Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

RCVD NOV 13'06
OIL CONS. DIV.
DIST. 3

Form C-103
June 23, 2006

WELL API NO.
30 – 039 - 23051

5. Indicate Type of Lease
STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name
Salazar 'G' Com. 21

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

8. Well Number #1

2. Name of Operator
RESOURCE DEVELOPMENT TECHNOLOGY, LLC (RDT)

9. OGRID Number **225774**

3. Address of Operator
PO BOX 1020, MORRISON, CO 80465

10. Pool name or Wildcat
Devil's Fork: Gallup

4. Well Location
Unit Letter: **'G'**: **1650'** feet from the **North** line and **1850'** feet from the **East** line
Section: **21** Township **25 North** Range **6 West** NMPM **Rio Arriba** County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
KB 6322' GL 6309'

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type_____ Depth to Groundwater_____ Distance from nearest fresh water well_____ Distance from nearest surface water_____

Pit Liner Thickness: mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☒
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
OTHER: ☐		OTHER: ☐	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

2/5/2005 – 2/7/2005: MIRU Avanti Rig #101. Test Tubing w/ No Success. LD Pump & Rods w/ Black Scale. Attempt to Circ. Well w/ No Success. Extremely Muddy. RD MO Avanti Rig #101.

1/23/2006 – 1/25/2006: MIRU A-Plus Rig #9. Circ. Well w/ 140 Bbl. 5% KCl @ 220 deg F. Tag PBD @ 6110'. LD 167 Jts. Tubing w/ Heavy Black Scale. RU Blue Jet: Ran CBL f/5702' to Surface: 1st Stage Cement f/ 6170' to 5630'. Holiday f/ 5630' to 4960'. 2nd Stage Cement f/ 4950' – 2795' w/ Stringers1690' – 1890'. Squeeze Cement f/ 2280' – 2155'. Could not get MTT Log past 300' due to Black Scale. RD Blue Jet. RD MO Rig #9. W/O A-Plus Rig #10 to Repair Well.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. **I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.**

SIGNATURE R A Schwering TITLE Operations Manager DATE 11/7/2006

Type or print name R. A. Schwering, PE E-mail address: ras.rdt@mindspring.com Telephone No.: (303) 716-3200

For State Use Only

APPROVED BY: A. Silhan 8/14/07 TITLE _____ DATE _____

Conditions of Approval (if any):

RA Schwering, PE: Operations Manager
PHONE: (303) 716-3200
FAX: (303) 716-5780
NM Cell: (505) 947-3072
CO Cell: (303) 919-6826

7/26/2006: MIRU A-Plus Rig #10. NU BOPE. Tally & PU & RIH w/ Watermelon Mill to PBD @ 5949'. Circ. & had Black Sulfur Water returns up BOTH Casing-Tubing Annulus & Braden-Head Annulus. SI Braden-Head & had fluid surfacing beneath rig & around wellhead 3' – 8' from wellhead. SD Pumping. POOH. Elect to abandon well. Develop approved P&A Procedure with NMOCD.

7/31/2006: RU A-Plus WL Service. Set CIBP @ 5650' & Dump Bail 4 Sx. Portland Cement (4.72 cu ft @ 1.18 cu ft/sx) on Plug.

Plug #1: CIBP @ 5650' w/ Cement f/ 5596' – 5650' (54' of Fill-Up).

Perf. 3 Squeeze Holes @ 5458' in order to Isolate TO Gallup Fm. @ 5408'. RD A-Plus WL Unit.

RIH & Set Cement Retainer on Tubing @ 5417'. Attempt Injection to 2800 psig 3 Times w/ No Success. Unable to Pump into Perfs. below Cement Retainer @ 5458'. Receive permission f/ H. Villanueva @ NMOCD to spot plug on Top of Cement Retainer.

Mix & Pump 15 Sx. Class 'C' Cement (3.53 Bbl. Slurry Yielding 19.8 cu ft of Cement) @ 14.8 PPG @ 1.32 cu ft/sx w/ 2.25 Bbl. Mix Water & Spot on Cement Retainer @ 5417' w/ 7.75 Bbl. Fresh Water Displacement. Had returns up casing-tubing annulus & braden-head annulus & beneath rig & around wellhead. PUH 18 Stands & Circ. Clean.

