

Submit 3 Copies To Appropriate District State of New Mexico Form C-103 Office May 27, 2004 Energy, Minerals and Natural Resources District I WELL API NO. 30-039-05456 1625 N. French Dr., Hobbs, NM 88240 District II OIL CONSERVATION DIVISION 1301 W. Grand Ave, Artesia, NM 88210 5. Indicate Type of Lease District III 1220 South St. Francis Dr. STATE K FEE \square 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV 1220 S. St. Francis Dr , Santa Fe, NM E 1207 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A NCRA State DIFFERENT RESERVOIR, USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number 1. Type of Well: Oil Well □ Gas Well Other 9. OGRID Number 2. Name of Operator
Benson-Montin-Greer Drilling Corp. 10. Pool name or Wildcat 3. Address of Operator Ballard Pictured Cliffs 4900 College Blvd, Farmington, NM 87402 4. Well Location line and 1650 feet from the South Unit Letter K feet from the line County Rio Arriba 16 Township ^{24N} 6W Section Range **NMPM** 11. Elevation (Show whether DR, RKB, RT, GR, etc.) Pit or Below-grade Tank Application or Closure Depth to Groundwater Distance from nearest fresh water well_ Distance from nearest surface water Pit Liner Thickness: 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: ALTERING CASING [REMEDIAL WORK PERFORM REMEDIAL WORK □ PLUG AND ABANDON P AND A TEMPORARILY ABANDON **CHANGE PLANS** \Box COMMENCE DRILLING OPNS. K CASING/CEMENT JOB **PULL OR ALTER CASING** MULTIPLE COMPL 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. See attached Plug and Abandonment Report RCVD APR 16 YOR OIL CONS. DIV. DIST. 3 Thereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or belowgrade tank has been/will be constructed or closed according to NMOCD guidelines \Box , a general permit \Box or an (attached) alternative OCD-approved plan \Box . TITLE Engineer DATE 04/14/08 **SIGNATURE** zstradling@bmgdrilling.com ach Stradling Telephone No. Type or print name E-mail address: For State Use Only Deputy Oil & Gas Inspector, DATE 5608 APPROVED BY: TITLE District #3 Conditions of Approval (if any):

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

Farmington, New Mexico 87499 505-325-2627 * fax: 505-325-1211



BMG Drilling Corporation NCRA State #7

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1450' FSL & 1650' FWL, Section 16, T-24-N, R-6-W

Lease Number: E 1207 Rio Arriba County, NM API #30-039-05456

Plug & Abandonment Report

Notified NMOCD on 3/31/08

Work Summary:

3/31/08 MOL. Spot rig and set on jacks while anchors are being set. Check well pressure: tubing and casing, 30 PSI; bradenhead, 0 PSI. RU rig. Blow well down. Dig out bradenhead ½" valve. Replace with 2" ball valve. Finish RU rig. ND wellhead. Note: Had trouble with screw on cap. Strip on 8.25" rector flange. NU BOP. TOH and LD 93 joints 1.25" IJ tubing, found some holes. TIH with 5.5" DHS casing scraper. TOH with 73 joints 2.375" A-Plus tubing workstring, 2298'. LD casing scraper. Shut in well. SDFD.

4/01/08 Check well pressure: casing, 40 PSI; bradenhead, 0 PSI. Blow down casing. TIH with 5.5" DHS CR and set at 2240'. Pressure test tubing to 1000 PSI, held OK. Sting out of CR. Load casing with 60 bbls of water and circulate clean. Pressure test casing to 500 PSI for 10 minutes.

Plug #1 with CR at 2240', spot 18 sxs Class G cement (21 cf) inside casing from 2240' to 2086' to isolate the Pictured Cliffs interval.

TOH. Perforate 3 holes at 1882'. Attempt to establish rate pressured up to 800 PSI, held OK. Henry Villanueva and Monica Kuehling, NMOCD representatives, approved procedure change to do inside plug.

Plug #2 spot 27 sxs Class G cement (32 cf) inside casing from 1952' to 1726' to cover the Fruitland top.

TOH with tubing. Perforate 3 holes at 1396'. Attempt to establish rate. Pressured up to 800 PSI, bled off 100 PSI in 10 minutes. Henry Villanueva and Monica Kuehling, NMOCD representatives, approved procedure change. Perforate 3 holes at 1215'. Establish rate 1 bpm at 600 PSI. TIH with tubing, 1451'. Load casing with ½ bbl. Plug #3 spot 24 sxs Class G cement (28 cf) inside casing from 1451' to 1250' to cover the Kirtland top.

TIH with 5.5" wireline CR and set at 1165'. Sting in and out of CR. Load casing with 1 bbl of water. Sting into CR. Establish rate 1 bpm at 500 PSI.

Plug #4 with CR at 1165', mix and pump 47 sxs Class G cement (55 cf), squeeze 25 sxs outside casing and leave 22 sxs inside casing from 1215' to 1115' to cover the Ojo Alamo top.

TOH and LD tubing. Shut in well. WOC overnight.

4/02/08 Open.well, no pressure. RIH with wireline and tag cement at 976'. Perforate 3 holes at 151'. Establish circulation out bradenhead and circulate clean.

Plug #5 mix and pump 59 sxs Class G cement (68 cf) down 5.5" casing from 151' to surface, circulate good cement out bradenhead.

ND BOP. Dig out wellhead. İssue Hot Work Permit. Cut off wellhead. Mix 35 sxs Class G cement and install P&A marker. Found cement down 10' in the 5.5" casing and down 8' in the annulus. RD. MOL.

Monica Kuehling, NMOCD representative, was on location.