

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

NOV -5 PM 2:16

070 FARMINGTON, NM

SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM-23044
2. Name of Operator Edwards Energy Corporation	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. C/O Walsh Engineering & Production Corp. 7415 East Main Farmington, NM 87402 505-327-4892	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 560' FSL & 1800' FWL, Section 32, T31N, R4W N	8. Well Name and No. Schalk 32 #2
	9. API Well No. 30-039-26227
	10. Field and Pool, or Exploratory Area Basin Fruitland Coal
	11. County or Parish, State Rio Arriba County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other
	<input type="checkbox"/> Change of Plans
	<input checked="" type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> 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.)*

10/16/99 Drilled 12-1/4" surface hole to 267'. Ran 6 jts of 8-5/8", 23#, K-55 casing and set at 258' KB. Pumped 200 sx (236 cu.ft.) of Cl "B" cement with 3% CaCl₂ and 1/4#/sx celloflake. Circulated 12 bbls of cement to surface. Nipple up BOP and pressure test to 1500 psi - held OK.

10/22/99 Drilled 7-7/8" hole to 3950' KB. Set 5-1/2", 17#, J-55 casing at 3950' KB. Float collar at 3908' KB and DV tool at 3454' KB. Cemented 1st stage with 150 sx (182 cu.ft.) of Cl "B" cement with 0.2% CFR-3 dispersant, 1% CBL bonding agent, 6.25#/sk fine gilsonite, and 0.5% CaCl₂. Opened DV tool and circulated hole for 3 hours. Circulated 15 bbls of cement on 1st stage. Cemented 2nd stage with 380 sx (792 cu.ft.) of Cl "B" 65/35 poz with 6% gel, 1/4#/sk. celloflake, and 2% CaCl₂. Tailed with 100 sx (119 cu.ft.) of Cl "B" with 1/4#/sk. celloflake, and 2% CaCl₂. Pressure tested casing to 2500 psi. - held OK. Top of cement by cement bond log was 1150' KB.

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

Signed Paul C. Thompson Title Agent Date November 3, 1999

(This space for Federal or State office use)

Approved by _____ Title _____ Date NOV 09 1999

Conditions of approval, if any:

FARMINGTON FIELD OFFICE