

A - PLUS WELL SERVICE, INC.

P.O. BOX 1979
FARMINGTON, NM 87499
505-325-2627 • FAX: 505-325-1211

August 14, 2000

To: Charlie T. Perrin

From: Bill Clark

Re: Invoice #2143

Field Cost Estimate vs Actual Invoice

\$25,467

\$30,492

Difference \$5,025

Following is an itemization of most of the differences between the Field Cost Estimate and Actual Invoice amounts for the Joella #1 well per your request. This analysis identifies case(s) where the Field Cost Estimate: 1) failed to include appropriate charges; 2) contained an addition error; 3) charged the rig rate instead of crew travel time; and 4) did not include clean up, disposal and demobilization expenses.

Date	Item	Field Cost Estimate	Invoice Amount	(all \$ include tax) Difference
7-18	1 Field Supervisor	\$0	\$381	+\$381
7-19	1 Rig Rate (\$160 vs. \$176)	\$678	\$746	+\$ 68
	1 Water Truck (1/2 hr more)	\$463	\$487	+\$ 24
	1 Helper (1-1/2 hrs)	\$0	\$29	+\$ 29
	2 Addition Error	\$3722	\$4491	+\$769
7-20	3 Rig Rate (8.5 vs 7.5 hours)	\$1586	\$1399	<\$187>
	3 Crew Travel (\$105 x 1.25 hrs)	\$0	\$139	+\$139
	1 Field Supervisor	\$0	\$381	+\$381
7-21	3 Rig Rate (12.25 vs 11 hrs)	\$2285	\$2052	<\$233>
	3 Crew Travel (\$105 x 1.25)	\$0	\$139	+\$139
7-24	3 Rig Rate (11.75 vs 10.5 hrs)	\$1993	\$1781	<\$212>
	3 Crew Travel (\$105 x 1.25)	\$0	\$139	+\$139
7-25	3 Rig Rate (6.25 vs 5.0 hrs)	\$1060	\$848	<\$212>
	3 Crew Travel (\$105 x 1.25)	\$0	\$139	+\$139
	1 Field Supervisor	\$0	\$381	+\$381
	1 Perforate at 90'	\$0	\$460	+\$460
7-26	3 Rig Rate (6.25 vs 5.0 hrs)	\$1060	\$848	<\$212>
	3 Crew Travel (\$105 x 1.25)	\$0	\$139	+\$139
	1 Field Supervisor	\$0	\$381	+\$381
	1 Tubing Rental	\$65	\$257	+\$192
	4 Trucking - pull rig & haul P/S	\$0	\$324	+\$324
7-27	4 Haul water tank	\$0	\$288	+\$288
	4 Haul drill c to Weatherford	\$0	\$396	+\$396
	4 Backhoe Clean Up	\$0	\$334	+\$334
	4 Basin Disposal	\$0	\$419	+\$419
	1 P & A Marker, welding	\$0	\$ 60	+\$ 60
	1 Third Party handling Fee	\$0	+\$418	+\$418
	Invoice Addition			\$4,944

ORIGINAL SENT TO PERRIN

A - PLUS WELL SERVICE, INC.

P.O. BOX 1979
FARMINGTON, NM 87499
505-325-2627 • FAX: 505-325-1211

ORIGINAL
INVOICE

July 27, 2000

(Revised 8-11-00)

Oil Conservation Division

State of New Mexico
1000 Rio Brazos Road
Aztec, NM 87410

Attn: Charlie T. Perrin

INVOICE #2143**Rig #4**

For re-entry and subsequent plugging and abandonment of the **Joella #1**, a well, which is located in the NE, Section 05, T-30-N, R-14-W, San Juan County, NM.

This work was done under an emergency contract. Contract Number: _____

Cost Summary:**Line #1 – Double drum pulling unit:**

7-18-00	Field Supervisor	1 day	\$ 360.00
7-19-00	Full Rig Package	4.0 hours x \$176/hr	\$ 704.00
	Field Supervisor	1 day	\$ 360.00
	1 3- 7/8" Blade Bit		\$ 180.00
7-20-00	Full Rig Package	7.5 hours x \$176/hr	\$ 1,320.00
	Field Supervisor	1 day	\$ 360.00
	1 – 2-7/8" Stripping Rubber		\$ 70.00
7-21-00	Full Rig Package	11.0 hours x \$176/hr	\$ 1,936.00
	Field Supervisor	1 day	\$ 360.00
	1 2-3/8" Stripping Rubber		\$ 70.00
	1 3- 3/4" Blade Bit		\$ 180.00
7-24-00	Rig P&A	10.5 hours x \$160/hr	\$ 1,680.00
	Field Supervisor	1 day	\$ 360.00
7-25-00	Rig P&A	5.0 hours x \$160/hr	\$ 800.00
	Field Supervisor	1 day	\$ 360.00
7-26-00	Rig P&A	5.0 hours x \$160/hr	\$ 800.00
	Field Supervisor	1 day	\$ 360.00

Total Line #1 Cost \$ 10,260.00**Line #2 – Crew Travel**

7-20, 21, 24, 25, 26; 5 days at 1-1/4 hours x \$105.00/hr \$ 656.25

Line #3 – Location and access preparation (Backhoe, Welder, etc.)

