

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

PLEASE PRINT (Reverse side)

3. LEASE DESIGNATION AND SERIAL NO.

SF-080212

8. 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 plug back to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals.)

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR

HEBCO OIL COMPANY

3. ADDRESS OF OPERATOR IN CARE OF GMEK PETROLEUM LTD.

8777 E. Via de Ventura, Suite 100, Scottsdale AZ. 85258

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface

1800 FROM NORTH LINE
600 FROM WEST LINE

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

MALCO COPPEL

9. WELL NO.

3

10. FIELD AND POOL, OR WILDCAT

VERDE GALLO

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

30E. 5 TOWNSHIP
30 NORTH, RANGE 15 WEST.

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, OR, etc.)

12. COUNTY OR PARISH

13. STATE

SAN JUAN NEW MEX.

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF

POOL OR ALTER CASING

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREAT

MULTIPLE COMPLETE

FRACTURE TREATMENT

ALTERING CASING

SHOOT OR ACIDIZE

ABANDON*

SHOOTING OR ACIDIZING

ABANDONMENT*

REPAIR WELL

CHANGE PLANS

(Other)

(Other)

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. 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.)

THE FOLLOWING ACTION IS PLANNED FOR #3 WELL:

I. PLUG WELL AS FOLLOWS:

- A. SET BRIDGE PLUG 50 FT. ABOVE TOP PERFORATION.
- B. BRING CEMENT FROM TOP OF BRIDGE PLUG TO SURFACE.
- C. BRADENHEAD SQUEEZE SUFFICIENT VOLUME TO FILL FROM SURFACE TO 50 FT. BELOW SHO.
- D. SET DRY HOLE MARKER & RHHMB.

II. TEST WELL FOR 60 DAY PERIOD.

- A. IF AT END OF 60 DAY PERIOD WELL IS CAPABLE OF PRODUCING IN ANYING QUANTITIES, INTENT TO PLUG WILL BE CANCELED.
- B. IF PRODUCTION IN ANYING QUANTITIES IS NOT ACHIEVED BY END OF 60 DAY TEST PERIOD, WELL WILL BE PLUGGED IN ACCORDANCE WITH PARAGRAPH I. ABOVE.

RECEIVED

AUG 21 1989

OIL CON. DIV.
DIST. 3

OCT 20 1989

THIS APPROVAL EXPIRES

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

SIGNED HEBCO Oil Co.

TITLE AGENT

DATE 8/15/89

(This space for Federal or State office use)

APPROVED BY
CONDITIONS OF APPROVAL, IF ANY:

TITLE
NMOOD

APPROVED
DATE AUG 17 1989

Ken Townsend
FOR AREA MANAGER
FARMINGTON RESOURCE AREA

*See Instructions on Reverse Side

BUREAU OF LAND MANAGEMENT
1235 La Plata Highway
Farmington, New Mexico 87401
Phone (505) 327-5344

Attachment to Notice of
Intention to Abandon

Re: Permanent Abandonment

Well: 3 Malco Coppel

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."
2. Bill Blackard with the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 327-5344.
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 séc/qt. Fresh water is to be utilized for mixing mud.
7. Following the placement of a cement plug, the withdrawal 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.