UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

	DUREA	2007 AUS -8 PM 2: 09		
	Sundry Notices and Reports on Wells			
1.	Type of Well GAS	RESCIVED BLM 210 FARRINGTON NM	5. 6.	Lease Number Jicarilla Contract 147 If Indian, All. or Tribe Name Jicarilla Apache
2.	Name of Operator CDX RIO, LLC		7.	Unit Agreement Name
3.	Address & Phone No. of Operator		- 8.	Well Name & Number
	2010 Afton Place, Farmington, New Mexico 87401 (50	05) 326-3003	9.	Jicarilla 147 #3E API Well No.
4.	Location of Well, Footage, Sec., T, R, M 970'FSL, 1140'FEL, Sec.6, T-25-N, R-5-W, NMPM		10.	30-039-22086 Field and Pool
			11.	Basin Dakota County and State
				Rio Arriba Co, NM
13.	Subsequent Report Plugging Casing Repair Altering Casing Cother Describe Proposed or Completed Operations	Non-Routine Fracturing _ Water Shut off _ Conversion to Injection		
	It is intended to plug and abandon the subject well	according to the attached procedures	s and w	ellbore diagrams.
				RCVD AUG 21 '07 OIL CONS. DIV. DIST. 3
	I hereby certify that the foregoing is true and correct	et.		
Sig	ned Mancy Oltmanns Titl	e Agent		Date <u>8-7-07</u> .
AP	is space for Federal or State Office use) PROVED BY <u>Original Signed: Stephen Mason</u> Title NDITION OF APPROVAL, if any:	e		Date AUG 1 7 2007

PLUG AND ABANDONMENT PROCEDURE

August 6, 2007

Jicarilla 147 #3E

Basin Dakota 970' FSL, 1140' FEL, Section 6, T25N, R5W Rio Arriba County, New Mexico, API 30-039-22086

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures.

All cement will be ASTM Type III, mixed at 14.8 ppg with a 1.32 cf/sx yield.

- 1. Project will require a Pit Permit (C103) from the NMOCD.
- Install and test rig anchors. Prepare waste fluid holding pit. Comply with all NMOCD, BLM and CDX safety rules and regulations. Conduct safety meeting for all personnel on location. MOL and RU daylight pulling unit. NU relief line and blow well down; kill with water as necessary. ND wellhead and NU BOP and stripping head; test BOP.
- 3. TOH with 7365' of 2.375" tubing, SN and Notched Collar. Visually inspect tubing and, if necessary, LD tubing and PU a workstring. Round trip 4.5" gauge ring to 6991'.
- 4. Plug #1 (Dakota perforations and top, 6991' 6891'): TIH and set a 4.5" CR at 6991'. Load casing with water and circulate well clean. Pressure test casing to 800#. <u>If casing does not test, spot or tag subsequent plugs as appropriate</u>. Mix 11 sxs Type III cement and spot a balanced plug inside casing to cover the Dakota interval. PUH.

6124 6024

- 5. Plug #2 (Gallup top, 6233' 6133'): Mix 11 sxs Type III cement and spot a plug inside the casing to cover the Gallup top. PUH.
- 6. Plug #3 (Mesaverde top, 4520' 4420'): Mix 11 sxs Type III cement and spot a plug inside the casing to cover the Mesaverde top. PUH.

 3734 3634
- 7. Plug #4 (Chacra top, 3765' 3665'): Mix 11 sxs Type III cement and spot a plug inside the casing to cover the Chacra top. PUH.
- 8. Plug #5 (Pictured Cliffs, Fruitland, Kirtland and Ojo Alamo tops, 2890' 2465'): Mix 53 sxs Type III cement and spot a plug inside the casing to cover through the Ojo Alamo top. PUH.
- 9. Plug #6 (Nacimiento top, 925' 825'): Mix 11 sxs Type III cement and spot a plug inside the casing to cover the Nacimiento top. PUH.
- 10. Plug #7 (8.625" casing shoe top, 364' 264'): Mix 11 sxs Type III cement and spot a plug inside the casing to cover the casing shoe. PUH.
- 11. Plug #8 (Surface, 45' Surface): Perforate 3 HSC squeeze holes at 45'. Establish circulation to surface out the bradenhead valve; circulate the BH annulus clean. Mix approximately 20 sxs cement and pump down the 4.5" casing to circulate good cement to surface out the bradenhead valve. Shut in well and WOC.

12. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.) S.
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Jicarilla 147 #3E

Current

Basin Dakota 970' FSL, 1140' FEL, Section 6, T-25-N, R-5-W

Rio Arriba County, NM, API #30-039-22086

Today's Date: 8/6/07

Spud: 8/24/79

Completed: 9/11/79 Elevation: 6638' GL

6651' KB

12.25" hole

Nacimiento @ 875' *est

Ojo Alamo @ 2215' *est

Kirtland @ 2405' *est

Fruitland @ 2640' *est

Pictured Cliffs @ 2840' *est

Chacra @ 3715' *est

Mesaverde @ 4470'

Gallup @ 6183'

Dakota @ 7032'

TD 7460' **PBTD 7417**'

7.875" hole

TOC @ 43', (Calc, 75%)

8.625" 24#, Casing set @ 314' Cement with 315 sxs, circulated

Well History:

No Workover of Record

2.375" tubing set at @ 7365' (4.7# J-55, SN @ 7364')

DV Tool at 4859' Cement with 1060 sxs (1462 cf) TOC @ 4944'(Calc 75%)

Dakota Perforations: 7041' - 7362'

4.5" 11.6#, N80 Casing set @ 7640' Cement with 600 sxs (818 cf)

Jicarilla 147 #3E Proposed P&A

Basin Dakota 970' FSL, 1140' FEL, Section 6, T-25-N, R-5-W

Today's Date: 8/6/07 Spud: 8/24/79

Completed: 9/11/79 Elevation: 6638' GL

6651' KB

12.25" hole

Nacimiento @ 875' *est

Ojo Alamo @ 2215' *est

Kirtland @ 2405' *est

Fruitland @ 2640' *est

Pictured Cliffs @ 2840' *est

Chacra @ 3715' *est

Mesaverde @ 4470'

Gallup @ 6183'

Dakota @ 7032'

7.875" hole TD 7460' **PBTD 7417**' Plug #8: 45' - 0' Type III cement, 20 sxs

TOC @ 43', (Calc, 75%)

Perforate @ 45'

8.625" 24#, Casing set @ 314' Cement with 315 sxs, circulated

Plug #7: 364' - 264' Type III cement, 11 sxs

Plug #6: 925' - 825' Type III cement, 11 sxs

Plug #5: 2890' - 2165' Type III cement, 53 sxs

Plug #4: 3765' - 3665' Type III cement, 11 sxs

Plug #3: 4520' - 4420' Type III cement, 11 sxs

DV Tool at 4859' Cement with 1060 sxs (1462 cf) TOC @ 4944'(Calc 75%)

> Plug #2: 6233' - 6133' Type III cement, 11 sxs

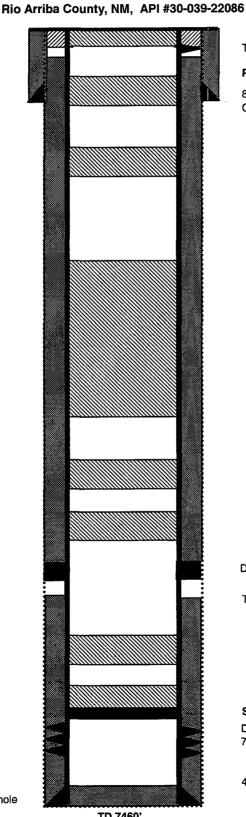
Plug #1: 6991' - 6891' Type III cement, 11 sxs

Dakota Perforations:

7041' - 7362'

Set CR @ 6991'

4.5" 11.6#, N80 Casing set @ 7640' Cement with 600 sxs (818 cf)



The Jicarilla Apache Nation requires 45 days to evaluate this well beginning from August 9, 2007 in order to determine if they would like to assume ownership of the well. If the Jicarilla Apache Nation has not contacted your office before the end of the 45 days you may proceed with plugging operations.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FARMINGTON DISTRICT OFFICE

1235 LA PLATA HIGHWAY FARMINGTON, NEW MEXICO 87401

Attachment to notice of Intention to Abandon:

Re: Permanent Abandonment

Well: 3e Jicarilla 147

CONDITIONS OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
- 2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.
- 3. The following modifications to your plugging program are to be made:
- a) Place the Gallup plug from 6124' 6024'.
- b) Place the Chacra plug from 3734' 3634'.
- c) Place the Pictured Cliffs/Fruitland/Kirtland/Ojo Alamo plug from 2869' 2126'.
- d) Place the Nacimiento plug to 855' 755'.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.