7-18-00	#1 Headrick Backhoe, Invoice #5896		
	Backhoe	8.0 hours at \$ 45.00/hr	\$ 360.00
	#2 A-Plus Welder cut off 4-1/2" and weld on collar		
	Unit #59	2.5 hours at \$ 40.00/hr	\$ 100.00

Total Line #3 Cost: \$ 460.00

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**ORIGINAL
INVOICE**

July 27, 2000

Page 2

Oil Conservation Division

Joella #1

INVOICE #2143

Rig #4

Cost Summary Continued:**Line #4 - Move-in, move-out charges (Transportation):**

7-19-00	#3	Haul drill collars, tubing and water tank to loc.;		
		Unit #151	8.0 hours at \$68.00/hr	\$ 544.00
	#4	Haul P/S and mud pit to loc.		
		Unit #161	5.0 hours at \$68.00/hr	\$ 340.00
	#9	Helper for #161	1.5 hours at \$19.00/hr	\$ 28.50
7-26-00	#5	Help pull rig up steep hill off location; haul load P/S;		
		Unit #141	5.0 hours at \$68.00/hr	\$ 306.00
7-27-00	#6	Haul water tank to location;		
		Unit #141	3.6 hours at \$68.00/hr	\$ 272.00
	#7	Haul tubing to yard and drill collars to Weatherford;		
		Unit #161	5.5 hours at \$68.00/hr	\$ 374.00
Total Line #2 Cost: \$ 1,864.50				

Line #5 - Water Truck:

7-18-00	#8	Pull water out of cellar for welder to work;		
		Unit #155	4.0 hours at \$46.00/hr	\$ 184.00
7-19-00	#9	Haul 2 loads water to location;		
		Unit #155	6.0 hours at \$46.00/hr	\$ 276.00
7-20-00	#10	Haul 2 loads water to location;		
		Unit #155	6.0 hours at \$46.00/hr	\$ 276.00
7-21-00	#11	Haul 1 load water from pit to Basin Disposal;		
		Unit #155	5.0 hours at \$46.00/hr	\$ 230.00
7-24-0	#12	Pulled water from pit and cellar; hauled 1 load water from pit to Basin Disposal;		
		Unit #155	12.0 hours at \$46.00/hr	\$ 552.00
7-26-00	#13	Hauled 2 loads water from pit to Basin Disposal;		
		Unit #155	8.0 hours at \$46.00/hr	\$ 368.00
Total Line #5 Cost: \$ 1,886.00				

Line #6 - Perforate squeeze holes:

7-24-00	Perforate squeeze holes at 410', 300', 200', 150' and 100';		
	5 sets bi-wire perforations @ \$460/ea		\$ 2,300.00
7-25-00	Perforate squeeze holes at 90'		\$ 460.00
Total Line #6 Cost: \$ 2,760.00			

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**ORIGINAL
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July 27, 2000

Page 3

Oil Conservation Division

Joella #1

INVOICE #2143

Rig #4

Cost Summary Continued:**Line #7 - Cement Cost:**

7-24-00 Plugs: #1, 77 sxs; #2, 10 sxs and #3, 89 sxs;
7-25-00 Plug: #4, 93 sxs;
7-26-00 Plug: #5, 14 sxs;

Total Cement: 283 sxs at \$10.20/sx

\$ 2,886.60

Total Line #7 Cost \$ 2,886.60

Line #8 - Pump Charge Costs:

7-24-00 Plug #1, #2, #3 per plug
7-25-00 Plug #4
7-26-00 Plug #5

\$ 1,560.00

\$ 520.00

\$ 520.00

Total Line #8 Cost: \$ 2,600.00

Line #9 - Tubing work string:

429' of 2-3/8" tubing at \$0.12 per foot per day for 5 days

\$ 257.40

Line #10 - Water Tank Rental

7-19 to 7-26-00, 5 days at \$25.00 per day

\$ 150.00

Line #11 - Clean up location and install P&A marker

7-26-00 P&A Marker, 500' API round and threads

\$ 60.00

7-27-00 #14 Headrick Backhoe, #5897

Backhoe 7.0 hours at \$45.00/hr

\$ 315.00

Total Line #11 Cost \$ 375.00

Line #12 - Third Party Charges:

