

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

Form C-103  
May 27, 2004

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

|   |
|---|
| WELL API NO.<br><b>30-045-33326</b>   |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No.  |
| 7. Lease Name or Unit Agreement Name<br><b>Kelly FC</b>   |
| 8. Well Number <b>1</b>   |
| 9. OGRID Number <b>018973</b>   |
| 10. Pool name or Wildcat<br><b>Basin Fruitland Coal</b>   |

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 \_\_\_\_\_

**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)

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

2. Name of Operator  
**The Kelly Family Land Company, Inc.. c/o BHP Billiton San Juan Coal**

3. Address of Operator  
**PO Box 561, Waterflow, NM 87421 (505) 598-2000**

4. Well Location  
Unit Letter **P** : **1180** feet from the **South** line and **900** feet from the **East** line  
Section **25** Township **30N** Range **15W** NMPM **San Juan** County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
**5369** ' GL ' KB

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☒  
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, including estimated date of starting any proposed work). SEE RULE 1103. For M of proposed completion or recompletion.

Approved for plugging of wellbore only.  
Liability under bond is retained pending  
Receipt of C-103 (Subsequent Report of Well  
Plugging) which may be found @ OCD web page  
under forms.  
[www.emnrd.state.us/oed](http://www.emnrd.state.us/oed)

The Kelly Family Land Company, Inc., through BHP Billiton San Juan Coal plugged and

abandoned this well per the attached report. 12/19/08

RECD MAR 2 2009  
OIL CONSERV. DIV.  
DIST. 3

TS 880'

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 John Mercier TITLE Senior Mine Geologist DATE 01/09/09

Type or print name John Mercier

E-mail address:

Telephone No.

For State Use Only

APPROVED BY: John G. Rios TITLE Deputy Oil & Gas Inspector, District #3 DATE MAR 18 2009

Conditions of Approval (if any): PNR

by

# A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

Farmington, New Mexico 87499

505-325-2627 \* fax: 505-325-1211

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The Kelly Family Land Company, Inc.,  
c/o BHP Billiton San Juan Coal Company  
**Kelly FC #1**

January 2, 2009

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1180' FSL & 900' FEL, Section 25, T-30-N, R-15-W  
San Juan County, NM  
Fee Lease  
API #30-045-26494

## Plug & Abandonment Report

Notified BLM and NMOCD on 12/02/08

### Plugging Summary:

12/08/08 MOL and RU rig. Check well pressure: casing open, no pressure; bradenhead, 0 PSI; no tubing in the well. NU 4.5" x 7.875" tubing head on the 4.5" casing collar; install flange. NU BOP, function test BOP. RU pump truck and pressure test the 4.5" casing to 800 PSI, held OK. RU A-Plus wireline unit and RIH with a 3.875" gauge ring. Tag fill at 816' GL. K. Roberts with NMOCD approved procedure change to set plug #1 at 816'. Perforate 4 HSC holes in the 4.5" casing at 758'. RD wireline unit. Attempt to establish rate into the squeeze holes at 758'; pressured up to 800 PSI and then bled down to 700 PSI in one minute. Tally and prepare to use 2.375" tubing workstring from Cave Enterprises. TIH with open ended 2.375" tubing to 816'. Pump 10 bbls water down the tubing; good circulation.

**Plug #1** with 10 sxs Class B cement (11.8 cf) with 18% salt inside casing from 816' to 685' to cover the Pictured Cliffs top and bottom of the Fruitland Coal zone.

TOH with tubing to 380' and then load the 4.5" casing with water. Pressure up to 900 PSI, held pressure. Shut in well and SDFD.

