RECEIVED

JUN 05 2009

Bureau of Land Management
Farmington Field Office

submitted in lieu of Form 3160-5

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

1. **Type of Well**
Gas

5. **Lease Number**
SF-077875A

6. **If Indian, All. or Tribe Name**

7. **Unit Agreement Name**

2. **Name of Operator**
Questar Exploration and Production

8. **Well Name & Number**
U.S. Argo #3

3. **Address & Phone No. of Operator**
1070 17th Street, Suite 500; Denver, CO 80265

9. **API Well No.**
30-045-25421

Location of Well, Footage, Sec., T, R, M

NW, Section 18, T-27-N, R-10-W, 1009' FNL & 1813' FWL

10. **Field and Pool**
Fulcher-Kutz PC

11. **County & State**
San Juan County, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission	Type of Action		
_X_ Notice of Intent	_X_ Abandonment	___ Change of Plans	
	___ Recompletion	___ New Construction	
___ Subsequent Report	___ Plugging Back	___ Non-Routine Fracturing	
	___ Casing Repair	___ Water Shut off	
___ Final Abandonment	___ Altering Casing	___ Conversion to Injection	
	___ Other -		

13. Describe Proposed or Completed Operations

Questar Exploration and Production proposes to plug and abandon the above well per the attached Plug and Abandonment Procedure.

RCVD JUN 12 '09
OIL CONS. DIV.

DIST. 3

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

Signed William F. Clark Title Acting as Agent for Questar Date 6/3/09
William F. Clark

(This space for Federal or State Office use)
APPROVED BY Original Signed: Stephen Mason Title _____ Date JUN 10 2009
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.

NMOCD

6/29

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979
Farmington, New Mexico 87499
505-325-2627 * Fax: 505-325-1211

May 27, 2009

Questar Exploration and Production
1070 17th Street, suite 500
Denver, CO 80265
Attn: Megan Starr

Re: Estimate - **U.S. Argo #3** Pictured Cliffs Well
NW, Section 18, T27N, R10W
San Juan County, NM

Gentlemen:

A-Plus Well Service is pleased to provide you with this cost estimate to plug and abandon the referenced well. We have evaluated the attached plugging procedure and **A-Plus** agrees to provide:

a steel pit to hold waste fluid and solids from this well,
a double drum pulling unit with crew (20 rig hours),
crew travel (6 hours and 120 miles),
cement services (cementer 3 days and 120 miles travel)
40 sxs cement,
one 2.875" wireline set CIBP,
perforations (once, if necessary),
storage tank and water,
wellhead removal,
and an installed P&A marker,

necessary for the plugging of this well.

It is our understanding that **Questar** would provide: rig anchors, tubing workstring and disposal of waste fluids and solids from this well.

A-Plus estimates the cost to plug the referenced well at **$15,625.00 plus tax.** If needed, additional cement is $13.50 per sack, FOB location and a 2.875" wireline set cement retainer is $750.00 plus setting charge.

Please review this proposal and advise us of any questions you may have. This cost estimate is based on the information that you have provided and the planned plugging procedure. In the event the planned procedure is modified or deviated from, then any additional work or services provided by A-Plus will be paid for by the operator in accordance with A-Plus' current price schedule.

We look forward to the opportunity to work for you.

Sincerely,

Bill Clark

Four Corners Area (rev. 3-2009)

A-PLUS WELL SERVICE
BID WORK SHEET

6/5/2009

Well Name: U.S. Argo #3
Location:
Operator: Questar

Date: May 27, 2009
Casing: 2 875
Tubing: 1"
Rods:

MOVE IN / MOVE OUT							
Mob/Demob (Full $820, Limited $320)							$ 840
Out of State Permits							
TRUCKING							
Haul tank - RU truck	$120/hr Haul drilling Equipment	6 00					$ 720
Haul tank - Helper	$28/hr	6 00	hrs				$ 168
Water hauling	$74/hr	8 00	hrs				$ 592
Haul tubing - RU truck	$120/hr						$ -
Haul tubing - Helper	$28/hr		hrs				$ -
Water	Desc						
CONTRACTOR SERVICES							
Full Package	$266/hr		hrs				$ -
P&A Package	$250/hr	20.00	hrs				$ 5,000
Rigless	$130/hr		hrs				$ -
Crew Pickup, to/from	$1.10/mile	125.00	miles				$ 137.50
Crew Travel	$110/hr	6 00	hrs	y/n			$ 660
Fifth Hand (required)	$26/hr		hrs				$ -
P&A Marker	$140/marker	y					$ 140
Rentals:							
Steel waste pit.	$50 per day	3.00					$ 150
Portable toilet	$24 per day	3 00					$ 72
Float:	$20 per day - Gooseneck - tool trailer		days				$ -
	$40 per day with handrails	3.00					$ 120
Water Tank	$30 per day	3 00	days				$ 90
BOP	$140 per day		days				$ -
Companion Flange/Wellhead		1.00	days				$ 100
A-Plus Work Tbg (0 40/ft for first 5 days, + 0.07/day)			days		feet		$ -
Elev/Slips/Rams	Desc.						
CASED HOLE SERVICES							
Travel - Wireline Truck	$3 40/mile round trip	50					$ 170.00
Travel - Pick up	$1.10/mile round trip						$ -
Perforating	$720 HSC, $635 BW /ea		runs HSC				$ -
		1	runs bi-wire				$ 635
Wireline Operator	$200/day	1					$ 200
Scraper or Gauge Ring	4.5"&5.5" $300 / 7" $620	$ 300 00	/ well				$ 300
Wireline CR	Size/Depths		/ retainer		retainers		$ -
	Size/Depths		/ retainer		retainers		$ -
(2-7/8"-$750, 3-1/2"-$750, 4-1/2"-$950, 5-1/2"-$950, 7" $1350, 7-5/8" $1650)							
Wireline BP	Size/Depths 2 875 "/ 600 ft		/ retainer	1	bridge plugs		$ 600
	Size/Depths "/ - ft		/ retainer		bridge plugs		$ -
(2-7/8"-$600, 3-1/2"-$600, 4-1/2"-$700, 5-1/2"-$750, 7" $940, 7-5/8" $1060)							
Jet Cut Tbg	$900/ea Size. "		tbg jet cuts				$ -
Casing Shot or Jet Cut	$980/ea Size. "		csg jet cuts				$ -
Depth Charge	$0.15/ft, $200 min ft		ft		1,548		$ 232
Tubing Set CR	Size/Depths "/ - ft		retainer		retainers		$ -
	Size/Depths "/ - ft		retainer		retainers		$ -
(2-7/8"-N/A, 3-1/2" N/A, 4-1/2"-$1120, 5-1/2"-$1150, 7"-$1400, 7-5/8"-$1770)							
Packer/RBP/Other.							
CEMENTING SERVICES							
Pump Truck Travel, to / from location, miles: $3.70/mile		20					$ 74 00
Cementer daily charge	$550/day	3	Days				$ 1,650
Cementer est mileage	$1.10/mile	125	Estimated miles				$ 137.50
Sxs per plug:	Total sxs	40	$13 75/sx				$ 550 00
	Plug pump charges.	3	$410/plug pumped				$ 1,230
	Drayage ($1.20/ton-mile):	25	Estimated miles				$ 56 40
Other Items							
Anchors / Earthen Pit / Salvage:	haul steel wate tank t loc, haul to land farm						$ 1,000

Bid Total with out tax: $ 15,625

U.S. Argo #3

Current

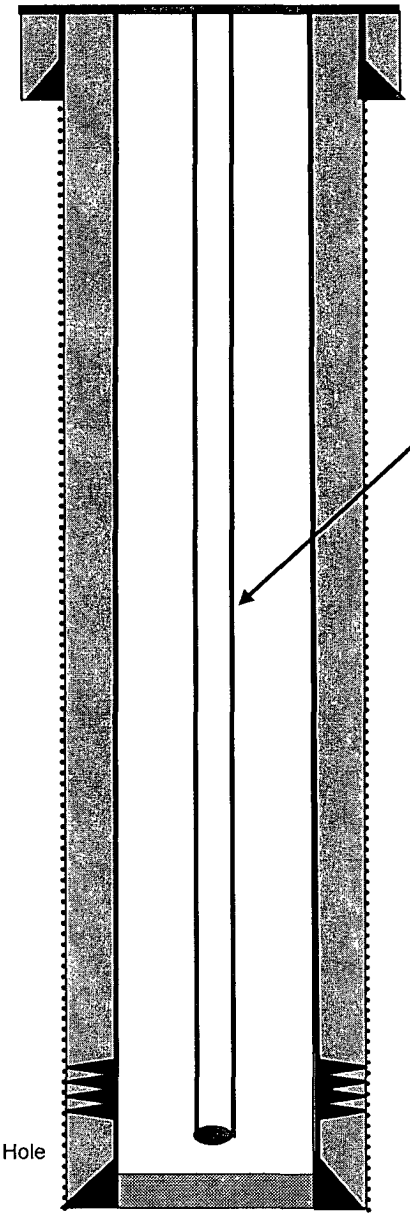
Fulcher-Kutz Pictured Cliffs

1009' FNL & 1813' FWL, Section 18, T-27-N, R-10-W, San Juan County, NM

Lat: _____/ Long: _____/ API 30-045-25421

Today's Date: **5/27/09**
Spud. 8/30/82
Comp: 10/23/82
Elevation. 5824' GL

8.75" Hole



TOC @ Surface, circulated per completion report

7" 24#, K-55 Casing set @ 92'
Cement with 50 sxs, circulated to surface

1" Tubing at 1615'
(49 jts, IJ tubing)

