

UNITED STATES
DEPARTMENT OF INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
(Do not use this form for proposals to drill or to
deepen or plug back to a different reservoir.
Use Form 3160-3 for such proposals.)

1. Oil well ☐ Gas Well ☒ Other ☐
Gas Well

2. Name of Operator
Producing Royalties, Inc.

3. Address & Telephone No. (505) 334-2555
c/o A. R. Kendrick, Box 516, Aztec, NM 87410

4. Location of Well (Footage & S.T.R.)
1120' FNL 860' FEL
A-11-29N-12W

5. Lease Designation and Serial No.
SF-065557

6. If Indian, Allottee or Tribe Name.

7. If Unit or CA, Agreement Designation.

8. Well Name and No.

Payne #1

9. API Well No.

30-045-22118

10. Field and Pool, or Exploration Area

Fulcher Kutz Pictured Cliffs

11. County or Parish, State

San Juan County, New Mexico

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

<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change Plans
<input type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input checked="" type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other Clean out, log and evaluate	<input type="checkbox"/> Dispose Water

17. Describe Proposed or Completed Operations (Give Pertinant Details and Dates.)

Clean out to PBTD. Run Cement Bond Log. Evaluate.

If recompletion in the Pictured Cliffs formation appears feasible, recomplete there.

If recompletion in the Pictured Cliffs is not feasible: Cement the Pictured Cliffs perforations and plug back to the Fruitland Sand. Sufficient cement will be used to fill the perforations and fill the casing 150' to 1737'.

A small pit will be required which will be fenced and net covered until dry, then filled and leveled.

NOTE: This format is issued in lieu of U.S. BLM Form 3160-5.

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

Signed AR Kendrick Title _____ Agent _____ Date June 2, 1999

Approved by /s/ Duane W. Spencer Title Team Lead, Petroleum Management Date JUN - 3 1999

Conditions of approval, if any:

RECEIVED
BLM
99 JUN -2 PM 2:34
070 FARMINGTON, NM

(2)

State of New Mexico
Energy, Minerals & Mining Resources Department
OIL CONSERVATION DIVISION
P. O. Box 6429
Santa Fe, New Mexico 87504-6429

Form C-102

RECEIVED
BLM

99 JUN - 2 PM 2:35 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-22118	Pool Code 77200	Pool Name Fulcher Kutz Pictured Cliffs (Gas)
Property Code 009419	Property (Well) Name Payne	
OGRID No. 018134	Operator Name Producing Royalties, Inc.	
		Well Number 1
		Elevation 5783' GR

