

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

Do not use this form for proposals to drill or reenter 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

Benson-Montin-Greer Drilling Corp.

3a. Address

4900 College Blvd., Farmington, NM 87401

3b. Phone No. (include area code)

505-325-8874

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

Sec. 5-T26N-R1E

1650 FNL & 990 FEL

5. Lease Serial No.

SF 080312A

6. If Indian, Allottee or Tribe Name

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

East Puerto Chiquito Mancos Unit

8. Well Name and No.

EPCMU #27 (H-5)

9. API Well No.

30-039-06700

10. Field and Pool, or Exploratory Area

East Puerto Chiquito Mancos

11. County or Parish; State

Rio Arriba, New Mexico

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 checked="" type="checkbox"/> Plug and Abandon <input 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 Operations (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.)

Benson-Montin-Greer Drillings proposes to plug and abandon the EMPCU #27 (H-5) per attached sheets:

RCVD NOV8'06

OIL CONS. DIV.

DIST. 3

- Resubmitted -

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

Name (Printed/Typed)

Trudy Grubelnik

Title

Production Clerk

Signature

Date

November 6, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Original Signed: Stephen Mason

Title

Date

NOV 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, makes 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.

NMOCD 8 11/8

10/31/2006

Proposed Plugging Procedure (Revised 10/31/2006):

Benson-Montin-Greer East Puerto Chiquito Mancos Unit #27 (H-5)

1650' FNL, 990' FEL, Sec 5-T26N-R1E

Rio Arriba County, New Mexico

Notify appropriate NMOCD & BLM representatives 24 hours prior to commencing operations.

Plug #1: Lower Mancos/Greenhorn; 2400'-2575'; total 55 sacks

Set cement retainer at 2450' (top perforation = 2460'). Squeeze below retainer with 50 sacks Class B cement (yield = 1.18). Place an additional 5 sacks (50+') inside the 4-1/2" casing on top of the retainer. WOC and tag to verify 50' plug on top of retainer.

The 50 sacks cement plug consists of:

- 10 sacks filling the remaining openhole portion of the wellbore. BMG's most recent workover, 7/11/06, could only clean out to 2575' (4-1/2" casing @ 2553', TD = 2780'), leaving 22' of 6-3/4" openhole wellbore to be filled for abandonment. This volume includes 100% excess.
- 24 sacks filling the 4-1/2" csg/6-3/4" annulus from 2450'-2553' (10' above the top perforation to base 4-1/2" casing @ 2553'). This volume includes 100% excess.
- 16 sacks filling the inside of the 4-1/2" casing, 2450'-2553'. This volume includes 100% excess.

Plug #2: Mancos Niobrara 'A' & 'B' Pay Zones; 1724'-1891'; total 55 sacks

Set cement retainer at 1774' (top perforation = 1810'). Squeeze below retainer with 50 sacks cement. Place an additional 5 sacks (50') inside the 4-1/2" casing on top of the retainer. WOC and tag to verify 50' plug on top of retainer.

The 50 sacks cement plug consists of:

- 24 sacks filling the 4-1/2" casing/6-3/4" annulus from the external casing packer at 1795' to 1891' (bottom perforation). This volume includes 100% excess.
- 26 sacks filling the inside of the 4-1/2" casing, 1774'-1891'. This volume includes 100% excess.

Plug #3: 7" Casing Shoe; 652'-810'; total 58 sacks

Perforate squeeze holes at 815' (63' below the 7" casing shoe at 752') and set a cement retainer at 805' (53' below 7" casing shoe). Squeeze below retainer with 32 sacks cement (this volume includes 100% excess). Wait on cement long enough to allow a pressure test of the 4-1/2" liner (500# for 15 minutes) to verify Plug #4 design. Clean out 4-1/2" casing to below 802' and run CBL to verify bond between 4-1/2"/7" casing annulus from at least 652'-802' (100' above and 50' below 7" casing shoe).

Note: CBL Interpretation

- If the CBL indicates bond for the 652'-802' interval, proceed with filling the 4-1/2" casing to 652' with 26 sacks (this volume includes 100% excess). Wait on cement and tag.
- If it is necessary to fill the annulus interval 652'-802' with additional cement, that squeeze plan will be developed based on interpretation of the CBL for the placement of perforations and necessary volume of cement.
- The 4-1/2" casing will then be cleaned out as necessary to verify with a CBL the presence of bond from 652'-802'.
- Fill the 4-1/2" casing to 652' with 26 sacks (this volume includes 100% excess). Wait on cement and tag.

