

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.*

2007

5 Lease Serial No. **27**  
6 If Indian, Allottee or Tribe Name  
7 If Unit or CA/Agreement, Name and/or No  
**RECEIVED**  
**FARMINGTON NM**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1 Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	8 Well Name and No Greenlee Federal <del>XX</del> #41
2 Name of Operator Thompson Engineering & Prod. Corp.	9 API Well No 30-039-24140
3a Address 7415 East Main St. Farmington, NM 87402	10 Field and Pool, or Exploratory Area W. Lindrith Gallup/Dakota
3b Phone No (include area code) (505) 327-4892	11 County or Parish, State Rio Arriba, NM
4 Location of Well (Footage, Sec., T., R., M., or Survey Description) 990' FNL & 990' FEL Sec. 24, T25N, R3W	

12 CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Alter Casing	<input checked="" 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 checked="" type="checkbox"/> Recomplete	<input checked="" 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 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.)

Thompson Engineering & Production Corp. plans to add the Lower Gallup by perforating and fracture stimulating the Lower Gallup according to the following procedure.

RCVD JUL26'07

OIL CONS. DIV.  
DIST. 3

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)  
John C. Thompson

Title Engineer

Signature

*John C. Thompson*

Date July 19, 2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

*[Signature]*

Title

*Dist. Eng.*

Date

7/24/07

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.S.C. Section 1001 and Title 43 U.S.C. 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.

NMOC

# Thompson Engineering & Production Corporation

## Workover Procedure

July 9, 2007

JUL 19 PM 2: 46

RECEIVED

Well:	Greenlee Federal #41 <del>24</del>	Field:	Basin Dakota/W. Lindrith Gallup
Location:	990' fnl & 990' fel Sec. 24, T25N, R3W Rio Arriba County, New Mexico	Elevation:	7212' GR 7224' RKB
		By:	John Thompson

### Procedure

#### Perforate Lower Gallup.

1. Move-in, rig up pulling unit. Spot pump/pit. Set flow back tank. Hold safety meeting and review procedure w/ rig crew.
2. Unseat pump and hot oil rods. TOH w/ rod string and pump.
3. ND WH & NU BOP.
4. PU additional tubing & check for fill. Tubing reported to be at 8042' KB (McElvain well files). PBTD at 8109.
5. TOH (Tally on way out of hole). Inspect pipe for holes, scale, corrosion, etc. Replace as necessary.
6. TIH w/ casing scraper to PBTD (or as deep as possible).
7. Spot Mutual Solvent treatment across Dakota perforations.
8. TOH.
9. RU wireline and RIH w/ 5-1/2" CIBP. Set BP at 7300'.
10. RIH w/ 4" Select Fire casing guns and perforate Gallup interval (3 spf) as follows:

**7154' - 7186', 7208' - 7212' & 7228' - 7236'. 3 spf Total of 132 (0.34") holes.**

#### Frac Lower Gallup

11. TIH w/ Arrow-set packer on 3-1/2", 9.30# Special Clearance tubing. Set packer at ~ 7110'. Note: Space out packer/tubing in order to flange up B-1 Adapter flange on casing head. ND BOP and install 5K frac valve on top of B-1 Adapter. RU flow back manifold and lines to flow back tank.
12. RU Stimulation Company and hold safety meeting after pressure testing pumps and lines.
13. Frac Gallup w/ 100,000# 20/40 Brady in 20# x-link gel at 20-30 bpm. **Max pressure will be 5,000 psi.**
14. RD frac company.
15. Flow back frac thru 1/4" choke to flow back tank. Monitor pressure and change out chokes as necessary.

### *Clean out*

16. After flow back, remove B-1 Adapter flange and release packer. NU BOP and TOH (laying down) 3-1/2" tubing.
17. Move in and RU air package. TIH w/ 4-3/4" bit on 2-7/8" tubing.
18. Clean out down to CIBP at 7300' w/ air/mist. Drill out CIBP and continue TIH to PBTD at 8109' (clean out w/ air/mist if necessary).
19. TOH and lay down bit. Release air package.

### *Run Production Tubing & Rods/pump*

20. TIH w/ cut off tail jt, perforated sub, SN and 2-7/8" tubing. Run tubing anchor between Gallup and Dakota perfs. Land tubing so seating nipple is as close to bottom perf at 8079' as possible.
21. RUTS. Make several swab runs to insure that tubing is clear.
22. RIH w/ pump and rod string.
23. Return well to production
24. RD & MOL.

### **Materials and Services**

Rig	Hurricane Well Services
Tubing	Cave Enterprises
Location/Road Maintenance	Lindrith Backhoe Service
Pump equipment	Energy Pump & Supply
Rods	Cave Enterprises
Stimulation Company	Undecided
Downhole tools	Weatherford
Well head and flow back	WSI
Air Package	Precision Air Drilling
Tanks	Lindrith Backhoe Services

### **Attachments**

Wellbore schematic

## **BLM CONDITIONS OF APPROVAL**

### ***WORKOVER AND RECOMPLETION OPERATIONS:***

- 1. If casing repair operations are needed, obtain prior approval from this office before commencing repairs.**
- 2. A properly functioning BOP and related equipment must be installed prior to commencing workover and/or recompletion operations.**

### ***SURFACE USE OPERATIONS:***

The following Stipulations will apply to this well unless a particular Surface Managing Agency or private surface owner has supplied to BLM and operator a contradictory environmental stipulation. The failure of operator to comply with these requirements may result in assessments or penalties pursuant to 43 CFR 3163.1 or 3163.2. A copy of these conditions of approval shall be present on location during construction, drilling and reclamation activity.

An agreement between operator and fee landowner will take precedence over BLM surface stipulations unless (in reference to 43 CFR Part 3160) 1) BLM determines that operator's actions will affect adjacent Federal or Indian surface, or 2) operator does not maintain well area and lease premises in a workmanlike manner with due regard for safety, conservation and appearance, or 3) no such agreement exists, or 4) in the event of well abandonment, minimal Federal restoration requirements will be required.

***STANDARD STIPULATIONS:*** All surface areas disturbed during work-over activities and not in use for production activities will be reseeded. This should occur in the first 90 days after completion of work-over activities.

### ***SPECIAL STIPULATIONS:***

- 1. Pits will be fenced during work-over operation.**
- 2. All disturbance will be kept on existing pad.**
- 3. All pits will be pulled and closed immediately upon completion of the work-over activities.**
- 4. Pits will be lined with an impervious material at least 12 mils thick.**