7-18-00 #a L&R Anchor Service, #4127

\$ 650.00

7-26-00 #b Basin Disposal, 2 loads, Invoice #29170

\$ 110.00

7-26-00 #c Basin Disposal, 2 loads, Invoice #29097

\$ 285.00

8-01-00 #d Weatherford, rental tools, Invoice #2x-0003770-0C

\$ 2,909.70

7-26-00 #e Safety Alliance, rental equipment, Invoice #10436

\$ 221.00

Total Line #12 Cost \$ 4,175.70

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**ORIGINAL
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July 27, 2000

Page 4
Oil Conservation Division
Joella #1

INVOICE #2143

Rig #4

COST SUMMARY:

Line #1 - Double drum pulling unit:	\$ 10,260.00
Line #2 - Rig Crew Travel Time:	\$ 656.25
Line #3 - Location and access preparation:	\$ 460.00
Line #4 - Move-in, move-out charges	\$ 1,864.50
Line #5 - Water Truck:	\$ 1,886.00
Line #6 - Perforate:	\$ 2,760.00
Line #7 - Cement:	\$ 2,886.60
Line #8 - Pump Charge:	\$ 2,600.00
Line #9 - Tubing work string:	\$ 257.40
Line #10 - Water Tank Rental	\$ 150.00
Line #11 - Clean up location and double material:	\$ 375.00
Line #10 - Third Party Charges:	
Total Third Party Charges	75.70
Handling Fee 10%	<u>7.57</u>
Total Line #10 Cost:	\$ 4,593.27
	=====
TOTAL	\$ 28,749.02
TAX @ 6.0625%	\$ 1,742.91
	=====
TOTAL DUE	\$ 30,491.93

THANK YOU

A - PLUS WELL SERVICE, INC.

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August 14, 2000

To: Charlie T. Perrin

From: Bill Clark

Re: Invoice #2143
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\$25,467 \$30,492 Difference \$5,025

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	Invoice Addition			\$4,944

ORIGINAL SIGNED BY CHARLIE T. PERRIN

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ORIGINAL
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July 27, 2000

(Revised 8-11-00)

Oil Conservation Division
State of New Mexico
1000 Rio Brazos Road
Aztec, NM 87410

Attn: Charlie T. Perrin

INVOICE #2143**Rig #4**

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This work was done under an emergency contract. Contract Number: _____

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	Field Supervisor	1 day	\$ 360.00
7-26-00	Rig P&A	5.0 hours x \$160/hr	\$ 800.00
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Total Line #1 Cost \$ 10,260.00**Line #2 – Crew Travel**

7-20, 21, 24, 25, 26; 5 days at 1-1/4 hours x \$105.00/hr	\$ 656.25
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Line #3 –Location and access preparation (Backhoe, Welder, etc.)

7-18-00 #1 Headrick Backhoe, Invoice #5896		
Backhoe	8.0 hours at \$ 45.00/hr	\$ 360.00
#2 A-Plus Welder cut off 4-1/2" and weld on collar		
Unit #59	2.5 hours at \$ 40.00/hr	\$ 100.00

Total Line #3 Cost: \$ 460.00

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**ORIGINAL
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July 27, 2000

Page 2

Oil Conservation Division

Joella #1

INVOICE #2143

Rig #4

Cost Summary Continued:**Line #4 – Move-in, move-out charges (Transportation):**

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	Unit #151	8.0 hours at \$68.00/hr	\$	544.00
	#4	Haul P/S and mud pit to loc.		
	Unit #161	5.0 hours at \$68.00/hr	\$	340.00
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		1.5 hours at \$19.00/hr		
7-26-00	#5	Help pull rig up steep hill off location; haul load P/S;		
	Unit #141	6.0 hours at \$68.00/hr	\$	306.00
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7-18-00	#8	Pull water out of cellar for welder to work;		
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	Unit #155	6.0 hours at \$46.00/hr	\$	276.00
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	Unit #155	6.0 hours at \$46.00/hr	\$	276.00
7-21-00	#11	Haul 1 load water from pit to Basin Disposal;		
	Unit #155	5.0 hours at \$46.00/hr	\$	230.00
7-24-0	#12	Pulled water from pit and cellar; hauled 1 load water from pit to Basin Disposal;		
	Unit #155	12.0 hours at \$46.00/hr	\$	552.00
7-26-00	#13	Hauled 2 loads water from pit to Basin Disposal;		
	Unit #155	8.0 hours at \$46.00/hr	\$	368.00
Total Line #5 Cost: \$ 1,886.00				

Line #6 – Perforate squeeze holes:

7-24-00	Perforate squeeze holes at 410', 300', 200', 150' and 100';		
	5 sets bi-wire perforations @ \$460/ea	\$	2,300.00
7-25-00	Perforate squeeze holes at 90'	\$	460.00
Total Line #6 Cost: \$ 2,760.00			