Plug #4: Top Mesaverde to Surface; 0'-294'; total 98 sacks

Perforate squeeze holes at 294' (T/Mesaverde = 244' BLM), squeeze with 98 sacks cement circulating up through bradenhead.

The 40 sacks cement plug consists of:

- 56 sacks cement volume to fill between 4-1/2" casing/7" annulus (surface to 50' below T/Mesaverde, 294'). This volume includes 100% excess.
- 42 sacks cement volume to fill inside 4-1/2" casing surface to 50' below T/Mesaverde. This volume includes 100% excess.

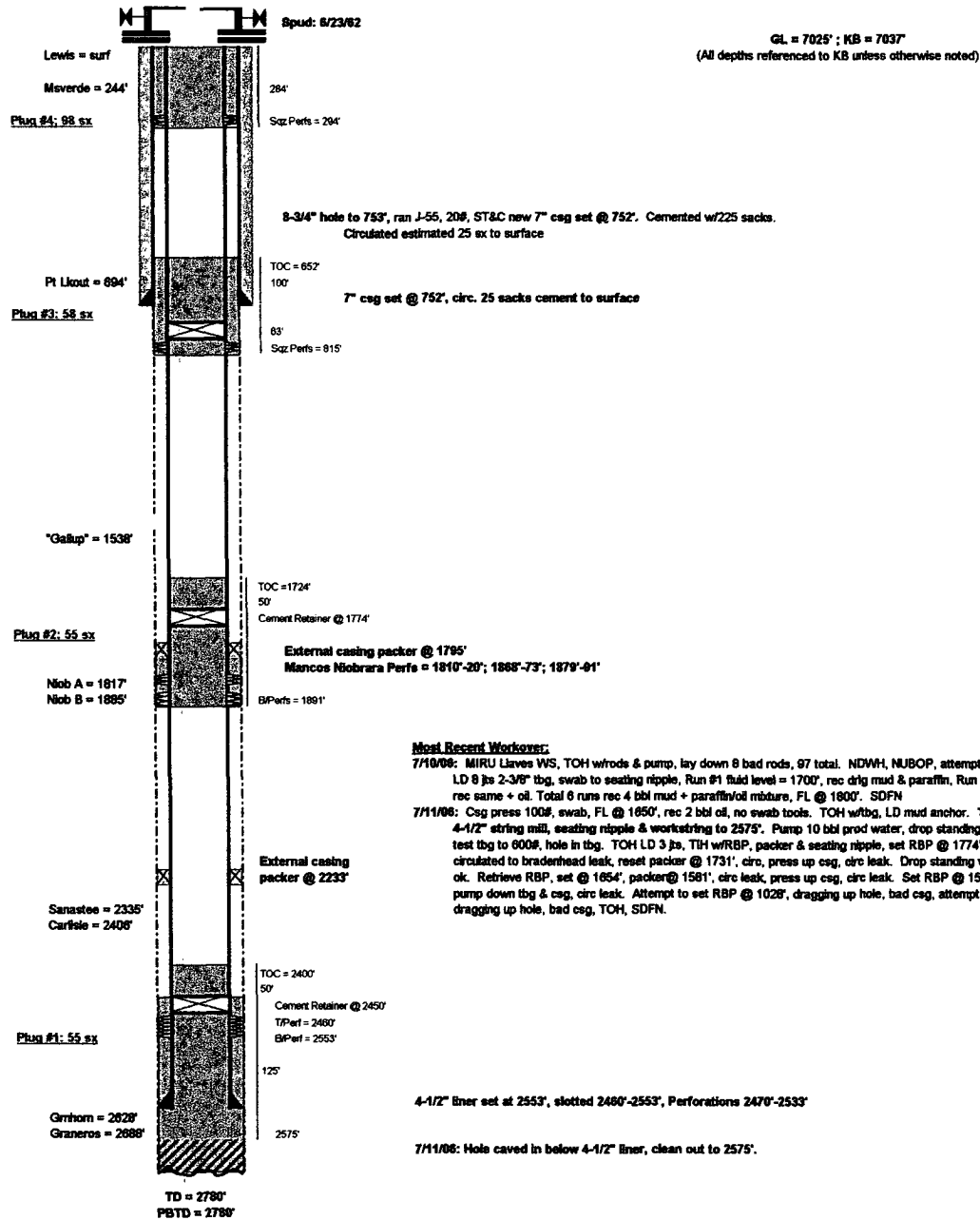
Install dry hole marker and clean location. Total volume of cement to be used in plugging = 266 sacks cement.

