

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

DEC 2001

2. Name of Operator
Phoenix Hydrocarbons Operating Corp

3. Address and Telephone No.
P O Box 3638, Midland, TX 79702, 915 682-1186

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1480' FSL & 830' FWL, Sec 25, T-27-N, R-8-W

5. Lease Designation and Serial No.

NMSF-078480

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Federal E #1

9. API Well No.

30-045-20569

10. Field and Pool, or Exploratory Area

Otera Chacra

11. County or Parish, State

San Juan, New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☒ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

As per our Sundry Notice of 10/15/01 please find attached Plug and Abandonment Procedure for the Federal E #1, as well as a current well bore diagram and proposed P&A well bore diagram.

Please expedite this application as soon as possible, we plan to do the work the week of December 20th, 2001.

Thank you.

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

Signed Phyllis R. Gunter Title Phyllis R. Gunter, Agent Date 12/12/01

(This space for Federal or State office use)

Approved by _____ Title _____ Date 12/17/01
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.

*See Instruction on Reverse Side

NMCC

Federal E #1

Blanco Mesaverde / Undesignated Chacra
1480' FSL & 830' FWL, Section 25, T27N, R8W
San Juan County, New Mexico / API #30-045-20569

Note: All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Type II, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. Install and/or test rig anchors. Prepare blow pit. Comply with all NMOCD, BLM and Phoenix safety rules and regulations. ND wellhead and NU BOP, test BOP.
2. PU on tubing and release packer. TOH and tally 1-1/4" tubing, total 4480', LD packer. Visually inspect tubing, if necessary use workstring. Round-trip 4-1/2" gauge ring or casing scraper to 4378', or as deep as possible.
3. **Plug #1 (Mesaverde perforations, 4378' – 4278')**: TIH and set a 4-1/2" cement retainer at 4378'. Pressure test tubing to 1000#. Pump 40 bbls water down tubing. Then mix 12 sxs cement and spot a plug above CR to isolate Mesaverde perforations. TOH with tubing.
4. **Plug #2 (Chacra perforations, 3046' – 2946')**: Set a 4-1/2" CIBP or CR 3046'. Load casing with water and circulate well clean. Pressure test casing to 500#. If casing does not test, then spot or tag subsequent plug as appropriate. Mix 12 sxs cement and spot a balanced plug inside casing to isolate the Chacra perforations. PUH to 2160'.
4. **Plug #3 (Pictured Cliffs and Fruitland tops, 2219' – 1901')**: Mix 33 sxs cement and spot a balanced plug inside the casing to cover Pictured Cliffs and Fruitland tops. PUH to 1475'.
5. **Plug #4 (Kirtland top, 1475' – 1375')**: Mix 12 sxs cement and spot a balanced plug inside casing to cover the Kirtland top. PUH to 1340' and reverse circulate well clean. TOH.
6. **Plug #5 (Ojo Alamo top, 1335' – 1235')**: Perforate 3 HSC squeeze holes at 1335'. If casing tested then establish rate into squeeze holes. Set a 4-1/2" retainer at 1285'. Establish rate below CR. Mix 36 sxs cement, squeeze 24 sxs cement outside 4-1/2" casing and leave 12 sxs cement inside casing to cover the Ojo Alamo top. TOH with tubing.
7. **Plug #6 (Nacimiento top, 620' – 520')**: Perforate 3 HSC squeeze holes at 620'. Establish rate into squeeze holes. Set 4-1/2" retainer at 570'. Mix 36 sxs cement, squeeze 24 sxs cement outside 4-1/2" casing and leave 12 sxs cement inside to cover the Nacimiento top. TOH and LD tubing.
8. **Plug #7 (8-5/8" surface casing, 221' - Surface)**: Perforate 2 squeeze holes at 221'. Establish circulation to surface with water. Mix approximately 85 sxs cement and pump down the casing to circulate good cement out the bradenhead valve. Shut in well and WOC.
9. ND BOP and cut off casing below surface. Install P&A marker with cement to comply with regulations. RD, move off location, cut off anchors and restore location.