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Page 3

Oil Conservation Division

Joella #1

INVOICE #2143

Rig #4

Cost Summary Continued:**Line #7 - Cement Cost:**

7-24-00	Plugs: #1, 77 sxs; #2, 10 sxs and #3, 89 sxs;	
7-25-00	Plug: #4, 93 sxs;	
7-26-00	Plug: #5, 14 sxs;	
	Total Cement: 283 sxs at \$10.20/sx	\$ 2,886.60
Total Line #7 Cost \$ 2,886.60		

Line #8 - Pump Charge Costs:

7-24-00	Plug #1, #2, #3	per plug	\$ 1,560.00
7-25-00	Plug #4		\$ 520.00
7-26-00	Plug #5		\$ 520.00
Total Line #8 Cost: \$ 2,600.00			

Line #9 - Tubing work string:

429' of 2-3/8" tubing at \$0.12 per foot per day for 5 days	\$ 257.40
---	-----------

Line #10 - Water Tank Rental

7-19 to 7-26-00, 5 days at \$25.00 per day	\$ 150.00
--	-----------

Line #11 - Clean up location and install P&A marker

7-26-00	P&A Marker, add APH marker and threads	\$ 60.00
7-27-00	#14 Headrick Backhoe, #5897	
	Backhoe 7.0 hours at \$45.00/hr	\$ 315.00
Total Line #11 Cost \$ 375.00		

Line #12 - Third Party Charges:

7-18-00	#a L&R Anchor Service, #4127	\$ 650.00
7-26-00	#b Basin Disposal, 2 loads, Invoice #29170	\$ 110.00
7-26-00	#c Basin Disposal, 2 loads, Invoice #29081A	\$ 285.00
8-01-00	#d Weatherford, rental tools, Invoice #2x-006370-0C	\$ 2,909.70
7-26-00	#e Safety Alliance, rental equipment, Invoice #10436	\$ 221.00

Total Line #12 Cost \$ 4,175.70

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**ORIGINAL
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Page 4
Oil Conservation Division
Joella #1

INVOICE #2143

Rig #4

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Line #10 - Water Tank Rental	\$ 150.00
Line #11 - Clean up location and clean up materials:	\$ 375.00
Line #10 - Third Party Charges:	
Total Third Party Charges	75.70
Handling Fee 10%	<u>7.57</u>
Total Line #10 Cost:	\$ 4,593.27
	=====
TOTAL	\$ 28,749.02
TAX @ 6.0625%	\$ 1,742.91
	=====
TOTAL DUE	\$ 30,491.93

THANK YOU

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Farmington, New Mexico 87499
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July 27, 2000

Page 1 of 3

King Oil Company
C/o Oil Conservation Division

Joella #1

1730' FNL and 280' FEL, Section 5, T30N, R17W
San Juan County, NM
Lease #14-20-603-2021
API# 30-045-0993

Plug & Abandonment Report

Cementing Summary:

Plug #1 with 7 sxs Class B cement inside 4-1/2" casing from 429' to 334'.

Plug #2 with 10 sxs Class B cement with 2% CaCl₂ from 334' to 199'; TOH and LD tubing, then displace cement down to 226'.

Plug #3 with 26 sxs Class B cement inside the 4-1/2" from 231' to surface, circulate good cement out casing valve. TOH and LD tubing. Connect pump line to 4-1/2" casing, then mix and pump 63 sxs Class B cement with good cement returns around 4-1/2" casing.

Plug #4 with 18 sxs Class B cement from 117' to surface with good cement returns out casing valve. TOH and LD tubing. Connect pump line to 4-1/2" casing and then mix and pump 75 sxs Class B cement down the casing; did not circulate to surface.

Plug #5 with 14 sxs Class B cement from 65' to surface, circulate good cement returns out casing valve.

Plugging Summary:

7-18: Found approximately a 1" stream of water flowing up around the existing P&A marker. Used a backhoe to dig out around marker and determined water flow is outside the 4-1/2" casing. Welder cut off P&A marker and installed a 4-1/2" casing collar on the existing casing stub. Water truck sucked out cellar while welding.

7-19: Road rig and equipment to hill above location. Help spot equipment in on small location; pit, swivel, drill collars and tubing. Move rig on location and spot. Found hole in radiator on rig; SD for repairs.

7-20: Company Monthly Safety Meeting. Completed rig repairs. Re-pad operator side of rig due to settling. RU rig and drilling equipment. NU 4-1/2" x 8-5/8" wellhead and BOP, test. PU 1 3-1/8" collar (Weatherford rental) with bit sub and 3-7/8" bade bit; tag cement 1' from surface. Drill cement and iron to 7' and fell free. Rotate and wash down to 31'. Make connection and continue to wash down to 32' where it tag solid. Drill very hard from 32' to 36', observed iron cuttings in returns. RD drilling equipment. Ran in well with 2-3/8" open-ended tubing down to a solid tag at 50'. TOH with tubing, LD. Shut in well and SDFD.

