Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM	APPRO	VED
Budget Bur	eau No.	1004-0135
Expires:	March 3	1 1993

Budget Bur	eau No.	1004-0135	
Expires:	March 3	31, 1993	

5. Lease Designation and Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.		6. If Indian, Allottee or Tribe Name
Use "APPLICATION FOR	PERMIT - " for such proposals	T ISIN IN COLUMN IN THE INC.
SUBMIT	IN TRIPLICATE	7. If Unit or CA, Agreement Designation
1. Type of Well		8. Well Name and No.
Oil X Gas Other		Capulin Mesa #2
2. Name of Operator		
Taurus Exploration, U.S.A., Inc.		9. API Well No.
3. Address and Telephone No.		30-039-23049
2198 Bloomfield Highway; Farmington, NM 87401 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		10. Field and Pool, or exploratory Area Gavilan Pictured Cliffs
800' FSL, 1650' FWL, Sec. 31, T25N,		Gaviran Fictured Citis
800 FSE, 1880 FWE, Sec. SI, 125N,	KIM, NUIFU	11. County or Parish, State
		Rio Arriba NM
CUECK ADDOCRDIATE DOW) TO INDIOATE MATURE OF MOTIOE DEPO	***************************************
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPO	RI, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACT	ION
X Notice of Intent	X Abandonment	Change of Plans
Troub of Mark	Recompletion	New Construction
Subsequent Report	Plugging Back	Non-Routine Fracturing
<u> </u>	Casing Repair	Water Shut-Off
Final Abandonment Notice	Altering Casing	Conversion to Injection
	Other	Dispose Water
	Collet	(Note: Report results of multiple completion on Well
2. Provide Provider Completed Operations (Closely state all	pertinent details, and give pertinent dates, including estimated date of	Completion or Recompletion Report and Log form.)
give subsurface locations and measured and true vert	ical depths for all markers and zones pertinent to this work.)*	scarting any proposed work. If wen is directionally drink
It is intented to plug and abandon diagram.	the subject well according to the attache	ed procedure and wellbore
		DEGETVED N JAN 2 3 1938
Control of the contro		OIL CON. DIV. DIST. 3
AV 1017		ت بالات الله الله الله الله الله الله الله

14. I hereby certify that th Title Production Superintendent Signed Chief, Lands and Mineral Resources (This space for Federal or State office us Title JAN 2 1 1998 Approved by Date Conditions of approval, if any:

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.

Capulin Mesa #2

Gavilan Pictured Cliffs 800' FSL & 1650' FWL / SW, Sec. 31, T25N, R1W Rio Arriba County, New Mexico

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.

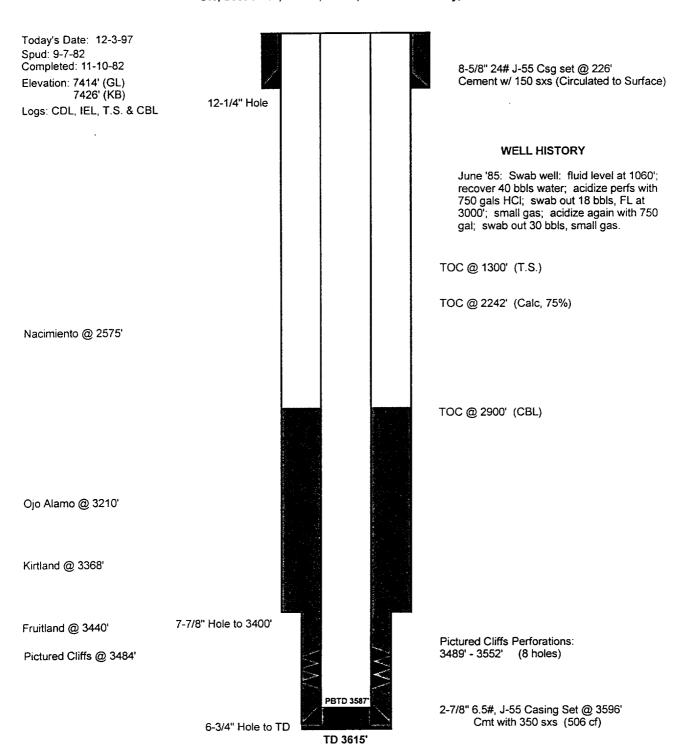
- 1. Prepare blow pit. Comply with all NMOCD, BLM, and Taurus safety regulations. Conduct safety meeting for all personnel on location. NU relief line. Blow down well and kill with water as necessary. ND wellhead and install cementing valve.
- 2. Open bradenhead valve. Establish rate down 2-7/8" casing with 20 bbls water, record pump rate and pressure. Monitor bradenhead for flow. If no flow or blow, then pump 3 7/8" RCN balls in additional water and monitor pressure, rate and volumes pumped, to confirm 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 MO and RU pulling unit to use 1-1/4" IJ tubing workstring to plug the well.
- 3. Plug #1 (Pictured Cliffs perforations and Fruitland, Kirtland, and Ojo Alamo tops, 3552' 3160'): Establish rate into perforations with water. Mix and pump 28 sxs Class B cement (20% excess) and bullhead cement down 2-7/8" casing, displace to 2700' with water. Shut in well and WOC. Rig up wireline truck and mast; tag cement. Pressure test casing to 500#.
- 4. Plug #2 (Nacimiento top, 2625' 2525'): Perforate 3 squeeze holes at 2525'. Establish rate into squeeze holes if casing tested. Mix 56 sxs Class B cement and squeeze 50 sxs cement outside 2-7/8" casing and leave 6 sxs cement inside casing to cover Nacimiento top, displace to 2000'. Shut in well and WOC. Rig up wireline truck and mast; tag cement.
 - If casing does not test after plug #1, then use a wireline set retainer at 2575' and tubing to set this plug. After spotting cement above CR then TOH and LD 1-1/4" tubing work string. Pressure test casing to 500#.
- 5. Plug #3 (8-5/8" casing shoe at 226'): Perforate 2 squeeze holes at 276'. Establish circulation out bradenhead valve. Mix and pump approximately 81 sxs Class B cement down 2-7/8" 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.

