

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

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

2. Name of Operator **QUESTAR EXPLORATION & PRODUCTION CO.**

3a. Address
1050 17TH STREET, SUITE 500 DENVER, CO 80265

3b. Phone No. (include area code)
303-629-6728

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

790' FSL & 790' FWL SEC. 22, T28N-R10W

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

5. Lease Serial No.
NMSF-077383

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA/Agreement Name and/or No.

8. Well Name and No.

KUTZ CANYON NO. 1

9. API Well No.

30-045-07252

10. Field and Pool, or Exploratory Area

BASIN, DAKOTA

11. County or Parish, State

SAN JUAN, 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"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (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 recompleat 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 recompleat 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.)

Questar Exploration & Production is advising the BLM our intent to temporarily abandon the well due to a casing leak.

We would like to abandon the Dakota by setting a CIBP over it. We'll then run a casing inspection log and decide whether or not to P&A the well or recompleat it after it has been analyzed. We have a rig in the area and plan to do the initial work in the next 30 days.

We are currently evaluating it for a recompleat attempt in the Gallup and/or Chacra. A detailed procedure will follow before any work starts.

Please contact us should you have any questions.

TA approved until 8/1/07

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

MARC SCHUTT

Title **SR. PETROLEUM ENGINEER**

Signature

Date

07/12/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **Original Signed: Stephen Mason**

Title

Date

AUG 07 2006

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

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully 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.

(Instructions on page 2)

NMOC

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Kutz Canyon #1
Workover Procedure
Basin, Sec 22-28N-10W
San Juan Co., NM, 7/3/06

Surface Casing:	10-3/4", 32.75# to 292'
Production Casing:	5-1/2", 14#, J-55 surface to 5,783' (.1370ft ³ /ft or 40.98ft/bbl)
Production Casing:	5-1/2", 15.5#, J-55 from 5,783' to 6,787'
Tubing:	2-3/8" 4.7#, J-55, EOT 6480' (7,700# burst)
Packer:	Guiberson KV Packer @ 6474'
TOC:	+/- 5500' (DV tool @ 6106') may have gap below DV tool
Perfs:	Dakota 6504'-6647' OA (currently open)
KB:	13.5'
PBTD:	6743' (original cleanout)

Objective: Abandon Dakota, TA well

Procedure:

- 1) MIRU EL. Run gauge ring with the OD of the chemical cutting tool to SN (+/- 6470'), chemical cut tbg +/- 15' above SN (be prepared to run a smaller OD tool that will cut this tbg if needed). RDMO EL (Pkr will not release)
- 2) MIRU pulling unit, ND wellhead, NU BOP
- 3) TOO H w/ tbg
- 4) TIH w/ bit and scraper, run to top of tbg stub, TOO H laying down (use thread protectors), and RDMO pulling unit
- 5) MIRU EL and set 10K CIBP 30' above top of tbg stub, tag plug, load well with 2% KCl (+/-160 bbl to fill up) and attempt to circulate into casing leaks – note rates and pressures, dump bail 50' of cement on top (6 sks class G). Run a casing inspection log from PBTD to surface.
- 6) RDMO. (Will decide to plug or re-complete well once casing inspection log has been analyzed)