Alternative Intermediate Lead Slurry

Dowell-

Class G: D49(50:50) w/ 2.5% D79, 2% S1, 10pps D24, .5pps D29, .2%D46

where: D49-TXI Light weight Cement

D79-Sodium Metasilicate

S1-Calcium Chloride

D24-Gilsonite

D46-Antifoam Agent

Properties-

Density:11.4 lb/gal

Yield:2.58 cu ft./sk

Water:14.55 gal/sk

Thick Time 70 b.c.(deg F): 4:06(101)

Free Water:0

Fluid Loss:462ml/30 min

CS(crush)@24hr:394

CS(crush)@48hr:550

Halliburton-

Class H 47#/sk, 37#/sk Blended Silicalite, 3% Bentonite, 4% Calcium Chloride

Properties-

Density:11.4 lb/gal

Yield:2.42 cu.ft./sk

Water:14.02 gal/sk

Thick Time(70 bc): 11:00+

Fluid Loss: 702 cc/30min

Free Water: 0%

Compressive Strength (@25:19) :500

Compressive Strength (@48:00) :630

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Page 2 of 3

King Oil Company
C/o Oil Conservation Division

Joella #1

1730' FNL and 280' FEL, Section 5, T30N, R17W
San Juan County, NM
Lease #14-20-603-2021, API# 30-045-0993

Plug & Abandonment Report

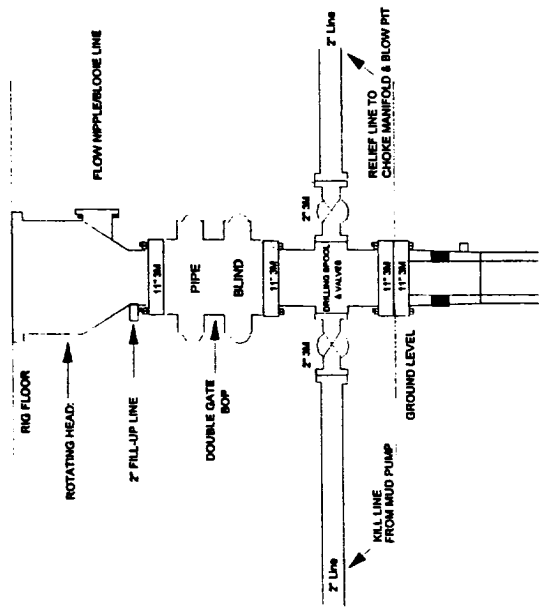
Plugging Summary Continued:

- 7-21:** Safety Meeting. Make up 3-7/8" tapered mill on 3-1/8" drill collar and start drilling 2' from surface; drill out to 28' circulating metal returns. POH and change out 3-7/8" mill to 3-3/4" blade bit. TIH and tag up at 50'. Drill from 50' to 429', circulating out iron and cement in returns. Pressure test casing to 600#, held OK. Circulate hole clean and PU 1 joint off bottom. Shut in well and SDFD.
- 7-24:** Safety Meeting. TIH and tag bottom at 429'. Circulate well and pressure test casing to 500#, held OK. RD drilling equipment and RU tubing equipment. TOH with tubing and LD 6 3-1/8" drill collars. RU A-Plus wireline truck and perforate 3 bi-wire squeeze holes at 410'. Attempt to establish rate into squeeze holes, pressured up to 1000# and held. TIH with tubing to 429'. Plug #1 with 7 sxs Class B cement inside 4-1/2" casing from 429' to 334'. TOH with tubing. Perforate 3 bi-wire squeeze holes at 300'. Establish very slow rate into squeeze holes (1/16 bpm at 1300#). TIH with tubing to 324'. Circulate hole with water and observed a trace of cement. Pug #2 with 10 sxs Class B cement with 2% CaCl₂ from 334' to 199'; TOH and LD tubing, then displace cement down to 226'. Shut in well and WOC. RIH with wireline and tag cement at 232'. Pressure test casing to 750#, held OK. Perforate 3 bi-wire squeeze holes at 200'. Attempt to establish rate into squeeze holes, pressured up to 1000# and held. Perforate 3 bi-wire squeeze holes at 150'. Attempt to establish rate into squeeze holes, pressured up to 1300#. Perforate 3 bi-wire squeeze holes at 100'. Establish circulation to surface outside the 4-1/2" casing. Initial pressure was 2000#, then it broke back to 800#. TIH with tubing to 231'. Plug #3 with 26 sxs Class B cement inside the 4-1/2" from 231' to surface, circulate good cement out casing valve. TOH and LD tubing. Connect pump line to 4-1/2" casing, then mix and pump 63 sxs Class B cement with good cement returns around 4-1/2" casing. Shut in well. Open up well and displace cement to 128', water still flowing outside the 4-1/2" casing.
- 7-25:** Safety Meeting. Found water flowing outside the 4-1/2" casing. TIH with tubing and tag cement at 32'. Pump 1/4 bbl water and pressure test casing to 1100#, bled off to 0# in 20 min. RU drilling equipment. PU 3-1/8" collars and drill cement stringer at 32'. TIH and tag solid at 95'; drill out cement to 117'. RD drilling equipment and RU tubing equipment; LD 4 3-1/8" collars. Attempt to establish rate into squeeze holes at 100', bled down from 2000# to 900# in 30min. RU A-Plus wireline truck and

