

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 Contract #240
2. Name of Operator Billco Energy	6. If Indian, All. or Tribe Name Jicarilla Apache
3. Address & Phone No. of Operator #28 County Road 1490, La Plata, NM 87418, 505-326-6015	7. Unit Agreement Name
Location of Well, Footage, Sec., T, R, M 660' FNL and 330' FWL, Sec. 26, T-28-N, R-1-W,	8. Well Name & Number Boulder Mancos #1
	9. API Well No. 30-039-07248
	10. Field and Pool Boulder Mancos
	11. County & State Rio Arriba County, NM

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

Type of Submission	Type of Action
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Re-completion
<input type="checkbox"/> Final Abandonment	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other -
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut off
	<input type="checkbox"/> Conversion to Injection

13. Describe Proposed or Completed Operations

Billco Energy plugged and abandoned this well on June 12, 2002.

Well name when drilled in 1962 was the Jicarilla 4-26 #1

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

Signed Randy Thille Title President Date 7/18/02
Randy Thille

(This space for Federal or State Office use)
APPROVED BY /s/ Patricia M. Hester Title Lands and Mineral Resources Date AUG 2 2002
CONDITION OF APPROVAL, if any:

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979
FARMINGTON, NM 87499
505-325-2627 • FAX: 505-325-1211

Billco Energy

June 20, 2002

Boulder Mancos #1

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600' FNL & 330' FWL, Section 26, T-28-N, R-1-W

Rio Arriba County, NM

Jicarilla Contract Number 240

Plug & Abandonment Report

Cementing Summary:

Plug #1 with CIBP at 4300', spot 18 sxs cement above CIBP up to 4145' to isolate the Mancos open hole interval.

Plug #2 with 18 sxs cement inside casing from 3689' to 3534' to cover the Mancos top.

Plug #3 with retainer at 2197', mix and pump 48 sxs cement, squeeze 30 sxs outside 5-1/2" casing from 2250' to 2150' and leave 12 sxs inside casing to cover the Mesaverde top.

Plug #4 with retainer at 882', mix and pump 48 sxs cement, squeeze 30 sxs outside 5-1/2" casing from 933' to 833' and leave 18 sxs cement inside casing to cover the Lewis Shale.

Plug #5 with 119 sxs cement pumped down the 5-1/2" casing from 160' to surface, circulate good cement out bradenhead.

Plugging Summary:

Notified JAT on 6-10-02

6-10-02 Move on location. SDFD.

6-11-02 Safety Meeting. Rig up. Line and fence pit. No pressure on well. ND wellhead. NU BOP and test. RU A-Plus wireline truck. Round-trip 5-1/2" gauge ring to 4333'. Set PlugWell 5-1/2" CIBP at 4300'. Tally, PU and TIH with 134 joints 2-3/8" A+ workstring. Tag CIBP at 4300'. Load casing and circulate well clean with 100 bbls of water. Pressure test casing to 500#, held OK. Plug #1 with CIBP at 4300', spot 18 sxs cement above CIBP up to 4145' to isolate the Mancos open hole interval. PUH to 3689'. Shut in well. SDFD.

6-12-02 Safety Meeting. Establish circulation. Plug #2 with 18 sxs cement inside casing from 3689' to 3534' to cover the Mancos top. TOH with tubing. Perforate 3 squeeze holes at 2250'. Establish rate into squeeze holes 1 bpm at 400#. TIH and set 5-1/2" Baker retainer at 2197'. Establish rate into squeeze holes 1 bpm at 400#. Plug #3 with retainer at 2197', mix and pump 48 sxs cement, squeeze 30 sxs outside 5-1/2" casing from 2250' to 2150' and leave 12 sxs inside casing to cover the Mesaverde top. TOH with tubing. Perforate 3 squeeze holes at 933'. Establish rate into squeeze holes 2 bpm at 250#. TIH and set 5-1/2" Baker retainer at 882'. Establish rate into squeeze holes 2 bpm at 250#. Plug #4 with retainer at 882', mix and pump 48 sxs cement, squeeze 30 sxs outside 5-1/2" casing from 933' to 833' and leave 18 sxs cement inside casing to cover the Lewis Shale. TOH and LD tubing. Perforate 3 squeeze holes at 160'. Establish circulation out the bradenhead 10 bbls of water. Plug #5 with 119 sxs cement pumped down the 5-1/2" casing from 160' to surface, circulate good cement out bradenhead. ND BOP and screw off companion flange. Dig out wellhead. Cut off wellhead, cement at surface in 5-1/2" and down 15' in annulus. RD rig. Mix 10 sxs cement to fill the annulus and install P&A marker.

No JAT representative was on location.

BLM CONDITIONS OF APPROVAL

The following surface rehabilitation Conditions of Approval must be complied with as applicable, before this well can be approved for final abandonment (see 43 CFR 3162.3-4). Surface rehabilitation work shall be completed within one year of the actual plugging date. Notification for completion of this work should be submitted with a Sundry Notice. Questions? Call Pat Hester at (505) 761-8786.

1. All fences, production equipment, purchaser's equipment, concrete slabs, deadman (anchors), flowlines, risers, debris and trash must be removed from the location. Non-retrieved flowlines and pipelines will be abandoned in accordance with State Rule 714. Information supporting the non-retrieval will be included in the subsequent report or final abandonment Sundry Notice.

2. Production pits will be closed according to the Unlined Surface Impoundment Closure Guidelines, as approved in the Environmental Assessment of December 1993. Any oil stained soils can be remediated on-site according to these guidelines or disposed of in an approved facility.

3. The well pad will be shaped to the natural terrain and left as rough as possible. All compacted areas and areas devoid of vegetation shall be ripped/disked to a minimum of 12" in depth before reseeded.

4. Access roads will be shaped to conform to the natural terrain and left as rough as possible to deter vehicle travel. Access will be ripped to a minimum of 12" in depth, water barred and reseeded. All erosion problems created by the development must be corrected prior to acceptance of release. Water bars should be spaced as shown below along the fall line of the slope:

% Slope	Spacing Interval
Less than 20%	200'
2 to 5 %	150'
6 to 9 %	100'
10 to 15 %	50'
Greater than 15%	30'

5. All disturbed areas will be seeded with the prescribed certified seed mix (reseeding may be required). Seed mix must be certified weed free to avoid the introduction of noxious weeds. Refer to the original APD for seed mix.

6. Notify Surface Managing Agency seven (7) days prior to seeding so that they may be present to witness.

7. The period of liability under the bond of record will not be terminated until the well is inspected and the surface rehabilitation approved.

Other Surface Managing Agencies (SMA's) may vary slightly in their restoration requirements. It is your responsibility, as the operator, to obtain surface restoration requirements from other SMA's. We need to be provided with a copy of these requirements. Any problems concerning stipulations received from other SMA's should be brought to us. On private land, a letter from the fee owner stating that the surface restoration is satisfactory will be provided to the office. Questions? Call Pat Hester at (505) 761-8786.