	UNITED STATES MENT OF THE INTERIAL OF LAND MANAGEMENT		Budget Bureau No. 1004-0135 Expires August 31, 1985  5. LEASE DESIGNATION AND SERIAL NO. SF-078072
SUNDRY NO  (Do not use this form for propo Use "APPLIC	TICES AND REPORTS Conais to drill or to deepen or plug beation FOR PERMIT—" for such pr	ON WELLS:	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
OIL C GAB C			7. UNIT AGREEMENT NAME
OIL GAS OTHER			SOUTHEAST CHA CHA UNIT
2. NAME OF OPERATOR	= = = = = = = = = = = = = = = = = = = =	ARMINGTON RESOURCE A V.A	8. FARM OR LEASE WAME
HICKS OIL & GAS, INC.		FARMINGTON, NEW MEXICO	9. WELL NO.
P.O. DRAWER 3307, FARM  1. LOCATION OF WELL (Report location of See also space 17 below.) At surface  381 FNL & 1930 FE	clearly and in accordance with any	OCT1 3 1988	2 10. FIELD AND POOL, OR WILDCAT  Cha Cha GAllup  11. SEC., T., R., M., OR REEK. AND SURVEY OR ARRA
551 THE 4 1550 TE		0011 0 1000	
14. PERMIT NO.	15. ELEVATIONS (Show whether DF,	OIL CON. DIV	Sec. 7, T28N, R13W 12. COUNTY OF PARISH 18. STATE San Juan NM
16. Check A	opropriate Box To Indicate N	ature of Notice Report or O	
Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data			
NOTICE OF INTE	NTION TO:	BUBLEQU.	BNT RBPORT OF:
TEST WATER SHUT-OFF	PULL OR ALTER CASING	WATER SHUT-OFF	REPAIRING WELL
FRACTURE IREAT	MULTIPLE COMPLETE XX	FRACTURE TREATMENT	ALTERING CABING
SHOOT OR ACIDIZE	ABANDON*	SHOOTING OR ACIDIZING	ABANDONMENT*
(Other)	CHANGE PLANS	(Other) (NOTE: Report results Completion or Recomple	of multiple completion on Well etion Report and Log form.)
17. DESCRIBE PROPOSED OR COMPLETED OP proposed work. If well is directinent to this work.)	ERATIONS (Clearly state all pertinent on ally drilled, give subsurface locations)	t details, and give pertinent dates, ions and measured and true vertical	including estimated date of starting any depths for all markers and sones perti-
resulted in parted rods We propose to plug & abo 1) Clean out to top	@ est'd 3975' and par andon this well as fol	rted tubing @4189'. S	ct well back to production see attachments.
3875'.			
	Set cement retainer (  Nesa Verde top (24)	_	from 2460'to 2360' inside
			nt inside and outside casing I top @1355'.
4) Perforate @245' and	d circulate cement to	surface. Bottom of C	Djo Alamo @195'.
NOTE: Mud is to be	e spotted between all	cement plugs.	SEE ATTACHED FOR DITIONS OF APPROVAL
16 I haraby garrie Abat the forming t			

SIGNED

Jim Hicks

(This space for Federal or State office use)