Federal E #1

Current

Blanco Mesaverde/Undesignated Chacra

SW, Section 25, T-27-N, R-8-W, San Juan County, NM

API # 30-045-20569

Today's Date: 11/27/01

Spud: 10/25/71

Completed: 4/19/72

Elevation: 5979' GL

Nacimiento @ 570'

Ojo Alamo @ 1285'

Kirtland @ 1425'

Fruitland @ 1835'

Pictured Cliffs @ 2110'

Chacra @ 3096'

Mesaverde @ 4428'

12-1/4" hole

8-5/8" 23# Casing set @ 171'
Cmt w/100 sxs (Circulated to Surface)

TOC @ 1395' (CBL)

1-1/4" Tubing set @ 4480'

Otis R-4 packer at 3160'

Chacra Perforations:
3096' - 3234'

Mesaverde Perforations:
4428' - 4584'

PBTD 4745'

6-3/4" hole

TD 4797'

4-1/2" 9.5# Casing set @ 4797'
Cement with 470 sxs (680 cf)
TOC @ 1104' (Calc. 75%)

Federal E #1

Proposed P&A

Blanco Mesaverde/Undesignated Chacra

SW, Section 25, T-27-N, R-8-W, San Juan County, NM

API # 30-045-20569

Today's Date: 11/27/01

Spud: 10/25/71

Completed: 4/19/72

Elevation: 5979' GL

12-1/4" hole

Nacimiento @ 570'

Ojo Alamo @ 1285'

Kirtland @ 1425'

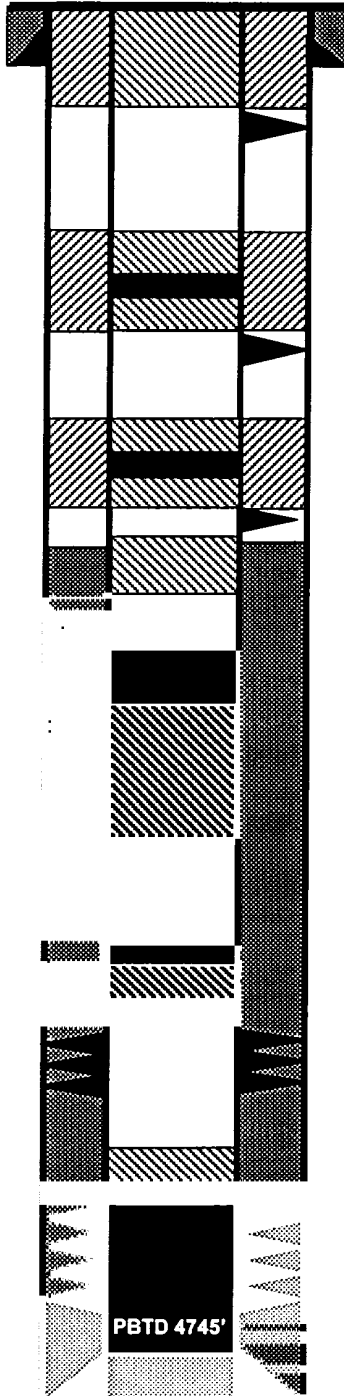
Fruitland @ 1835'

Pictured Cliffs @ 2110'

Chacra @ 3096'

Mesaverde @ 4428'

6-3/4" hole



TD 4797'

8-5/8 " 23# Casing set @ 171'
Cmt w/100 sxs (Circulated to Surface)

Perforate @ 221'

Plug #7: 221' – Surface
Cement with 85 sxs

Cmt Retainer @ 570'

Plug #6: 618' – 518'
Cement with 36 sxs,
24 sxs outside casing
and 12 sxs inside.

Perforate @ 620'

Cmt Retainer @ 1285'

Plug #5: 1335' – 1235'
Cement with 36 sxs,
24 sxs outside casing
and 12 sxs inside.

Perforate @ 1335'

TOC @ 1395' (CBL)

Plug #4: 1475' – 1375'
Cement with 12 sxs

Plug #3: 2160' – 1785'
Cement with 33 sxs

Set CIBP @ 3046'

Plug #2: 3046' – 2946'
Cement with 12 sxs

Chacra Perforations:
3096' – 3234'

TOC @ 3385' (Calc, 75%)

Plug #1: 4378' – 4278'
Cement with 12 sxs

Set Cmt Retainer @ 4378'

Mesaverde Perforations:
4428' – 4584'

4-1/2" 9.5# Casing set @ 4797'
Cement with 470 sxs (680 cf)
TOC @ 1104' (Calc. 75%)