State of New Mexico Phergy, Minerals and Natural Resources Department Oil Conservation Division

The state of the s	API # (assigned by OCD)		
A STORY OF STORY	30-045-10004		
1. Type of Well Gas	5. Lease Number		
Gas	Fee 6. State Oil&Gas Lease		
2. Name of Operator	7. Lease Name/Unit Nam		
Fuller Petroleum c/o Dugan Production Corp.	Knight		
Production Inc.	8. Well No.		
3. Address & Phone No. of Operator	#1		
P.O. Box 420, Farmington, NM 87499-0420	9. Pool Name or Wildca Dakota		
4. Location of Well, Footage, Sec., T, R, M 925' FNL, 920", Sec. 5, T-30-N, R-13-W, San Ju-	10. Elevation: an County		
Type of Submission Type of	f Action		
X Notice of Intent X Abandonment	Change of Plans		
Recompletion	New Construction		
Subsequent Report Plugging Back			
Casing Repair	Water Shut off		
Final Abandonment Altering Casin Other -	g Conversion to Injection		
13. Describe Proposed or Completed Operations Fuller Petroleum proposes to plug and abandon this per the attached plugging procedure.	well as soon as sundry is approved		
SIGNATURE John Alexander 325-1821 Title Agen	August 2, 2006 t for Fuller Petroleum		
(This space for State Use) Approved by H. Villamera Title			

PLUG AND ABANDONMENT PROCEDURE

May 23, 2006

Knight #1

Basin Dakota
925' FNL and 920' FEL, Section 5, T30N, R13W
San Juan County, New Mexico, API 30-045-10004
Lat: ______/ Long: ________

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures.

All cement will be ASTM Type III, mixed at 14.8 ppg with a 1.32 cf/sx yield.

- 1. Project will require a Pit Permit (C103) from the NMOCD.
- Install and test rig anchors. Prepare waste fluid holding pit. Comply with all NMOCD, BLM and Fuller Petroleum safety rules and regulations. Conduct safety meeting for all personnel on location. MOL and RU daylight pulling unit. NU relief line and blow well down; kill with water as necessary. ND wellhead and NU BOP and stripping head; test BOP.
- 3. TOH and tally 104 joints, 2.375" tubing, total 3311'. Prepare additional tubing workstring to tag at 5984'. Round-trip 5.5" gauge ring to 5984' or as deep as possible.
- 4. Plug #1 (Dakota perforations and top, 5984' 5884'): RU wireline truck and set 5.5" CIBP or CR at 5984'. TIH with workstring and tag CIBP. Casing has multiple holes from 4075' to 3375'. Spot or tag plugs below the casing leaks as appropriate or per NMOCD instructions. Mix 15 sxs Type III cement and spot a balanced plug above CIBP to isolate the Dakota perforations and to cover the top. TOH with tubing.
- 5. Plug #2 (Gallup top, 5205' 5105'): Perforate 3 squeeze holes at 5205'. TIH and set 5.5" cement retainer at 5155'. Establish rate into squeeze holes. Mix and pump 43 sxs cement, squeeze 27 sxs outside casing and leave 16 sxs inside casing to cover the Gallup top. TOH with tubing.
- 6. Plug #3 (Mesaverde top, 3110' 3010'): Perforate 3 squeeze holes at 3110'. Set 5.5" cement retainer at 3060'. Establish rate into squeeze holes. Mix and pump 50 sxs cement, squeeze 27 sxs outside the casing and leave 23 sxs (excess due to casing leaks) inside the casing to cover the Mesaverde top. TOH with tubing. WOC and tag cement with wireline. Load the casing and pressure test to 600#.

