Form 3160-5 FORM APPROVED (June 1990) Budget Bureau No. 1004-0135 Expires: March 31, 1993 **UNITED STATES** 5. Lease Designation and Serial No. DEPARTMENT OF THE INTERIOR SF-081226-B **BUREAU OF LAND MANAGEMENT** 6. If Indian, Allottee or Tribe Name SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. 7. If Unit or CA. Agreement Designation Use "APPLICATION FOR PERMIT--" for sugh proposals: SUBMIT IN TRIPLICATE Horseshoe Gallup Unit 1. Type of Well Well Name and No. Oil Well Gas Well X Other 3 HGU #246 2. Name of Operator API Well No. 8 19 30-045-09886 Central Resources, Inc. 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area P.O. Box 1247, Bloomfield, New Mexico 87413 (505) 632-3476 Horseshoe Gallup Unit 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State DIT. 1920' FSL, 350' FWL, Sec. 3, T30N, R16W San Juan County, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Abandonment Change of Plans New Construction Notice of Intent Recompletion Plugging Back Non-Routine Fracturing Subsequent Report Casing Repair Water Shut-Off Altering Casing Conversion to Injection Other Request for Ext. of LTSI Dispose Water Final Abandonment Notice (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. requests approval for Long Term Shut-In status for the subject well. This well has passed an MIT in 1998 and well status has not changed. I have attached a well bore diagram for your use and information. The well is areally proximal to a study to develop the "C" zone potential of the unit. We wish to preserve this well for possible use in the development of the zone. We will have made a decision with in a year and will propose plugging this well, if we can not use it to develop the remaining potential of the property. THIS APPROVAL EXPIRES 14. I hereby certify that the foregoing is frue and correct June 18, 1999

*See Instruction on Reverse Side

Team Lead, Petroleum Management

JUN 2 1

Date

Title District Manager

Title

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 any false,

Signed

Approved by

Rodney L. S

Conditions of approval, if any:

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

CENTRAL RESOURCES, INC.

HORSESHOE GALLUP #246

Elevation: 5430' GL, 5439' KB Casing: 8 5/8" 24# SW set @ 90' w/70 sacks Packer: Baker Model A set @ 1226' KB (5/25/93) Perfs: 1265' - 1305', 4 SPF Perfs: 1376' - 1400', 4 SPF PBTD: 1419' Casing: 5 1/2" 14# J-55 set @ 1430' w/75 sacks TD: 1463'

Location: 1920' FSL & 350' FWL

Sec. 3 T30N-R16W San Juan County, NM

Field:

Horseshoe Gallup

Zone:

Gallup

Perfs: 1265' - 1305' & 1376' - 1400' (4 SPF)

Spud Date: 6/57

Completion Date 7/3/57

Converted to Injector: 12/27/62

Rod Seale 6-18-99