Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| FORM APPROVED |
|---------------------------|
| OMB NO. 1004-0135 |
| Expires: November 30, 200 |

| SUNDRY NOTICES AND REPORTS ON WELLS | | | | | 5. Lease Serial No. SF - 080379A | | |
|---|---|--|-----------------|--------------------|---|---------------------|--|
| | | | | | | | |
| | | 11/2/ | 3 14 15 167 | | | | |
| SUBMIT IN TRIPLICATE - Other instructions on reverse side 2001 | | | | | 7. If Unit or CA/Agreement, Name and/or No. | | |
| 1. Type of Well Oil Well X Gas Well Other | | | | | San Juan 29-6 Unit | | |
| Oil Well X Gas Well Other 2. Name of Operator | | A Same | | 8. \ | Well Name and No. | | |
| | | | | | SJ 29-6 Unit #18R | | |
| 3a Address | | | | | 9. API Well No. 30-039-26444 | | |
| 5525 Highway 64, NBU 3004, Farmington, NM 87401 505-599-3454 | | | | | 10. Field and Pool, or Exploratory Area | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Unit M, 145' FSL & 165' FWL | y Description) | | | D1 | M | | |
| Section 5, T29N, R6W | | Blanco Mesaverde 11. County or Parish, State | | | | | |
| | | | | | Rio Arriba, NM | | |
| 12. CHECK APPROPRIA | ATE BOX(ES) TO INC | DICATE NATURE | OF NOTICE. | | | | |
| TYPE OF SUBMISSION | | | TYPE OF | | | | |
| | | | TIPEOF | ACTION | | · | |
| Notice of Intent | Acidize | Deepen | | Production (Start/ | Resume) Wa | ter Shut-Off | |
| X Subsequent Report | Alter Casing | Fracture Trea | ıt 📙 | Reclamation | Well | Integrity | |
| [2] | Casing Repair | New Constru | ction | Recomplete | Oth | er <u>4-1/2"</u> | |
| Final Abandonment Notice | Change Plans | Plug and Aba | ndon | Temporarily Aban | don <u>Casin</u> | g report & MV | |
| | Convert to Injection | n Plug Back | | Water Disposal | comp. | letion | |
| See attached for details of the part and remediate, before PT and then | rocedure used to adding MV perfs | cement the 4 | 1/2" cas | ing, isolat | e leak in 4- | 1/2" casing | |
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| | | | | | <u> </u> | | |
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) | | Title | | | : G | | |
| P | atsy Clugston | Sr. Regulatory/P | | | tion Clerk | <u>-</u> | |
| Talsy Clus Tm Date 1/25/01 | | | | j | ACCEPTED F | OD DECORE | |
| THIS | SPACE FOR FEDE | RAL OR STATE | OFFICE L | JSE | HOULT IED FI | TU VEPTIKE | |
| Approved by | | Title | | | F®EB 0 | 8 2001 | |
| 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. | | | | | FARMINGTON FIELD OFFICE | | |
| | 1212 | | | | | 4 | |
| Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section States any false, fictitious or fraudulent statements or representations. | 1212, makes it a crime tions as to any matter within | tor any person know n its jurisdiction. | ingly and willf | ully to make to a | my department or as | gency of the United | |

Sar Juan 29-6 Unit #18R SF-080379A; API-30-039-26444; Unit M, 145' FSL & 165' FWL Section 5, T29N, R6W; Rio Arriba County, NM

Details of procedure used to cement the 4-1/2" casing and remediate before adding the MV perfs.

RIH w/6-1/4" bit & tagged cement @ 4104'. Drilled out cement & then drilled ahead to TD @ 6318'. TD reached 12/27/00. Circ. hole. RIH w/4-1/2", 11.6#, I-80 casing and set @ 6318' w/DV tool set @ 5425'. RU to cement. Pumped 60 sx (127 cf - 22.61 bbl slurry) Type 3, 35:65 POZ, 6% Bentonite, 10#/sx CSE, 0.02#/sx Static Free, 1% FL-52, 0.3% CD-32, 0.25#/sx Cello-flake. Displaced w/102 bbls H2O. Didn't bump plug. DV tool must of shifted open during displacement. Had no cement to surface. Didn't pump the second stage. ND BOP & set slips and cut off casing. RD & released rig 12/28/00 to return and remediate casing.