Completion/Workover Rig
BOP Configuration
3,000 psi System

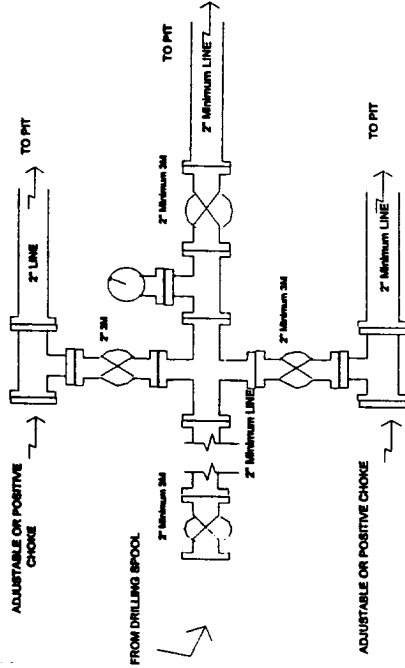
Drilling Rig
3000 psi System

Choke Manifold Configuration
3000 psi System



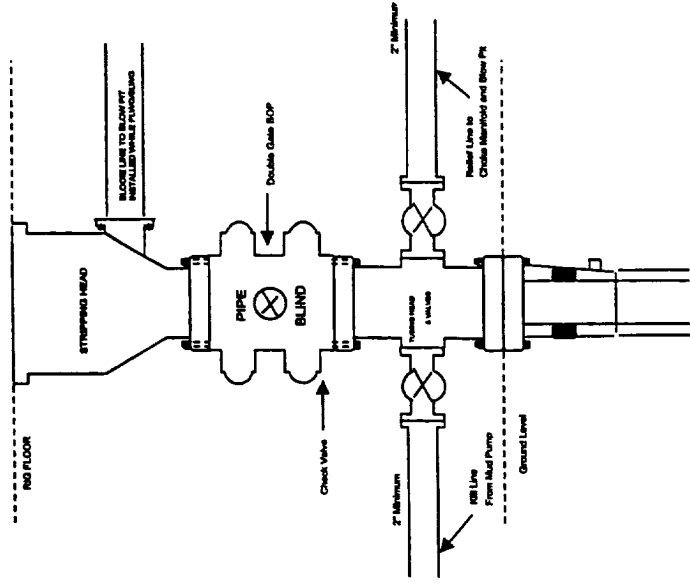
BOP Installation from Surface Casing Point to Total Depth. 11" Bore 10" Nominal. 3000 psi working pressure double gate BOP to be equipped with blind ram and pipe rams. A 500 psi stripping head on top of ram preventer. All BOP equipment is 3,000 psi working pressure

Figure #1



Choke manifold installation from Surface Casing Point to Total Depth. 3,000psi working pressure equipment with two chokes.

Figure #2



Minimum BOP installation for all Completion/Workover Operations. 7-1/16" bore, 3000 psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A stripping head to be installed on the top of the BOP. All BOP equipment is 3000 psi working pressure or greater excluding 500 psi stripping head.

Figure #3

perforate 2 bi-wire squeeze holes at 90'. Establish rate into squeeze holes 1-1/2 bpm at 400#.

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979
Farmington, New Mexico 87499
505-325-2627 * fax: 505-325-1211

July 27, 2000

Page 3 of 3

King Oil Company
C/o Oil Conservation Division

Joella #1

1730' FNL and 280' FEL. Section 5, T30N, R17W
San Juan County, NM
Lease #14-20-603-2021, API# 30-045-0993

Plug & Abandonment Report

Plugging Summary Continued:

- 7-25:** Continued: TIH with tubing to 117'. Plug #4 with 18 sxs Class B cement from 117' to surface with good cement returns out casing valve. TOH and LD tubing. Connect pump line to 4-1/2" casing and then mix and pump 75 sxs Class B cement down the casing; did not circulate to surface. Displace cement to 64' and shut in well. SDFD.
- 7-26:** Safety Meeting. Open up well; no water flow. Pressure test casing to 1,200#, held OK. PU tubing and tag cement at 65'. Plug #5 with 14 sxs Class B cement from 65' to surface, circulate good cement returns out casing valve. TOH and LD tubing. RD tubing equipment and ND BO with wellhead. Screw P&A marker into 4-1/2" casing collar. RD rig and equipment; move off location. Road rig and equipment to A-Plus' yard.
Charlie Perrin with NMOCD was on location and approved the plugging activities.

