Date

Form 3160-5 (August 2007)	DEP	UNITL STAT ARTMENT OF THE	INTERIOR	APR 0	7 2009	C E	OMB No. 1004-0137 expires: July 31, 2010		
	BUR	EAU OF LAND MAN	NAGEMENT	- of las	nd Manas	5. Lease Serial No. MOCUE-14-20-534 0)		
Do not	use tnis t	OTICES AND REP orm for proposals Use Form 3160-3 (A	to arill or to r	e-enter an	!	Southern-Uternoisi	or Tribe Name Tribe Alluccee		
	SUBMIT	IN TRIPLICATE - Othe	r instructions on p	age 2.		7. If Unit of CA/Agre	ement, Name and/or No.		
1. Type of Well			<u> </u>	····					
Oil Well	Gas W	Cell Other				8. Well Name and No Designated Hitter #	1		
2. Name of Operator Running Horse Production Co.						9. API Well No. 30-045-22637			
3a. Address PO Box 369 Ignacio, CO 81137	3b. Phone No. (include area code)			10. Field and Pool or Exploratory Area					
-		P. M. or Survey Description	970-563-5167		······································	11 Country or Parish	Stata		
4 Location of Woll (Foo. 790' FNL 790' FWL, Section 27	<i>''')</i>			11. Country or Parish, State San Juan County, NM					
	12. CHEC	K THE APPROPRIATE B	OX(ES) TO INDIC	ATE NATURE	OF NOTIC	CE, REPORT OR OTH	IER DATA		
TYPE OF SUBMISSION TYPE OF A					PE OF ACT	CTION			
Notice of Intent		Acidize Alter Casing	Deepen Fracture	Treat		uction (Start/Resume)	Water Shut-Off Well Integrity		
Subsequent Report		Casing Repair	New Co	nstruction	Reco	implete	Other		
Final Abandonment	Mation	Change Plans Convert to Injection	✓ Plug and Plug Ba			porarily Abandon er Disposal	and the state of t		
testing has been com- determined that the s	pleted. Final ite is ready for	Abandonment Notices must	t be filed only after a	ill requirement	s, including	reclamation, have been	l, a Form 3160-4 must be filed one n completed and the operator has wellbore schematics.		
	,						RCVD APR 13'09 DIL CONS. DIV.		
						,	DIST. 3		
					•		·		
Id Thoroby outifit that the	- formating loss	ue and correct. Name (Print	ed/Time D	w			-		
J. Dusty Mars	Toregoing is to	heand correct. Wallie 1771111		ide Engineer	- 11				
Signature	>	Mus	D	ate 03/16/20	09				
		THIS SPACE	FOR FEDER	AL OR ST	ATE OF	ICE USE			
Approved by	Orio	inal Signed: Stephe	n Mason						

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. 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)



Office

PLUG AND ABANDONMENT PROCEDURE

March 10, 2009

Designated Hitter #1

NIPP-Pictured Cliffs
790' FNL and 790' FWL, Section 27, T26N, R12W
San Juan County, New Mexico / API 30-045-22637
Lat: _____ / Long:_____

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 cem will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.						
1.	This project requires the Operator to obtain an approved NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.						
2.	Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.						
3.	Rods: Yes, No_X_, Unknown Tubing: YesX_, No, Unknown, Size 1.25"_, Length 1164'. Packer: Yes, No_X_, Unknown, Type If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.						
4	Open bradenhead valve. Establish rate down 2.875" casing with 20 bbls water record numb						

- 4. Open bradenhead valve. Establish rate down 2.875" casing with 20 bbls water, record pump rate and pressure. Monitor bradenhead for flow. If no flow or blow out the BH valve, then pump 10 7/8" RCN balls in additional water and monitor pressure and rate while pumping. Confirm that the perforations are taking water and there is not a casing leak. If the bradenhead flows water or there are other indications of a casing leak, then use 1.25" IJ tubing to plug the well.
- 5. Plug #1 (Pictured Cliffs perforations, Fruitland, Kirtland and Ojo Alamo tops, 1148' –0'): Mix and pump 45 sxs Class B cement and bullhead down 2.875" casing: first pump 10 sxs cement, then drop 5 RCN balls, then pump 35 sxs cement to fill the casing and circulate good cement out casing valve. Shut in well. WOC.
- 6. ND cementing valves and cut off wellhead. Fill 2.875" casing with cement as necessary. Install P&A marker to comply with regulations. RD, MOL, cut off anchors, and restore location.

Designated Hitter #1 Current

NIPP-Pictured Cliffs

790' FNL, 790' FWL, Section 27, T-26-N, R-12-W,

San Juan County, NM / API #30-045-22637 Lat _____ / Long _____

Today's Date: 3/10/09 Spud: 12/12/77 Completed: 1/11/78 Elevation: 6093' GI

8.75" hole

TOC @ Surface (Calc, 75%)

5.5" 14#, ST&C Casing set @ 40' Cement with 6 sxs (Circulated to Surface)

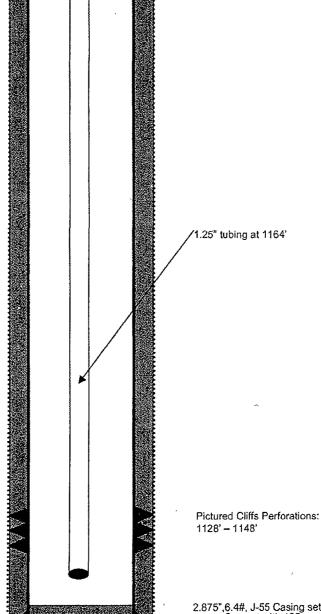
Ojo Alamo @ 178'

Kirtland @ 230'

Fruitland @ 871'

Pictured Cliffs @ 1126'

4.75" hole



TD 1254' PBTD 1195' 2.875",6.4#, J-55 Casing set @ 1254' Cement with 125 sxs (240 cf)

Designated Hitter #1 Proposed P&A NIPP-Pictured Cliffs

790' FNL, 790' FWL, Section 27, T-26-N, R-12-W,

San Juan County, NM / API #30-045-22637 Lat _____/ Long_

Today's Date: 3/10/09 Spud: 12/12/77 Completed: 1/11/78 Elevation: 6093' GI

Ojo Alamo @ 1781

Kirtland @ 230'

8.75" hole

TOC @ Surface (Calc, 75%)

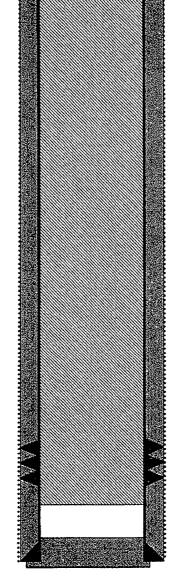
5.5" 14#, ST&C Casing set @ 40' Cement with 6 sxs (Circulated to Surface)

> Plug #1: 1148' - Surface: Class B cement, 45 sxs

Fruitland @ 871'

Pictured Cliffs @ 1126'

4.75" hole



Pictured Cliffs Perforations: 1128' - 1148'

2.875",6 4#, J-55 Casing set @ 1254' Cement with 125 sxs (240 cf)

TD 1254' PBTD 1195'