APPROVED

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

NMOCC

NMOCC

APPROVAL

APPROVAL

TITLE

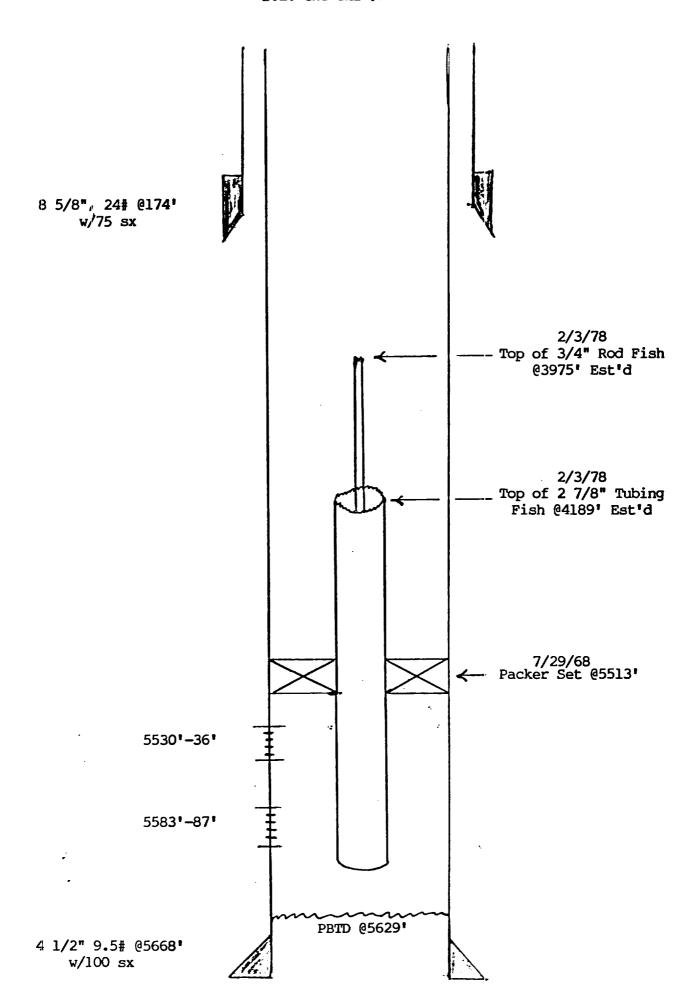
PRESIDENT

DATE

D

\*See Instructions on Reverse Side

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.



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## BUREAU OF LAND MANAGEMENT 1235 La Plata Highway Farmington, New Mexico 87401 Phone (505) 327-5344

Attachment to Notice of

Intention to Abandon

Re: Permanent Abandonment

Well: 2 SE Che Cha Unit

## CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."

- 2. Bill Blackard with the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 327-5344.
- 3. Blowout prevention equipment is required.
- 4. The following modifications to your plugging program are to be made (when applicable):

  4) # 1 Spot Cement inside acutside Casing 3975-3875'
  - b) add a pluy from 3110'-3010' inside Loveside asing (Messiverde)

## GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES FARMINGTON RESOURCE AREA

- 1. Secure prior approval either on a Sundry Notice (Form 3160-5) or verbally from the Fluids Drilling & Production Section at this office before changing the approved plugging program.
- 2. Plugging equipment used shall have separate mixing and displacement pumps and a calibrated tank to assure proper displacement of plugs. The Operator is responsible for providing all measuring devices needed to assure proper measurement of materials being used.
- 3. A proper tank or pit will be used to contain all fluids pumped from the well during plugging operations. Unattended pits are to be fenced.
- 4. All cement plugs are to be placed through tubing (or drillpipe) and shall be a minimum of 100 feet in length with 50% excess inside casing or 100% excess when plug is set in open hole or squeezed into perforations. 15.6#/gal slurry weight is to be used when using class B neat cement or when CaCl<sub>2</sub> is used. Use the recommended slurry weight of other type cements when they are used (Class C, Pozzolan etc.).
- 5. Any cement plugs placed when well is not full of fluid, or when well may be taking fluid, (i.e. across perfs-unless bridge plug or retainer is used, across bad csg., or fresh water formations) will be tagged (touched) after cement has set to verify proper location.
  - 5a. Testing The first plug below the surface plug shall generally be tested by either tagging the plug with the working pipe string, or pressuring to a minimum pump (surface) pressure of 1000 psig, with no more than a 10 percent drop during a 15-minute period (cased hole only). If the integrity of any other plug is questioned, it must be tested in the same manner. Also, any cement plug which is the only isolating medium for a fresh water interval or a zone containing a valuable mineral deposit should be tested by tagging with the drill string.
- 6. Mud must be placed between plugs. Plugging mud is to be made up with a minimum of 15 lbs/bbl of sodium bentonite, and a nonfermenting polymer.

  Minimum consistency of plugging mud must be 9 lbs/gal and with a minimum viscosity of 50 sec/qt. Fresh water is to be utilized for mixing mud.
- 7. Following the placement of a cement plug, the withdrawl rate for at least the length of the cement plug shall not exceed 30 ft/min, in order to minimize the contamination of the plug.

- 8. Within 30 days after plugging work is completed, file a Sundry Notice (Subsequent Report of Abandonment, Form 3160-5), in quintuplicate with Area Manager, Bureau of Land Management, 1235 La Plata Highway, Farmington, NM 87401. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date well was plugged.
- 9. All permanently abandoned wells are to be marked with a regulation marker (4" pipe extending 4' above the ground line) containing the information as specified in 43 CFR 3162.6(d). Unless otherwise approved.
- 10. After plugging work is completed the surface is to be rehabilitated in accord with instructions from the Fluids Surface Management Section of the Farmington Resource Area Office.

All above are minimum requirements. The period of liability under the bond of record will not be terminated until the lease is inspected and surface work approved.

Please advise this office when the well location is ready for final inspection.

Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1.

You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.