FORM APPROVED Form 3160-5 (June 1990) Budget Bureau No. 1004-0135 Expires: March 31, 1993 5. Lease Designation and Serial No. UNITED STATES DEPARTMENT OF THE INTERIOR. SF-081226-B BUREAU OF LAND MANAGEMENT 6. If Indian, Allottee or Tribe Name Navajo SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to addifferent reservoir, 7. If Unit or CA. Agreement Designation Use "APPLICATION FOR PERMIT--" for such proposals SUBMIT IN TRIPLICATE Horseshoe Gallup Unit 1. Type of Well 8. Well Name and No. WIW **HGU #246** Oil Well Gas Well X Other 9. API Well No. 2. Name of Operator 30-045-09886 Central Resources, Inc. 10. Field and Pool, or Exploratory Area 3. Address and Telephone No. Horseshoe Gallup P.O. Box 2810, Farmington, New Mexico 87499 (505) 326-3325 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State San Juan, New Mexico 1920' FSL, 350' FWL, Sec. 3, T30N, R16W CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Abandonment Change of Plans New Construction Recompletion Notice of Intent Plugging Back Non-Routine Fracturing Water Shut-Off Casing Repair X Subsequent Report Conversion to Injection Altering Casing Dispose Water Final Abandonment Notice Other MIT (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 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.)* Central Resources, Inc. performed a Mechanical Integrity Test (MIT) on the subject well on 6/08/98. The casing/tubing annulus was tested to 360 psi for 30 minutes. The test was witnessed by Melvina Clah of the NEPA. OIL GON. DIV. 14. I hereby certify that the foregoing is true and correct Date 6/29/98 Title Production Engineer Signed (This space for Federal or State office use) Date Approved by Conditions of approval, if any: **ACCEPTED FOR RECORD**

*See Instruction 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 apy false,

fictitious or fraudulent statements or representations as to any manner within its jurisdiction.