1/2/01. MIRU Key #17. NU BOP, PT – OK. GIH w/bit & drilled out DV tool and tagged TOC @ 6245'. Drilled out cement to 6285'. Ran GR/CCL/CBL from 6285' – 3595'. TOC @ 5200'. Ran GSL. Load hole to PT, not able to. RIH w/packer & isolated leak @ 1486'. COOH w/packer.

Blue Jet perforated 3 (.25") squeeze holes @ 5100'. RIH w/FBP & set @ 1563'. Pumped 10 bbls clay water & PU to 500 psi (had full returns to surface through bradenhead). COOH w/packer. RIH w/cement retainer & set @ 5029'. Pumped Lead slurry of 216 sx (494 cf – 88 bbl slurry) 35/65 POZ w/6% gel w/10 #sx CSE, 1% FL-52, 0.3% CD-32. Tail – pumped 70 sx Type 3 cement (97 cf – 17.32 bbl slurry) Displaced w/19.4 bbls water. Plug down @ 1223 hrs 1/6/01. Sting out of retainer & reversed out 50 bbls water. Very little returns and no cement out bradenhead. RD. COOH.

RU Blue Jet & tagged up @ 4946'. Ran GR/CCL/CBL from 4942' - 3300'. TOC @ 3584'. RIH w/bit & drilled out cement, retainer & then cement again to 5080'. Circ & COOH. RIH w/4-1/2" casing spear & chemical cutter. Cut off casing @ 1550' & COOH w/cut off casing. RIH w/drill collars and tagged top of fish @ 1550'. Dressed off 4-1/2" casing for casing patch. COOH.

RIH w/5-9/16" OD X 4" ID Baker Chevron Rubber seal packoff Type 4-1/2" casing patch (.34' overall length) & GIH w/37 jts 4-1/2" I-80 11.6# new casing to 1535'. Displaced 4-1/2" X 7" annulus w/FW & 1 drum corrosion inhibitor. GIH w/4-1/2" casing total 1541' – work casing patch 2.83' down over 4-1/2" cut off casing @ 1550'. Pulled 50,000#s over to set patch. Set slips. Cut off 4-1/2" casing & NU tbg head & BOP. PT – OK. PT casing, rams & casing patch @ 1550' to 3000# psi – 20 minutes. Good test. PT 4-1/2" X 7" casing annulus to 500 psi 10 minutes. OK.

RIH w/BHA & tagged top of cement @ 5080' (20' cement above squeeze holes @ 5100'). Drilled out hard cement to 5100'. Squeeze holes @ 5100' and are in MV interval with cement to 3584'. GIH w/BHA & tagged PBTD @ 6285'. Roll hole w/2% KCl. Water. MIRU w/wireline & perforated lower MV intervals @ 1 spf .36" holes as follows:

Pt Lookout @ 5990', 5981', 5968', 5965', 5955', 5941', 5935', 5902', Menefee @ 5863', 5695', 5691', 5663', 5650', 5645', 5641', Cliffhouse @ 5568', 5543', 5537', 5534', 5513', 5499', 5490'. Total 22 holes RIH w/retrievable packer & set @ 5888'.

Acidized Pt. Lookout 5902'- 5990' with 750 gal 15% HCl. Set BP @ 5888', & set packer @ 5608'. Acidized Menefee w/750 gal 15% HCl. Released packer & BP & re-set @ BP @ 5608' & packer @ 5422'. Acidized Cliffhouse w/750 gal 15% HCl. Released packer & BP & COOH. RIH w/4-1/2" cup type mandrel & 4-1/2" A Lok-set packer & stradled squeeze holes @ 5100' with packer @ 5085' & cup mandrel @ 5117' (This well direct frac to where planned and not through squeeze holes). RU to frac 5409' – 5990' with 150,000 gal 70 Quality N2 & 20# Linear gel foam w/1,918,700 scf N2 w/77,114# 20/40 Brady sand. Flowed baqck on ¼" and ½" chokes. RD flowback equipment. Pull isolation tools. GIH w/retrieving head & COOH w/packer & cup mandrel. RIH w/2-3/8" tubing and cleaned out to 6285' (PBTD). PU & land tubing @ 5978' with "F" nipple set @ 5945'. ND BOP, NU WH. PT-OK. Pumped off expendable check. RD & released rig 1/17/01. Turned well over to production to first deliver.