

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**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.***SUBMIT IN TRIPLICATE- Other instructions on reverse side.**1. Type of Well
☐ Oil Well ☐ ☒ Gas Well ☐ Other2. Name of Operator
DJ Simmons, Inc.3a. Address
1009 Ridgeway Place, Suite 200, Farmington, New Mexico3b. Phone No. (include area code)
505 326 37534. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1050' FSL, 812' FEL, SEC 4, T23N, R7W

5. Lease Serial No.

SF-078272-C

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Dunn Federal #2

9. API Well No.

30-039-22857

10. Field and Pool, or Exploratory Area

Lybrook

11. County or Parish, State

San Juan, New Mexico**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
	<input type="checkbox"/> Change Plans	<input checked="" 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	

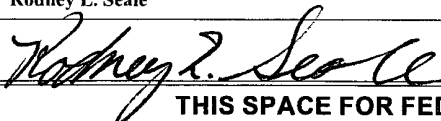
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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.)

Please replace the sundry dated 08/07/2007 with revised sundry dated 08/15/2007.

D.J. Simmons, Inc. intends to Plug and Abandon the above mentioned well per attached procedures and well bore. An earthen bermed pit, 12x15x6, will be constructed to hold P&A waste fluids. The pit will be closed per NMOCD guidelines. A-Plus Well Service will be performing the P&A, and the start date will depend on rig availability.

RCVD AUG 23 '07**OIL CONS. DIV.****DIST. 3**14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**Rodney L. Seale**Title **Operations Engineer**

Signature



Date

08/15/2007**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**Approved by **Original Signed: Stephen Mason**

Title

Date **AUG 20 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 operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully 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.

*(Instructions on page 2)***NMOCD**

PLUG AND ABANDONMENT PROCEDURE

Revised: August 14, 2007

Dunn Federal #2

Lybrook Gallup

1050' FSL & 812' FEL, Section 4, T23N, R7W, Rio Arriba County, New Mexico

API 30-039-22857 / Lat: 36._____ N / Long: 107._____ W

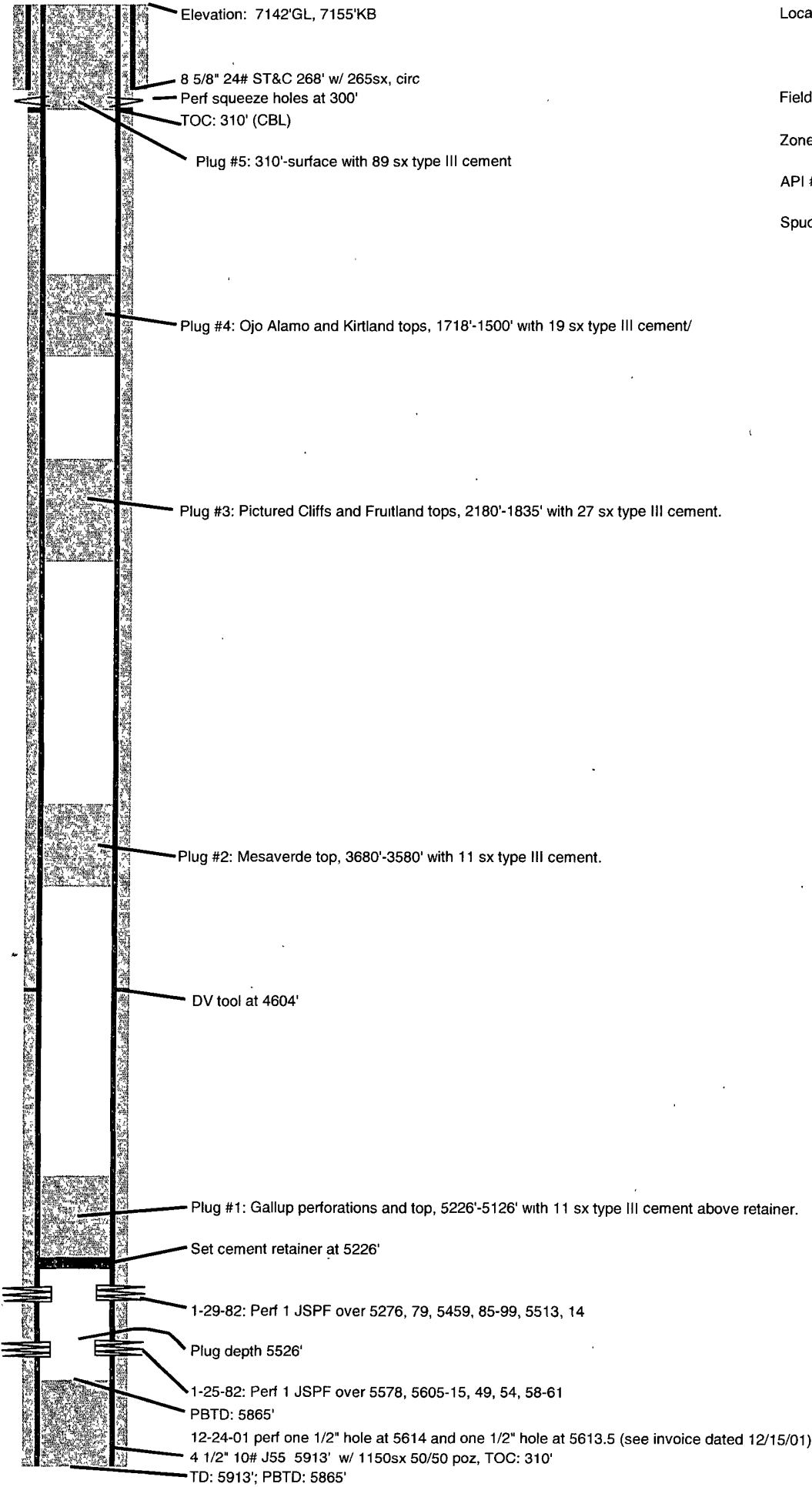
Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Type III, mixed at 14.8 ppg with a 1.32 cf/sx yield,