Lambe #1B ==> EXPEDITED Right-of-Way!

Sec 21, T31N-R10W, 1235' FNL & 1890' FWL

San Juan Co., New Mexico

Lease NM-03187

7. Methods of Handling Waste Disposal:

- a. The drilling fluids, cuttings, and completion fluids will be placed in the reserve pit. The reserve pit will be fenced on three sides away from the pad during drilling and the fourth side fenced as soon as the rig moves out. Upon completion of drilling, the reserve pit will be allowed to evaporate or will be hauled away by truck to an approved disposal facility, prior to filling reserve pit. The reserve pit will be backfilled, leveled and contoured so as to prevent any materials being carried into the watershed. Upon completion, the pad will be leveled, contoured, and reseeded with the appropriate seed mixture as specified by the BLM. The BLM seed mix for this project is mixture #1.
- b. All garbage and trash will be hauled away to approved landfill facility.
- c. Chemical toilets will be provided and maintained during drilling operations.
- d. Trees and brush will be pushed to SW corner of location and walked down with Cat to act as a sediment filter in an attempt to minimize soil erosion.

8. Ancillary Facilities

No ancillary facilities are planned for this project; however, the potential does exist for the placement of a compressor unit on location during some stage in the life of the well. If a compressor unit is placed on location, it will abide by any noise restrictions in effect at the time.

9. Production Facility Layout

- a. See attachment **Exhibit C** to this plan. Production equipment will be painted the color designated by the BLM. Color: Juniper Green
- b. Location of Proposed New Facilities – A 4-1/2" OD buried steel pipeline that is 429 feet in length will be constructed along the existing roadway. The pipe-wall thickness is .156 and the pipe-wall strength is 42,000# yield. It will tie the well into a line operated by El Paso Field Services. The pipeline has the potential to be used to transport gas to drill the well. After the well is spudded, the pipeline will be authorized by a right-of-way issued to El Paso Field Services. Please refer to the attached proposed pipeline plat see **Exhibit D** for additional information.

10. Plans for Restoration of Surface

Topsoil (6") will be stockpiled in the construction zone for later use in restoration. When the well is abandoned, the location and access road will be cleaned and restored to the original topographical contours as much as possible. The area will be reseeded with the appropriate seed mixture. If the well is productive, areas not used in production will be contoured and seeded with BLM seed mix #1.

11. Surface Ownership

The surface ownership is the BLM. The BLM/Farmington Field Office has surface and mineral jurisdiction on this project.

12. Other Information

The onsite for the proposed project was conducted on May 17, 2001 by Bill Liess and Jeff Tafoya as BLM leads.

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COPY*file*

July 27, 2000

(Revised 8-11-00)

Oil Conservation Division

State of New Mexico
1000 Rio Brazos Road
Aztec, NM 87410

Attn: Charlie T. Perrin

INVOICE #2143

Rig #4

For re-entry and subsequent plugging and abandonment of the **Joella #1**, a well, which is located in the NE, Section 05, T-30-N, R-17-W, San Juan County, NM.

This work was done under an emergency basis, Contract Number: _____

Cost Summary:**Line #1 – Double drum pulling unit:**

7-18-00	Field Supervisor	1 day	\$ 360.00
7-19-00	Full Rig Package	4.0 hours x \$176/hr	\$ 704.00
	Field Supervisor	1 day	\$ 360.00
	1 3- 7/8" Blade Bit		\$ 180.00
7-20-00	Full Rig Package	7.5 hours x \$176/hr	\$ 1,320.00
	Field Supervisor	1 day	\$ 360.00
	1 – 2-7/8" Stripping Rubber		\$ 70.00
7-21-00	Full Rig Package	11.0 hours x \$176/hr	\$ 1,936.00
	Field Supervisor	1 day	\$ 360.00
	1 2-3/8" Stripping Rubber		\$ 70.00
	1 3- 3/4" Blade Bit		\$ 180.00
7-24-00	Rig P&A	10.5 hours x \$160/hr	\$ 1,680.00
	Field Supervisor	1 day	\$ 360.00
7-25-00	Rig P&A	5.0 hours x \$160/hr	\$ 800.00
	Field Supervisor	1 day	\$ 360.00
7-26-00	Rig P&A	5.0 hours x \$160/hr	\$ 800.00
	Field Supervisor	1 day	\$ 360.00
Total Line #1 Cost			\$ 10,260.00

Line #2 – Crew Travel

7-20, 21, 24, 25, 26; 5 days at 1-1/4 hours x \$105.00/hr \$ 656.25

Line #3 – Location and access preparation (Backhoe, Welder, etc.)