8/1/2006 RIH 14 Stands & Tag Plug #2 @ 5218':
Plug #2: Cement Retainer @ 5417' w/ Cement f/ 5218' – 5417' (199' of Fill-Up) Covering TO Gallup Fm. @ 5408'.

LD 71 Jts. of Tubing to 3862' (miscount LD 1 too many). Prep. To Isolate TO Mesaverde Fm. @ 3825' & TO Chacra Fm. @ 3110'.
ENTIRE Mesaverde/Chacra Fm. Section (3110' to 4668') covered w/ Cement f/ 4950' to 2795' w/ Excellent Bond on outside of 4-1/2" Casing.

Mix & Pump 65 Sx. Class 'C' Cement w/ 1% CaCl2 (15.28 Bbl. Slurry Yielding 85.8 cu ft of Cement) @ 14.8 PPG @ 1.32 cu ft/sx w/ 9.75 Bbl. Mix Water & Spot Balanced Plug w/ 9.5 Bbl. Fresh Water Displacement. Had returns up casing-tubing annulus & braden-head annulus & beneath rig & around wellhead. PUH 18 Stands & Circ. Clean.
LD 32 Jts. Tubing. POOH 15 Stands. Circ. Clean & WOC 4 Hours.

RIH 14 Stands & PU 4 Jts. Tubing & Tag Plug #3 @ 2968':
Plug #3: Balanced Plug @ 2968' – 3862' (894' Fill-Up) Covering TO Mesaverede Fm. @ 3825' & TO Chacra Fm. @ 3110' Isolated Inside & Outside of Casing.

LD 21 Jts. Tubing to 2274'.
Still unaware of joint count problem (1 too many laid down). TO Pictured Cliffs Fm. @ 2240'.

Mix & Pump 15 Sx. Class 'C' Cement (3.53 Bbl. Slurry Yielding 19.8 cu ft of Cement) @ 14.8 PPG @ 1.32 cu ft/sx w/ 2.25 Bbl. Mix Water & Spot Balanced Plug w/ 7 Bbl. Fresh Water Displacement. Had returns up casing-tubing annulus & braden-head annulus & beneath rig & around wellhead.

LD 9 Jts. Reverse Tubing Clean. POOH & found 1 Joint Too Many had been Laid Down. Adjust a Tally Numbers to those reported above. Inform Mr. Henry Villanueva @ NMOCD of Error & received OK to proceed w/ P&A as planned. ALL Mesaverde Fm., Chacra Fm. & Pictured Cliffs Fm. TOPS COVERED INSIDE AND OUT.

8/2/2006 RU A-Plus WL Service. Tag Plug #4 @ 2043':

Plug #4: Balanced Plug @ 2043' - 2274' (231' of Fill-Up) Covering TO Pictured Cliffs Fm. @ 2240' Isolated Inside & Outside of Casing.

Perf. 3 Squeeze Holes @ 2000'. RD WL Unit.

RIH w/ Cement Retainer & Set @ 1960'. Prep. To Isolate TO Fruitland Fm. @ 1950' & TO Kirtland Fm. @ 1795'.

Mix & Pump 75 Sx. Class 'C' Cement w/ 1% CaCl2 (17.63 Bbl. Slurry Yielding 99.0 cu ft of Cement) @ 14.8 PPG @ 1.32 cu ft/sx w/ 11.25 Bbl. Mix Water w/ 3.0 Bbl. Fresh Water Displacement & Sting-Out of Cement Retainer & Finish Displacement w/ 1.5 Bbl. Fresh Water. NO RETURNS. LD 8 Jts. Tubing. Circ. Clean @ 1695'. Had returns up casing-tubing annulus & braden-head annulus & beneath rig & around wellhead. LD 3 Jts. POOH & WOC 4 Hours.

RU A-Plus WL Unit & RIH & Tag Plug #5 @ 1742':

Plug #5: Cement f/ 1742' to Cement Retainer @ 1960' to Squeeze Perforations @ 2000' (258' Fill-Up) w/ TO Fruitland Fm. @ 1950' & TO Kirtland Fm. @ 1795' Isolated Inside of Casing.
Inside Coverage used 22.50 cu ft (17.05 Sx. or 4.01 Bbl.) Cement for 258' Coverage.