JMH

2 attachments

Proposed Plugging Procedure

Benson-Martin-Greer Drilling Corp.
EPCMU #15 (27), API #30039057000000
1650' PHL-690' FEL, Sec 5-T28N-R1E
Rio Arriba County, New Mexico



Current Wellbore Configuration

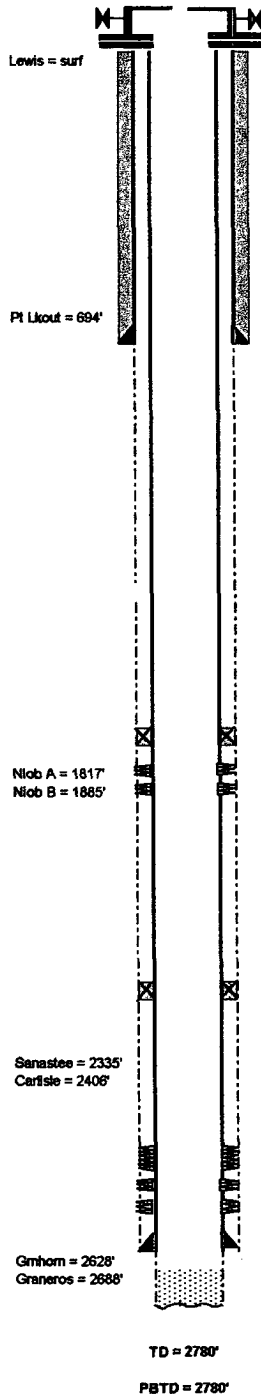
Benson-Montin-Greer Drilling Corp.

EPCMU #16 (ZT) API 130039067000000

1650' FNL-990' FEL, Sec 5-726N-R1E

Rio Arriba County, New Mexico

Sput: 6/23/62



GL = 7025' ; KB = 7037'

(All depths referenced to KB unless otherwise noted)

Cum. Oil: 35,714 BBL

Cum. Gas: 25,078 MMCF

Cum. Water: 142 BBL

8-3/4" hole to 753', ran J-55, 20#, ST&C new 7" csg set @ 752'. Cemented w/225 sacks.
Circulated estimated 25 sx to surface

6/24/62: Welex Gamma - Induction openhole log; 760'-2780'

Most Recent Workover:

7/10/06: MIRU Leaves WS, TOH w/rods & pump, lay down 8 bad rods, 97 total. NDWH, NUBOP, attempt to swab, paraffin blocked.

LD 8 jts 2-3/8" tbg, swab to seating nipple, Run #1 fluid level = 1700', rec drg mud & paraffin, Run #2 FL @ 1700',
rec same + oil. Total 6 runs rec 4 bbl mud + paraffin/oil mixture, FL @ 1800'. SDFN

7/11/06: Csg press 100#, swab, FL @ 1650', rec 2 bbl oil, no swab tools. TOH w/tbg, LD mud anchor. TIH w/3-3/4" bit,
4-1/2" string mill, seating nipple & workstring, CO to 2575'. Pump 10 bbl prod water, drop standing valve, press
test tbg to 800#, hole in tbg. TOH LD 3 jts, TIH w/RBP, packer & seating nipple, set RBP @ 1774', packer @ 1700',
circulated to bradenhead leak, reset packer @ 1731', circ, press up csg, circ leak. Drop standing valve, PT tbg 1200#,
ok. Retrieve RBP, set @ 1654', packer @ 1581', circ leak, press up csg, circ leak. Set RBP @ 1531', packer @ 1458',
pump down tbg & csg, circ leak. Attempt to set RBP @ 1028', dragging up hole, bad csg, attempt to set @ 776',
dragging up hole, bad csg, TOH, SDFN.

External casing packer @ 1785'

External casing packer @ 2233'

Drilled 6-3/4" hole w/ air to 2780', ran 4-1/2", 9.5#/ft, J-55, ST&C, new, landed @ 2553', in openhole, uncemented, slotted 2480'-2553',
2 openhole packers set @ 1785' & 2233', perf'd "select intervals from 2470'-2533 w/2spf, Oil Fractured
Sanastee w/800 BO + 1000# mothballs, put on pump 7/19/62.

8/20/62: Rec load & set BP @ 2147', perf 1810'-20', 1888'-73', & 1879'-81', frac'd Niobrara w/886 BO - no sand,
down 4-1/2" csg, pulled BP @ 2147', POP 9/1/62.

8/14/62: Rec load, IP = 35 BOD, no water, GOR = 302 cu ft/bbl.

7/11/06: Hole caved in below 4-1/2" liner, clean out to 2575'.

jmh: rev 10/17/2006