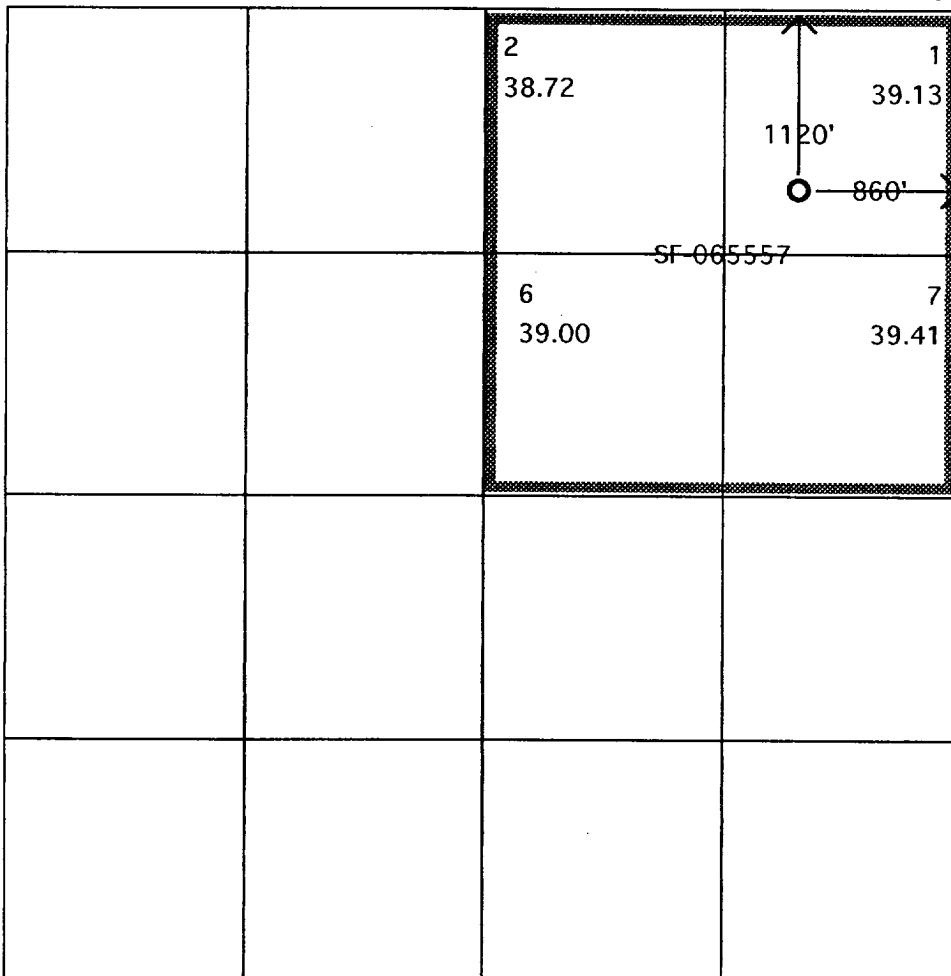
Surface Location

UL or Lot	Sec.	Twp.	Rge.	Lot Idn.	Feet from >	North/South	Feet from >	East/West	County
A	11	29N	12W	1	1120	North	860	East	San Juan

Bottom Hole Location If Different From Surface

UL or Lot	Sec.	Twp.	Rge.	Lot Idn.	Feet from >	North/South	Feet from >	East/West	County
Dedication 156.26	Joint? N	Consolidation		Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

A. R. Kendrick

Title

Agent

Date

6/2/99

SURVEYOR CERTIFICATION

I hereby certify that the well location on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey

Signature and Seal of
Professional Surveyor

OK 9

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☒ Subsequent Report

☐ Final Abandonment Notice

☐ Abandonment

☐ Recompletion

☒ Plugging Back

☐ Casing Repair

☐ Altering Casing

☒ Other Temporary Abandon

☐ Change Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

17. Describe Proposed or Completed Operations (Give Pertinant Details and Dates.)

See attachment.

RECEIVED
AUG 13 1999
OIL CON. DIV.
DET. 3

THIS APPROVAL EXPIRES AUG 01 2000

RECEIVED
BLM
99 JUL 14 AM 11:28
070 FARMINGTON, NM

NOTE: This format is issued in lieu of U.S. BLM Form 3160-5.

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

Signed *AK Kendrick* Title Agent Date July 13, 1999

Approved by **/S/ Duane W. Spencer** Title **Team Lead, Petroleum Management** Date **AUG 10 1999**

Conditions of approval, if any:

NMOCB

Attachment to Form 3160-3

Producing Royalties, Inc.
Payne #1
A-11-29N-12W

6/29/99 MIRU J.C. Well Service

6/30/99 Added tubing to tag sand at 1870'. TOH w/tubing to tally tubing and to add a notched collar for cutting sand. TIH w/ tubing and attempted to circulate. Did not circulate. TOH to pick up hydraulic swabbing tool. Ordered a load of water for tomorrow. SDON.

7/1/99 TIH with hydraulic swabbing tool - found sand fill at about 1838'. Cleaned out about 60 feet of sand. TOH w/tubing & hydraulic swabbing unit. Recovered about 5 gallons sand, found swab check-valve jammed by fine-grained sand.

TIH for a second attempt w/hydraulic swab. Tagged sand at about 1895' - worked down to 1900' in about one hour. Stuck tool in hole, worked free, TOH. No recovery except small amount of fine-grained sand in check valve. Elected to use BJ's Foamed Nitrogen to clean out sand. TIH w/tubing and notched collar. Ordered a load of water for tomorrow. SDON.

7/2/99 Rigged up BJ to circulate with nitrogen. Cleaned out to 2003' w/nitrogen and foam. TOH w/tubing to log. Loaded the hole by pumping 5 barrels of water every ten joints of tubing removed. Ran Blue Jet's Cement Bond Log, from 1956' to 1916'. Sand had back-filled from 2003' to 1965'. Good cement behind the casing below the perforations. No signal was received in or above the perforations apparently due to the lack of fluid in the wellbore. Pumped 5 barrels of water into the hole and was not able to get any signal. Determined that the water must be exiting the wellbore through the perforations.

Ran Blue Jet's Gas Spectrum Log from 1956' to 600'.

Elected to squeeze cement the Pictured Cliffs perforations. Scheduled BJ Services for cementing tomorrow. Picked up cement retainer from Baker Oil Tools. Ordered a load of water for tomorrow. SDON.

7/3/99 Set Baker Oil Tools' cement retainer at 1750'. BJ Services squeeze cemented with 100 sacks cement to 2700 p.s.i. surface pressure and reverse circulated excess cement. Casing held 2700 p.s.i. surface pressure for 10 minutes while changing surface equipment for reverse circulation.

TOH to remove cement retainer setting tool. Ran 50 joints of tubing to 1600'. Shut well in. Released rig.

TEMPORARILY ABANDONED for study of log from a new nearby well scheduled to be drilled.