

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: November 30, 2000

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.

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on reverse side

210 FARMINGTON, NM

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	8. Well Name and No. Jicarilla 70 - 7
2. Name of Operator Golden Oil Holding Corporation	9. API Well No. 30-039-21827
3a. Address c/o Walsh Engineering & Production Corp 7415 E. Main, Farmington, NM 87402	10. Field and Pool, or Exploratory Area Basin Dakota/Lindrith Gallup
3b. Phone No. (include area code) (505) 327-4892	11. County or Parish, State Rio Arriba county
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1850' FSL & 790' FEL Section 6, T24N, R10W 27 4	

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 See Below	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal		


13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated 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.)

Pending EPA and NMOCD permits, Golden Oil Holding Corporation intends to convert the Jicarilla 70 -7 to a Class II SWD disposal well, as per the attached procedure.

RCVD JUN 7 07

OIL CONS. DIV.
DIST. 3

Condition: submit C-102 for SWD: Mesaverde (94160)
Obtain SWD order from NM OCD.

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) John C. Thompson	Title Agent/Engineer
Signature 	Date May 29, 2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason	Title	Date JUN 06 2007
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 operation thereon.	Office	

Title 18 U.C.S. Section 1001 and Title 43 U.C.S. Section 1212, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOCD 6/11

PROGNOSIS FOR
Golden Oil Holding Corporation
Jicarilla #70-7

Location: Section I27 T24N R4W
Rio Arriba, New Mexico

Revised: May 8, 2007

Field: Lindrith Dakota/Gallup

Elevation: 7055' GL
7067' KB

Surface: Jicarilla Apache
Lease Number: Jicarilla 70

Procedure:

Prior to Move in:

1. Check for anchors and dig reserve pit if necessary. Note: file for temporary "pit permit" w/ state of New Mexico.

Squeeze Existing perforations (Gallup & Dakota):

2. Move on location and rig up service unit. Hold safety meeting. Blow well down and kill with water, if necessary.
3. ND WH & NU BOP. TOH with (7340') of 2-3/8" tubing. Tally & visually inspect tbg. while TOH. Replace any bad jts. RU Hydrotester and PU 4-1/2" casing scrapper. TIH to 7100'. Hydrotest tubing to #1500 while TIH. TOH & lay down casing scrapper.
4. TIH with cement retainer on 2-3/8" tubing. Set retainer at 7000'. Pressure test tubing. Load backside w/ water & hold #100 of pressure. Establish an injection rate with water into the Dakota perfs. Mix & pump 75 sx (87.3 cu. ft.) of Class "B" cement. **Monitor backside while pumping cement.** Sting out of retainer leaving 50' of cement on top of retainer. TOH w/ tbg.

Squeeze Gallup:

5. TIH w/ CICR and set at 6100'. Pressure test tubing. Load backside w/ water & hold #100 of pressure. Establish an injection rate into Gallup perfs. Mix & pump 50 sx (59.0 cu.ft.) of Class "B" cement. **Monitor backside while pumping cement.**
6. Displace cement below CICR. Sting out of retainer leaving 50' of cement on top of retainer. Reverse tubing and casing clean. TOH
7. Pressure test casing to #1000. If pressure test OK. RIH w/ bond log and run log from new PBTD (6050') to surface. If pressure test fails, set packer and determine location of leak(s). RE-squeeze as necessary.

Perforate & Acidize Point Lookout

8. If pressure test is OK, TIH to 4800' and spot 500 gal of 15% HCl. TOH w/ tbg. RU perforators and perforate Mesaverde formation 4 spf at the following depths: 4760'-4800', 4804'-4814', 5046'-5066', 5132'-5170' & 5204'-5256', (total of 640 holes.)
9. Acidize Point Lookout w/ 2000 gals. of 15% HCl. Pump acid w/ 300 (1.3 SG) ball sealers. RIH w/ junk basket. Run junk basket to at least 5300' to knock balls off perms & recover as many balls as possible.

Injection Test

10. Pick up 4-1/2" X 2-3/8" packer and TIH. Set packer at 4600'. Load the annulus and pressure up to 100 psi. Monitor annulus pressure during injection test. Inject water down the tubing and into the Point Lookout formation, starting at 1/4 BPM and increasing rate in 1/4 BPM increments. Maximum injection pressure allowable by NMOCD will be 952 psi. Record all rates and pressures. TOH and lay down packer.

Install injection string

11. If injection rates and pressures are satisfactory, TIH with plastic lined packer with on-off tool and on 2-3/8" plastic lined tubing.
12. Circulate packer fluid down backside and set packer at 4710'.
13. Release rig and move off location

Install surface facilities

14. Install injection pump and surface facilities.
15. Run step rate injection test and casing integrity test per EPA and NMOCD requirements.

John C. Thompson

Engineer