cement at 3761'. Perforate 3 holes at 3757'. Attempt to establish rate into squeeze holes, pressured up to 900#, bled down to 250# in 1 minute. Procedure change approved by Alfonso Atencio, BLM, to spot inside plug. TIH with tubing to 3757'. Reverse circulate with 15 bbls.

Plug #3 with 28 sxs Type III cement (37 cf) inside the casing from 3757' up to 3344' to cover the Kirtland and Ojo Alamo tops.

PUH. WOC. Shut in well. SDFD.

6/1/06 TIH and tag cement at 3455'. Procedure change approved by Cole Thomas, BLM (TOC). Attempt to pressure test casing to 900#, bled down to 250# in 1 minute. TOH with tubing. Perforate 3 holes at 2320'. Load casing with 2 bbls of water. Establish rate into squeeze holes 1 bpm at 700#. TIH with 4.5" DHS CR and set at 2266'. Sting out of CR. Load casing with 2 bbls of water. Attempt to pressure test casing to 900#, bled down to 250# in 1 minute. Sting into CR. Establish rate 1 bpm at 700#.

Plug #4 with CR at 2266', mix and pump 46 sxs Type III cement (61 cf), squeeze 35 sxs outside the casing from 2320' to 2163' and leave 11 sxs inside the casing to 2163' to cover the Nacimiento top.

PUH. WOC. Pressure test BH to 250#, held OK for 5 minutes. Attempt to pressure test casing to 900#, bled down to 250# in 1 minute. TIH and tag cement at 2168'. PUH to 355'.

Plug #5 with 30 sxs Type III cement (40 cf) inside the casing from 355' to surface, circulate good cement out the casing valve. TOH and LD all tubing. WOC. ND BOP. Dig out and cut off wellhead. Found cement down 30' in the casing. Mix 20 sxs Type III cement and install P&A marker. RD and MOL.

JD with Weatherford Fishing was on location 5/22/06. Cole Thomas, BLM representative, was on location 5/30/06 and 6/1/06. Alfonso Atencio, BLM representative, was on location 5/31/06.