12/04/08 Check well pressure: casing, 190 PSI; bradenhead, 0 PSI. Open well. TIH with 3 875" drill bit, bit sub, 8 – 3.125" drill collars, crossover sub, and 2.375" tubing. Tag cement at 704' GL. RU drilling equipment and establish circulation with water. Drill cement from 704' to 745' GL. Circulate well clean and hang back power swivel. TOH with tubing, drill collars and bit. Make up a bottom hole assembly (BHA) for milling: bottom mill, 3.50" section mill tool, bit sub, 8 – 3.125" drill collars, 3.125" jars and 14 joints 2.375" tubing. TIH with BHA and place the section mill at 684'. Circulate and condition fluid in mud pit. RU power swivel and establish circulation. Mill 4.5" casing from 684' to 686'. Section mill cutting poorly. PU and shut in well. SDFD.

12/05/08 No pressure on well. Mill from 687' to 697'. Pull and inspect tools; knives bad. SDFD.

12/08/08 No pressure on well. Start mill from 684' again, not all the casing was cut. Mill to 693'. Pull and inspect tools; knives worn down 50%. TIH with tapered mill and watermelon mill. SDFD

12/09/08 No pressure on well. Ream casing with mills from 682' to 715'. TIH with new section mill. Mill from 684' to 697'. Pull and inspect tools; knives 80% gone. TIH with new section mill. SDFD.

12/10/08 No pressure on well. Mill from 696' to 698'. Pull and inspect tools, knives broken. TIH with new section mill. Mill from 698' to 701'. Pull and inspect tools; knives 20% worn. SDFD.

12/11/08 No pressure on well. Mill from 698' to 707'. Pull and inspect tools; knives 90% worn down. SDFD.

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The Kelly Family Land Company, Inc.,  
c/o BHP Billiton San Juan Coal Company  
**Kelly FC #1**

January 2, 2009

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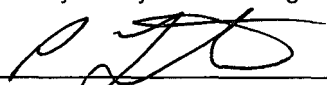
## Plugging Summary Continued:

- 12/12/08 No pressure on well. TIH with new section mill; unable to get knives to open and cut the casing. TOH and LD section mill tool. TIH with tapered mill and watermelon mill and ream casing from 690' to 709'. TIH with new section mill tool. Mill from 702' to 713'. Pull up 4 joints. SDFD.
- 12/15/08 No pressure on well. Mill from 705' to 716'. Pull and inspect tools; knives 90% gone. TIH with new section mill. Mill from 710' to 715'. Pull and inspect tools; knives 10% worn. SDFD.
- 12/16/08 Road conditions poor; mud and snow. SDFD.
- 12/17/08 No work.
- 12/18/08 No pressure on well. RU wireline unit and run CCL; found all the casing to be milled out. Perforate 4 HSC holes at 594'. LD milling tools and drill collars. TIH with open ended tubing and tag fill at 740'. Connect pump line to the bradenhead valve and load the BH annulus with 1/8 bbl of water. Pressure test the BH annulus to 250 PSI, held OK. Pump 10 bbls water ahead.  
**Plug #2** with 30 sxs Class B cement (35.4 cf) with 18% salt inside 4.5" casing from 740' up to 345' to fill all the Fruitland Coal zones.  
TOH with tubing. Load casing with 1.5 bbls of water. Close blind rams on BOP, squeeze away 2.0 bbls of water. Casing pressured up to 800 PSI and held. Shut in well with 800 PSI. TOC at 470'.
- 12/19/08 No pressure on well. TIH with open ended tubing and tag top of cement at 468'. PUH with tubing to 190'. Pump 2 bbls of water down the tubing.  
**Plug #6** mix and spot 20 sxs Class B cement (23.6 cf) inside the 4.5" casing from 190' to surface, circulate good cement out the casing valve.  
TOH and LD all tubing. Dig out wellhead. Found cement down 10' in the 4.5" casing. ND BOP. Monitor atmosphere. Issue Hot Work Permit. Cut off wellhead. Found cement at surface in the bradenhead. Mix 10 sxs Class B cement and install P&A marker. Cut off anchors. RD and MOL.

Monica Kuehling, NMOCD representative, was on location.

Jarvis Dees, Weatherford representative, was on location.

I hereby certify that the forgoing is true and correct:

  
\_\_\_\_\_  
Phillip Fitzpatrick  
Field Supervisor  
A-Plus Well Service, Inc.