Form 3160-5

UNITED STATES

Form approved. Budget Bureau No. 1004-0135

	ARTMENT OF THE INTER JREAU OF LAND MANAGEMEN		5. LEASE DESIGNATION AND SERIAL NO. SF - 0 79065
	POTICES AND REPORTS proposals to drill or to deepen or plug PLICATION FOR PERMIT—" for such 1		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
OIL GAS WELL OT	H Z R		7. UNIT AGREEMENT NAME
2. NAME OF OPERATOR Q PQ MOUNT % 3. ADDRESS OF OPERATOR	Aztec Well Servi	ce	8. FARM OR LEASE NAME AZEC TOCAL 9. WELL NO.
PO BOX 100 HZTEC, NM 87410 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 2040/N 41875/E			12 10. FIELD AND POOL, OR WILDCAT To tak Gallup 11. SEC., T., R., M., OR RLE. AND SURVEY OR ARRA
14. PERMIT NO.	15. ELEVATIONS (Show whether page 5-30-6		19 - 29 N - 13 L) 12. COUNTY OF PARISH 13. STATE San Juan NM
TEST WATER SHUT-OFF FRACTURE TREAT SHOOT OR ACIDIZE REPAIR WELL (Other) 17. DESCRIBE PROPOSED OR COMPLET proposed work. If well is conent to this work.)	k Appropriate Box To Indicate N INTENTION TO: PCLL OR ALTER CASING MULTIPLE COMPLETE ABANDON* CHANGE PLANS ED OPERATIONS (Clearly state all pertinent directionally drilled, give subsurface local) PCLL OR ALTER CASING MULTIPLE COMPLETE ABANDON* CHANGE PLANS ED OPERATIONS (Clearly state all pertinent directionally drilled, give subsurface local)	WATER SHUT-OFF FRACTURE TREATMENT SHOOTING OR ACIDIZING (Other) (NOTE: Report result Completion or Recompletion or Recompletions and measured and true vertices.	REPAIRING WELL ALTERING CASING ABANDONMENT* Is of mulitiple completion on Well pletion Report and Log form.) Is, including estimated date of starting any cal depths for all markers and zones perti-
		DIST. 3	

18. I hereby certify that the foregoing is true and co	prect	
SIGNED MY JOH	TITLE SP. DELS Eng.	DATE 5-/5-9Z
(This space for Federal or State office use)		APPROVED
APPROVED BY	TITLE	DATE DATE
		125000 m
	*Sae Instructions on Royage Side	FULLAREA MANAGER

Plugging Requirements For ATU Well No.12

The well to be plugged is the Aztec Totah Unit Well No. 12. The well is located approximately 2 miles south of Farmington in the SW\4NE\4 of section 19, T.29 N., R.13 W., NMPM, San Juan County, New Mexico. The footage location is 2040 feet from the north line and 1875 feet from the east line in section 19. The well is located in a gravel pit and there are men and equipment working within 100 feet of the well head. There is pressure on the casing/tubing annulus as indicated by the seepage of water around the seals in the bradenhead.

Pursuant to the attached well bore diagram, the well will be plugged to the following specifications:

- 1. A plug will be placed from 5108'- 4670' or a bridge plug will be set at 4720' and capped with 50' of cement.
- 2. A plug will be set from 2630'- 2530' inside and outside the 4.5" casing using 100% excess cement.
- 3. A plug will be set inside the 4.5" casing from 1060'- 845' using 50% excess cement.
- 4. A surface plug will be set from 241' to the surface inside and outside the 4.5" casing.
- 5. An alternative method would be to fill the well bore with cement using 450 sx and circulate to the surface.
- 6. All work will be performed subject to the attached <u>General</u> <u>Requirements For Permanent Abandonment Of Wells ON Federal And Indian Leases-Farmington Resource Area.</u>

The work should take about 3 days to perform if no unexpected difficulties are encountered. The points of contact for this work will be:

Contracting Officer's Representative

Hector Villalobos Assistant District Manager, Mineral Resources Albuquerque District Office (505) 761-8775

<u>Inspector</u>

Steve Mason
Petroleum Engineer
Farmington Resource Area Office
(505) 599-8917

ATU WELL NO. 12 19-29N-13W KIRTLAND -191' 85/8" CASING TOC≈ 430' 8951 FARMINGTON. FRUITLAND PICTURED CLIFFS MESAVERDE_ Toc≈ 3870' GALLUP _ PERFS @ 5094-5108 5165' 41/2" CASING

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA 1235 LA PLATA HIGHWAY FARMINGTON, NEW MEXICO 87401

Attachment to Notice of

Re: Permanent Abandonment

Intention to Abandon

Well: 12 Azrec Totah

CONDITIONS OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."
- 2. Mark Kelly with the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 326-6201.
- 3. Blowout prevention equipment is required.
- 4. The following modifications to your plugging program are to be made (when applicable):

Office Hours: 7:45 a.m. to 4:30 p.m.

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 CaCl₂ 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.