

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

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.

5. Lease Serial No. **SF-079071**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No. **Delta No. 2**

9. API Well No. **30-039-05891**

10. Field and Pool, or Exploratory Area **Ballard Pictured Cliffs**

11. County or Parish, State **Rio Arriba, NM**

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **Minel, Inc.**

3a. Address **15 Vista Cliff Place; Richardson, TX 75080**

3b. Phone No. (include area code) **(972) 479-9701**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
990' FSL & 1850' FWL, S21, T21N, R6W, NMPM
N 25

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 recomplete 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 recompletion 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.)

See attached procedures and drawing



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

Name (Printed/Typed) John Cayias	Title Agent
Signature <i>John Cayias</i>	Date 12/6/99

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Chip Hanacker</i>	Title <i>Acting Team Lead</i>	Date 1/6/00
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, makes 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 reverse)

NMOC

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this

form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present

productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information on connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. et seq.; 43 CFR 3160.

PRINCIPAL PURPOSE - The information is to be used to evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease.

ROUTINE USES:

- (1) Evaluate the equipment and procedures to be used during a proposed subsequent well operation and to review the completed well operations for compliance with the approved plan.
- (2) Request and grant approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4.
- (3) Report the beginning or resumption of production, as required by 43 CFR 3162.4-1(c).
- (4) Analyze future applications to drill or modify operations in light of data obtained and methods used.
- (5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION - Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4, and 3162.4-1(c).

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501, et seq.) requires us to inform you that:

This information is being collected in order to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (DW-101) Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduction Project (1004-0135), Washington, D.C. 20503.

MINEL PLUG AND ABANDONMENT PROCEDURE

Well Name: Delta No. 2
Formation: Ballard Pictured Cliffs
Lease Name: SF-080565A
Location: 790' FNL & 790' FEL, S6, T25N, R3W, Rio Arriba Co., NM

Procedures and instructions:

1. MI, install and test location rig anchors. Prepare blow pit. Comply with all NMOCD, BLM and Minel Safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. NU relief line. Blow down well and kill with 8.3 ppg water as necessary. ND wellhead and NU BOP. Test BOP
2. TOH and tally 1-1/4" tubing. Total 2401'. Visually inspect tubing. If necessary LD and PU working string. Round-trip 4-1/2" gauge ring to 2254" or as deep as possible.
3. **Plug #1 – (Pictured Cliffs perforations, Fruitland, Kirtland, and Ojo Alamo tops, 2254' – 1788')**: Set 4-1/2" wireline CIBP or CR at 2254'. TIH with tubing and tag CIBP. Load casing with water and establish circulation. Pressure test casing to 500#. If casing does not test, spot or tag subsequent plug as appropriate. Mix 36 sxs Class B cement and spot a balanced plug inside casing above the CIBP to isolate the Pictured Cliffs perforations and to cover formations tips through Kirtland. PUH to 1780' and reverse circulate casing clean. TOH with tubing.
4. **Plug #2 – (Ojo Alamo top, 1765'-1665')**: Perforate 3 HSC squeeze holes at 1765'. Establish rate into squeeze holes if casing tested. Set 4-1/2" cement retainer at 1715'. Establish rate into squeeze holes. Mix 36 sxs Class B cement, squeeze 24 sxs cement outside casing and leave 12 sxs cement inside casing to cover Ojo Alamo top. TOH and LD tubing.
5. **Plug #3 – (7-5/8" Casing Shoe at 168')**: Perforate 3 HSC Squeeze holes at 238'. Establish circulation to surface out Braden head valve. Mix and pump approximately 90 sxs Class B cement down the 4-1/2" casing, circulate good cement to surface. Shut in well and WOC.
6. ND BOP and cut off wellhead below surface casing. Install P&A marker to comply with regulations. RD, MOL, cut off anchors, and restore location.

Delta #2

Current

South Blanco Pictured Cliffs

SW ,Section 21, T-25-N, R-6-W, Rio Arriba County, NM

Spud: 9/19/60
Completed: 10/25/60
Elevation: 6347' GL

9-7/8" hole

7-5/8" 20# Casing set @ 168'
Cmt with 75 sxs, Circulated to Surface

Ojo Alamo @ 1715'

Kirtland @ 1838'

Fruitland @ 1940'

Pictured Cliffs @ 2035'

1-1/4" Tubing set at 2401'

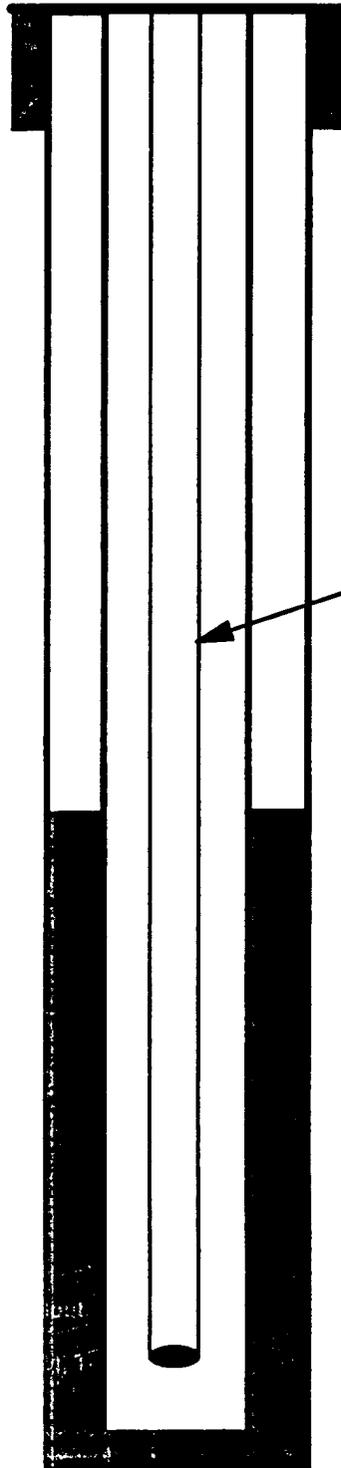
TOC @ 1780' (Calc, 75%)

Pictured Cliffs Perforations:
2304' - 2366'

6-3/4" hole

4-1/2" 9.5#, J-55 Casing set @ 2420'
Cemented with 100 sxs (118 cf)

TD 2420'



Delta #2
Proposed P&A
 South Blanco Pictured Cliffs

SW ,Section 21, T-25-N, R-6-W, Rio Arriba County, NM

Spud: 9/19/60
 Completed: 10/25/60
 Elevation: 6347' GL

9-7/8" hole

7-5/8" 20# Casing set @ 168
 Cmt with 75 sxs, Circulated to Surface

Perforate @ 238'

Plug #3 238' - Surface
 Cmt with 90 sxs Class B

Plug #2 1765' - 1615'
 Cmt with 36 sxs Class B,
 24 sxs outside casing
 and 12 sxs inside.

Cmt Retainer @ 1715'

Perforate @ 1765'

TOC @ 1780' (Calc, 75%)

Plug #1 2254' - 1788'
 Cmt with 36 sxs Class B

Ojo Alamo @ 1715'

Kirtland @ 1838'

Fruitland @ 1940'

Pictured Cliffs @ 2035'

Set CIBP @ 2254'

Pictured Cliffs Perforations:
 2304' - 2366'

6-3/4" hole

4-1/2" 9.5#, J-55 Casing set @ 2420'
 Cemented with 100 sxs (118 cf)

TD 2420'