Capulin Mesa #2

Current

Gavilan Pictured Cliffs

SW, Section 31, T-25-N, R-1-W, Rio Arriba County, NM

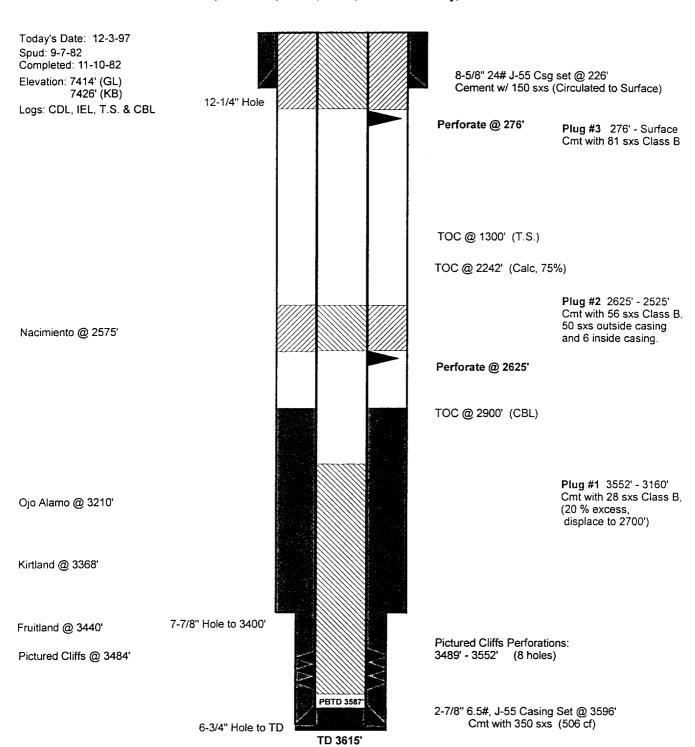


Capulin Mesa #2

Proposed P&A

Gavilan Pictured Cliffs

SW, Section 31, T-25-N, R-1-W, Rio Arriba County, NM



CONDITIONS OF APPROVAL FOR PERMANENT ABANDONMENT

Operator Taurus Expl., USA, Inc. Well Name Capulin Mesa #2

- 1. Plugging operations authorized are subject to the "General Requirements for Permanent Abandonment of Wells on Federal Leases."
- 2. For wells on Federal leases, Al Yepa with the Cuba Field Office is to be notified at least 24 hours (48 hours if possible) before the plugging operations commence. His phone number is (505) 289-3748. Office hours are 7:45 a.m. to 4:30 p.m.

For wells on Jicarilla leases notify Erwin Elote with the Jicarilla Apache Tribe at least 24 hours (48 hours if possible) before the plugging operations commence. His phone number is (505) 759-3242.

- 3. Blowout prevention equipment is required.
- 4. The following modifications to your plugging program are to be made: None