1. Project will require a Pit Permit (C103) from the NMOCD.
2. Install and test rig anchors. Prepare waste fluid holding pit. Comply with all NMOCD, BLM and Simmons 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 and tally 2.375" tubing, total 5697'. If necessary LD tubing and use a workstring. Run a casing scraper or wireline gauge ring to 5226'.
4. **Plug #1 (Gallup perforations and top, 5226' – 5126')**: TIH and set 4.5" CR at 5226'. Pressure test tubing to 1000#. Load casing with water and circulate well clean. Pressure test casing to 500#. *If the casing does not test, then spot or tag subsequent plugs as appropriate.* Mix 11 sxs Type III cement and spot 11 sxs inside the casing above the CR to isolate the Gallup perforations and to cover the top. PUH to 3680'.
5. **Plug #2 (Mesaverde top, ^{3018'} ~~3680'~~ – ^{2714'} ~~3580'~~)**: Mix 11 sxs Type III cement and spot a balanced plug inside casing to cover the Mesaverde. If casing does not test after plug #1, then increase cement to 20 sxs. PUH to 2180'.
6. **Plug #3 (Pictured Cliffs and Fruitland top, ^{2145'} ~~2180'~~ – ^{1519'} ~~1835'~~)**: Mix 27 sxs Type III cement and spot a balanced plug inside casing to cover the Pictured Cliffs and Fruitland tops. PUH to 1718'.
7. **Plug #4 (Kirtland and Ojo Alamo tops, ^{1646'} ~~1718'~~ – ^{1428'} ~~1500'~~)**: Mix 19 sxs Type III cement and spot a balanced plug inside casing to cover the Kirtland and Ojo Alamo tops. TOH.
8. **Plug #5 (8.625" Surface casing shoe, 310' - Surface)**: Trip in hole and perforate 2 squeeze holes at 300'. Establish good circulation down 4.1/2" casing, through squeeze holes, and up the casing hole annulus. Mix 89 sxs cement and pump first 71 sxs inside the 4.5" casing from 310' to surface. Spot a balanced plug with remaining 18 sxs from 310' to surface. Circulate good cement out the casing valve and then TOH and LD the tubing. Shut in well and WOC.
9. 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.



Proposed Dunn Federal #2 P & A

Revised: 8/15/07



Location: Surface: 1050' FSL, 812' FEL,
Sec 4, T23N, R7W, Rio Arriba
County, New Mexico

Field: Lybrook

Zone: Upper and lower gallup

API #: 30-039-22857-00

Spud Date: December 12, 1987, 2:30 hours

**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: 2 Dunn Federal

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 Mesaverde plug from 3018' – 2918'.
 - b) Place the Pictured Cliffs/Fruitland plug from 2145' - 1819'.
 - c) Place the Kirtland/Ojo Alamo plug from 1646' – 1428'.

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.