 Character Top 23 30 25 50 etc.
 - 7. Plug #4 (Pictured Cliffs and Fruitland tops, 1520' 1210'): Then perforate 3 squeeze holes at 1520'. Attempt to establish rate into squeeze holes if the casing pressure tested. Set 5.5" cement retainer at 1470'. Establish rate into squeeze holes. Mix and pump 119 sxs cement, squeeze 82 sxs outside the 5.5" casing and leave 37 sxs inside the casing to cover the PC and

Fruitland tops. TOH and LD tubing.

- 8. Plug #5 (10.75" Casing shoe and surface, 341' 0'): Perforate 3 squeeze holes at 341'. Establish circulation out bradenhead with water. Circulate the BH annulus clean. Mix and pump approximately 150 sxs cement down 5.5" casing to circulate good cement out the bradenhead. Shut in the well and WOC.
- 9. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

Knight #1

Current

Basin Dakota

925' FNL & 920' FEL, Section 5, T-30-N, R-13-W San Juan County, NM / API #30-045-10004

		Lat:	/ Long:	
Today's Date: 5/23/06 Spud: 8/21/ 59 Comp: 9/17/ 59 Elevation: 5513 ' GL 5524' KB	12" Hole			10.75" 45.5# Casing set @ 291' 100 sxs cement circulated to surface
				Well History Jul '04: Swab well.
	1 1 1			Nov '04: Swab well. Sep '05: Swab well. Nov' 05: Swab well. RIH with no-go to 6000'; FL at 2800', made 5 runs.
Fruitland @ 1260'				Jan '06: Unable to release packer. Ran Free point tools: tagged at 6135', free at 4000'; no movement at 5500'. Rig to small to fish.
Pictured Cliffs @ 1470'				Apr '06: Tubing stuck. Cut tubing at 4006'. Isolate hole from 3375' to 3884'. Cut and fish th tubing for 12 days. Clean out to 6014'. Then us RBP and packer to determine casing leaks from 3375' to 3407' and 3948' to 3979' and 4011' to 4075'. Land 104 joints tubing at 3311'.
				2.375" Tubing set at 3311' (104 jts, 4.7#, J-55)
Mesaverde @ 3060'				
Gallup @ 5155'	1			
Gallup @ 3133				Top of Cmt @ 5529' (Calc, 75%)
Dakota @ 6030'				Dakota Perforations: 6034' – 6232'
	7.875" Ho	le	TD 6300' PBTD 6252'	5.5" 15.5#, J-55 Casing @ 6297' Cemented with 150 sxs (177 cf)

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Knight #1

Proposed P&A

. Basin Dakota

925' FNL & 920' FEL, Section 5, T-30-N, R-13-W San Juan County, NM / API #30-045-10004

	Lat:	/ Long:	_	
Today's Date: 5/23/06 Spud: 8/21/59 Comp: 9/17/59 Elevation: 5513' GL 5524' KB	12" Hole		10.75" 45.5# Casing set (
33 <u>2</u> 4 NO			Perforate @ 341'	Plug #5: 341' – 0' Type III cement, 150 sxs
Fruitland @ 1260'			Cmt Retainer @ 1470'	Plug #4: 1520' – 1210' Type III cement, 119 sxs 82 outside and 37 inside
Pictured Cliffs @ 1470'			Perforate @ 1520'	
Chaira 236 top 2300	0-2250			
Mesaverde @ 3060'			Cmt Retainer @ 3060' Perforate @ 3110'	Plug #3: 3110' – 3010' Type III cement, 50 sxs: 27 outside and 23 inside
Gallup @ 5155'			Cmt Retainer @ 5155' Perforate @ 5205'	Plug #2: 5205' – 5105' Type III cement, 43 sxs: 27 outside and 16 inside
Dakota @ 6030'			Top of Cmt @ 5529' (Calc Set CR @ 5984' Dakota Perforations: 6034' – 6232'	c, 75%) Plug #1: 5984' – 5884' Type III cement, 15 sxs
	7.875" Hole	TD 6300'	5.5" 15.5#, J-55 Casing @ Cemented with 150	⊚ 6297' sxs (177 cf)