Ojo Alamo @ 555'

Kirtland @ 675'

Fruitland @ 1268'

Pictured Cliffs @ 1589'

5.125" Hole

Pictured Cliffs Perforations
1598' – 1627'

2 875" 6.5#, N-80 Casing @ 1785'
Cement with 250 sxs (347 cf)
Circulated to Surface

1800' TD
1755' PBTD

PLUG AND ABANDONMENT PROCEDURE

May 27, 2009

U.S. Argo #3

Fulcher-Kutz Pictured Cliffs
1009' FNL and 1813' FWL, Section 18, T-27-N, R-10-W
San Juan County, NM / API 30-045-25421
Lat: N _____ / Long: 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 Class B, mixed at 15.8 ppg with a 1.18 cf/sx yield.

1. This project will use 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: Yes __X__, No _____, Unknown _____, Size _1"_____, Length _1615'_____;
   Packer: Yes _____, No _____, Unknown _____, Type _____.
   If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

4. **Plug #1 (Pictured Cliffs perforations and Fruitland top, 1548' – 1218'):** TIH and set 2.875" wireline CIBP at 1548'. TIH with 1.25" tubing workstring. Load casing with water and circulate well clean. Pressure test casing to 800#. *If the casing does not test, then spot or tag subsequent plugs as appropriate.* Mix 11 sxs Class B cement and spot a balanced plug inside the casing above the CIBP to isolate the Pictured Cliffs interval and cover the Fruitland top. PUH with tubing.

5. **Plug #2 (Kirtland and Ojo Alamo tops, 725' – 505'):** Mix 8 sxs cement and spot a balanced plug inside casing to cover through the Kirtland and Ojo Alamo tops. PUH with tubing.

6. **Plug #3 (7" casing shoe and Surface, 142' – 0'):** Attempt to pressure test the bradenhead annulus to 300#. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 10 sxs Class B cement and spot a balanced plug from 142' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing and the annulus.

7. 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.

U.S. Argo #3
Proposed P&A

Fulcher-Kutz Pictured Cliffs

1009' FNL & 1813' FWL, Section 18, T-27-N, R-10-W, San Juan County, NM

Lat: _____/ Long: _____/ API 30-045-25421

Today's Date: **5/27/09**
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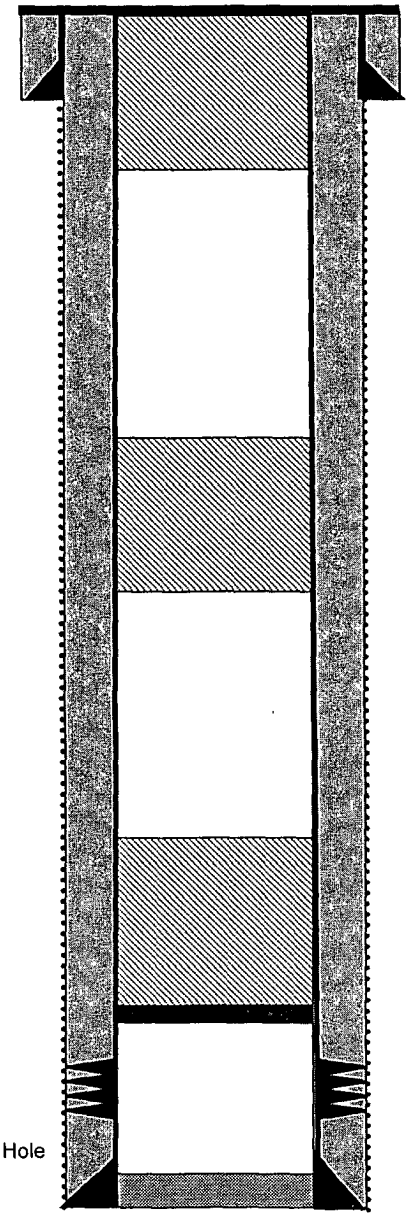

TOC @ Surface, circulated per completion report.
7" 24#, K-55 Casing set @ 92'
Cement with 50 sxs, circulated to surface

Plug #3: 142' – 0'
Class B cement, 10 sxs

Ojo Alamo @ 555'

Plug #2: 725' – 505'
Class B cement, 8 sxs

Kirtland @ 675'

Fruitland @ 1268'

Plug #1: 1548' – 1218'
Class B cement, 11 sxs

Set CIBP @ 1548'

Pictured Cliffs @ 1589'

Pictured Cliffs Perforations:
1598' – 1627'

5.125" Hole

2.875" 6.5#, N-80 Casing @ 1785'
Cement with 250 sxs (347 cf)
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1800' TD
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