

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**
Sundry Notices and Reports on Wells

<p>1. Type of Well Gas Storage Well</p> <p>2. Name of Operator PNM</p> <p>3. Address & Phone No. of Operator Alvarado Square, Albuquerque, NM 87158-2610 (505) 241-4507</p> <p>Location of Well, Footage, Sec., T, R, M 2380' FNL & 1730' FWL, Section 20, T-15-N, R-1-E,</p>	<p>2007 AUG -6 AM 10: 25</p> <p>RECEIVED BLM 210 FARMINGTON NM</p>	<p>5. Lease Number NM 14237</p> <p>6. If Indian, All. or</p> <p>7. Unit Agreement Name</p> <p>8. Well Name & Number San Ysidro #2</p> <p>9. API Well No. 30-043-20117</p> <p>10. Field and Pool</p> <p>11. County & State Sandoval County, NM</p>
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12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission	Type of Action	
<input checked="" type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other -	

13. Describe Proposed or Completed Operations

PNM proposes to P&A the referenced well as follows:

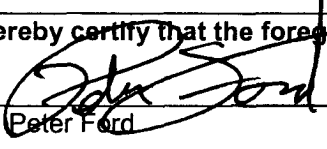
MOL. RU. TOH with tubing. Round trip 5.5" gauge ring or casing scraper to 2186'.

Plug #1 (Aqua Zarco perforations and top, 2186' - 2086'): TIH and set CR at 2186'. Pressure test tubing. Pressure test casing to 800#. Spot total 16 sxs Type III cement inside casing above CR to isolate the Aqua Zarco perforations and top. PUH to 475'.

Plug #2 (8.625" casing shoe and Chinle, Entrada tops, 475' - Surface): Spot approximately 53 sxs cement from 475' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut in well and WOC. ND BOP and cut off wellhead. Install P&A marker. RD, MOL and cut off anchors.

RCVD AUG 21 '07
OIL CONS. DIV.
DIST. 3

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

Signed  Title Engineering Supervisor Date 8/03/07
Peter Ford

(This space for Federal or State Office use)

APPROVED BY Original Signed: Stephen Mason Title _____ Date AUG 16 2007
CONDITION OF APPROVAL, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly 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.

NMOC 