Outside Coverage used 76.50 cu ft (57.95 Sx. or 13.62 Bbl.) Cement calculated to cover 335' of Gauge Hole from 1665' to 2000' w/ TO Fruitland Fm. @ 1950' & TO Kirtland Fm. @ 1795' Isolated Outside of Casing.

Perforate 3 Squeeze Holes @ 1680'. RD WL Unit.

RIH w/ Cement Retainer & Set @ 1485' w/ permission of Mr. Henry Villanueva @ NMOCD. Sting-Out & attempt to Press. Test Casing w/ No Success -- Had more returns out of boils around wellhead than out of braden-head annulus. Prep. To Isolate TO Ojo Alamo Fm. @ 1660'.

Mix & Pump 70 Sx. Class 'C' Cement (16.46 Bbl. Slurry Yielding 92.4 cu ft of Cement) @ 14.8 PPG @ 1.32 cu ft/sx w/ 10.5 Bbl. Mix Water w/ 4.5 Bbl. Fresh Water Displacement & Sting-Out of Cement Retainer. Had returns up casing-tubing annulus & braden-head annulus & beneath rig & around wellhead. LD 20 Jts. POOH & WOC.

8/3/2006 RU A-Plus WL Service. RIH & Tag Plug #6 @ 1411':

Plug #6: Cement f/ 1411' to Cement Retainer @ 1485' to Squeeze Perforations @ 1680' (269' Fill-Up) w/ TO Ojo Alamo Fm. @ 1660' Isolated Inside of Casing.
Inside Coverage used 23.46 cu ft (17.77 Sx. or 4.18 Bbl.) Cement for 269' Coverage.

Outside Coverage used 68.94 cu ft (52.23 Sx. or 12.28 Bbl.) Cement calculated to cover 302' of Gauge Hole from 1378' to 1680' w/ TO Ojo Alamo Fm. @ 1660' Isolated Outside of Casing.

Perforate 3 Squeeze Holes @ 865'. RD WL Unit.

RIH w/ Cement Retainer & Set @ 815'. Sting-Out & attempt to Press. Test Casing w/ No Success -- Had more returns out of boils around wellhead than out of braden head annulus. Prep. To Isolate TO Nacimiento Fm. @ 865'.

Mix & Pump 65 Sx. Class 'C' Cement w/ 2% CaCl2 (15.28 Bbl. Slurry Yielding 85.8 cu ft of Cement) @ 14.8 PPG @ 1.32 cu ft/sx w/ 9.75 Bbl. Mix Water w/ 1.0 Bbl. Fresh Water Displacement & Sting-Out of Cement Retainer. Had returns up casing-tubing annulus & braden-head annulus & beneath rig & around wellhead. LD 19 Jts. POOH. WOC 4 Hours.

RU A-Plus WL Unit & RIH & Tag Plug #7 @ 563':

Plug #7: Cement f/ 563' to Cement Retainer @ 815' to Squeeze Perforations @ 865' (302' Fill-Up) w/ TO Nacimiento Fm. @ 815' Isolated Inside of Casing.
Inside Coverage used 26.33 cu ft (19.95 Sx. or 4.69 Bbl.) Cement for 302' Coverage.

Outside Coverage used 59.47 cu ft (45.05 Sx. or 10.59 Bbl.) Cement calculated to cover 261' of Gauge Hole from 604' to 865' w/ TO Nacimiento Fm. @ 815' Isolated Outside of Casing.

8/3/2006: Continued:

Perforate 3 Squeeze Holes @ 283'. RIH & Set Cement Retainer on WL @ 233'. RD WL Unit. RIH & Sting-In Cement Retainer. Prep. To Isolate 8-5/8" Casing Shoe @ 233'.

Mix & Pump 125 Sx. Class 'C' Cement (29.39 Bbl. Slurry Yielding 165 cu ft of Cement) @ 14.8 PPG @ 1.32 cu ft/sx w/ 18.75 Bbl. Mix Water. Circ. Good Cement to Surface in braden-head annulus and boils around wellhead & under rig. Sting-Out & Circ. Cement from TO Cement Retainer to Surface. LD Tubing. WOC.

Plug #8: Cement f/ Surface to Cement Retainer @ 233' to Squeeze Perforations @ 283' (283' Fill-Up) w/ 8-5/8" Surface Casing Shoe @ 233' Isolated on Inside of Casing.
Inside Coverage used 24.68 cu ft (18.70 Sx. or 4.40 Bbl.) Cement for 302' Coverage.

Outside Coverage used 140.32 cu ft (106.30 Sx. or 24.99 Bbl.) Cement covering 283' of 4-1/2" Casing Outside Annulus & Isolating the 8-5/8" Casing Shoe @ 233' on Outside of Casing.

8/4/2006: Tie onto Braden-Head Valve & bring up returns in boils around wellhead & under rig.

Plug #9: Mix & Pump 35 Sx. Class 'C' Cement (8.23 Bbl. Slurry Yielding 46.2 cu ft of Cement) @ 14.8 PPG @ 1.32 cu ft/sx w/ 5.25 Bbl. Mix Water. Circ. Good Cement to Surface thru boils around wellhead & under rig. Filling all voids around wellhead w/ cement.

Raise Floor & ND BOPE.

Plug #10: Top-Fill 10 Sx. Class 'C' Cement (2.35 Bbl. Slurry Yielding 13.2 cu ft of Cement) @ 14.8 PPG @ 1.32 cu ft/sx w/ 1.50 Bbl. Mix Water to Surface. Cut-Off Wellhead & Weld & Install Dry-Hole Marker.

RDMO A-Plus Rig #10.

Notify Mr. Henry Villanueva of the NMOCD that all required Plugging & Abandonment work is complete @ the Salazar 'G' Com. 21- #1 Well in NE Sec. 21, T25N, R6W, Rio Arriba County, New Mexico.

Site Rehabilitation Work Will Be Completed This Winter & Spring.

Sincerely Yours,

R. A. Schwering, PE
Operations Manager
Resource Development Technology, LLC

Attachment: A-Plus Plug & Abandonment Report: 2 Pages

A-PLUS WELL SERVICE, INC.
P.O. BOX 1979
Farmington, New Mexico 87499
505-325-2627 * fax: 505-325-1211

Well file

Resource Development Technology, LLC
Salazar 'G' Com 21 #1

August 7, 2006

1650' FNL & 1850' FEL, Section 21, T-25-N, R-6-W
Lease Number: Fee
Rio Arriba County, NM
API #30-039-23051

Plug & Abandonment Report

Work Summary: C. Perrin, NMOCD, approved P&A verbally on 7/28/06

7/31/06 Road to location, roads washed out. Wait on backhoe to repair roads. Open well, no pressure. RIH with 4.5" PlugWell CIBP and set at 5650'. RU dump bailer.
Plug #1 with CIBP at 5650', dump bail 4 sxs Type III cement (5 cf) above CIBP up to 5596'. Note: made 2 runs with bailer. POH. RD bailer. Perforate 3 holes at 5458'. TIH with 4.5" DHS CR and set at 5415'. Load tubing with ½ bbl of water. Pressure test tubing to 2500#, held OK for 5 minutes. Sting out of CR. Load casing with 10 bbls of water. Sting into CR. Attempt to establish rate into squeeze holes pressured up to 2800#, held. Sting out of CR. Procedure change approved by Henry Villanueva, NMOCD, to spot cement above CR. Note: water coming from ground.
Plug #2 with CR at 5415', mix and pump 15 sxs Type III cement (20 cf) above CR up to 5191' to cover the Gallup top.
PUH and WOC overnight. SDFD.

8/1/06 Open well, no pressure. TIH with tubing and tag cement at 5218'. PUH to 3862'. Load tubing with 4-1/2 bbls of water.
Plug #3 spot 65 sxs Type III cement (86 cf) with 1% CaCl inside the casing from 3862' up to 2968' to cover the Mesaverde and Chacra tops.
PUH with tubing. Reverse circulate 15 bbls until clean. WOC. TIH with tubing and tag cement at 2968'. PUH to 2274'. Load tubing with 2 bbls of water. Note: still circulating out ground.
Plug #4 spot 17 sxs Type III cement (23 cf) inside the casing from 2274' up to 2050' to cover the Pictured Cliffs top.
PUH to 2025'. Load 28 bbls of water to reverse circulate hole clean. LD 3 joints tubing and TOH with 29 stands 2.375" tubing. Note: one joint off. NMOCD approved corrected footages. TIH with tubing to 2050'. Load tubing with 45 bbls of water to circulate hole clean. Shut in well. SDFD.

8/2/06 Open well, no pressure. TIH with wireline and tag cement at 2043'. Perforate 3 holes at 2000'. TIH with 4.5" DHS CR and set at 1959'. Sting out of CR. Load casing with 2 bbls of water, circulate out the bradenhead. Sting into CR. Establish rate into squeeze holes 1-1/2 bpm at 900#.
Plug #5 with CR at 1959', mix and pump 75 sxs Type III cement (100 cf) with 1% CaCl, squeeze 55 sxs outside the casing and leave 20 sxs inside casing to 1695' to cover the Fruitland and Kirtland tops.
PUH with tubing. PUH to 1695'. Reverse circulate casing clean with 43 bbls of water. TOH and WOC. TIH with tubing and tag cement at 1742'. Procedure change approved by Henry Villanueva, NMOCD. Perforate 3 holes at 1680'. TIH with 4.5" DHS CR and set at 1485'. Sting out of CR. Load casing with 2 bbls of water. Attempt to pressure test casing. Circulation out of casing and ground. Close casing valve. Sting into CR. Establish rate 2 bpm at 300#. Note: circulating out ground.

A-PLUS WELL SERVICE, INC.
P.O. BOX 1979
Farmington, New Mexico 87499
505-325-2627 * fax: 505-325-1211

Work Summary – Continued:

Plug #6 with CR at 1485', mix and pump 70 sxs Type III cement (93 cf), squeeze 53 sxs outside the casing and leave 17 sxs inside casing to 1370' to cover the Ojo Alamo top. PUH with tubing. WOC.

8/3/06 Open well, no pressure. Load casing with 3 bbls of water. Attempt to pressure test casing to 500#, no test. Circulation out bradenhead. TIH and tag cement at 1411'. Perforate 3 holes at 865'. TIH with 4.5" DHS CR and set at 814'. Sting out of CR. Load casing with 1 bbl of water. Attempt to pressure test casing, no test, bradenhead circulating. Sting into CR. Establish rate with casing circulating. Close casing and establish rate 2 bpm at 300#.
Plug #7 with CR at 814', mix and pump 65 sxs Type III cement (86 cf) cement with 2% CaCl, squeeze 52 sxs outside the casing and leave 13 sxs inside casing to 565' to cover the Nacimiento top.
PUH with tubing. WOC. Load casing with 1-1/2 bbls of water. Attempt to pressure test casing, no test. TIH and tag cement at 563'. Perforate 3 holes at 285'. TIH with 4.5" PlugWell CR and set at 233'. TIH with tubing and sting into CR. Sting out of CR. Load casing with 1 bbl of water. Pressure test casing to 500#, held OK. Sting into CR. Establish rate 3 bpm at 0#, bradenhead circulating.
Plug #8 with CR at 233', mix and pump 125 sxs Type III cement (165 cf) down the 4.5" casing from 285' to surface, circulate good cement returns out the bradenhead, casing and ground. Sting out of CR. TOH and LD all tubing. Shut in well. SDFD.

8/4/06 Attempt to pressure test bradenhead, no pressure. Drilling mud coming out of ground around wellhead.
Plug #9 with 35 sxs Type III cement (47 cf), squeeze bradenhead, circulate good cement returns on the ground.
Dig out around wellhead. ND BOP. Cut off wellhead. Found cement at surface in both the 4.5" casing and the annulus.
Mix 10 sxs Type III cement and install P&A marker.
RD and MOL.

Kelly Roberts, NMOCD representative, was on location on 7/31/06.
Henry Villanueva, NMOCD representative, was on location on 8/1/06.