7-18-00	#1	Headrick Backhoe, Invoice #5896	
		Backhoe	8.0 hours at \$ 45.00/hr
			\$ 360.00
	#2	A-Plus Welder cut off 4-1/2" and weld on collar	
		Unit #59	2.5 hours at \$ 40.00/hr
			\$ 100.00
Total Line #3 Cost:			\$ 460.00

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July 27, 2000

Page 2

Oil Conservation Division

Joella #1

INVOICE #2143

Rig #4

Cost Summary Continued:

Line #4 – Move-in, move-out charges (Transportation):

7-19-00	#3	Haul drill collars, tubing and water tank to loc.;		
		Unit #151	8.0 hours at \$68.00/hr	\$ 544.00
	#4	Haul P/S and mud pit to loc.		
		Unit #161	5.0 hours at \$68.00/hr	\$ 340.00
	#9	Helper for #161	1.5 hours at \$19.00/hr	\$ 28.50
7-26-00	#5	Help pull rig up steep hill off location; haul load P/S;		
		Unit #141	4.5 hours at \$68.00/hr	\$ 306.00
7-27-00	#6	Haul water tank to A+ yard;		
		Unit #141	4.0 hours at \$68.00/hr	\$ 272.00
	#7	Haul tubing to yard and drill collars to Weatherford;		
		Unit #161	5.5 hours at \$68.00/hr	\$ 374.00
Total Line #2 Cost: \$ 1,864.50				

Line #5 - Water Truck:

7-18-00	#8	Pull water out of cellar for welder to work;		
		Unit #155	4.0 hours at \$46.00/hr	\$ 184.00
7-19-00	#9	Haul 2 loads water to location		
		Unit #155	6.0 hours at \$46.00/hr	\$ 276.00
7-20-00	#10	Haul 2 loads water to location;		
		Unit #155	6.0 hours at \$46.00/hr	\$ 276.00
7-21-00	#11	Haul 1 load water from pit to Basin Disposal;		
		Unit #155	5.0 hours at \$46.00/hr	\$ 230.00
7-24-0	#12	Pulled water from pit and cellar; hauled 1 load water from pit to Basin Disposal;		
		Unit #155	12.0 hours at \$46.00/hr	\$ 552.00
7-26-00	#13	Hauled 2 loads water from pit to Basin Disposal;		
		Unit #155	8.0 hours at \$46.00/hr	\$ 368.00
Total Line #5 Cost: \$ 1,886.00				

Line #6 – Perforate squeeze holes:

7-24-00	Perforate squeeze holes at 410', 300', 200', 150' and 100';		
	5 sets bi-wire perforations @ \$460/ea		\$ 2,300.00
7-25-00	Perforate squeeze holes at 90'		\$ 460.00
Total Line #6 Cost: \$ 2,760.00			

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July 27, 2000

Page 3
Oil Conservation Division
Joella #1

INVOICE #2143

Rig #4

Cost Summary Continued:

Line #7 - Cement Cost:

7-24-00 Plugs: #1, 77 sxs; #2, 10 sxs and #3, 89 sxs;
7-25-00 Plug: #4, 93 sxs;
7-26-00 Plug: #5, 14 sxs;

Total Cement: 283 sxs at \$10.20/sx

\$ 2,886.60

Total Line #7 Cost \$ 2,886.60

Line #8 - Pump Charge Costs:

7-24-00 Plug #1, #2, #3 at \$520 per plug \$ 1,560.00
7-25-00 Plug #4 \$ 520.00
7-26-00 Plug #5 \$ 520.00

Total Line #8 Cost: \$ 2,600.00

Line #9 - Tubing work string:

429' of 2-3/8" tubing at \$0.12 per foot per day for 5 days \$ 257.40

Line #10 - Water Tank Rental

7-19 to 7-26-00, 5 days at \$25.00 per day \$ 150.00

Line #11 - Clean up location and install P&A marker:

7-26-00 P&A Marker, add API number and threads \$ 60.00
7-27-00 #14 Headrick Backhoe, #5897
Backhoe 7.0 hours at \$ 45.00/hr \$ 315.00

Total Line #11 Cost \$ 375.00

Line #12 - Third Party Charges:

7-18-00 #a L&R Anchor Service, #4127 \$ 650.00
7-26-00 #b Basin Disposal, 2 loads, Invoice #29170 \$ 110.00
7-26-00 #c Basin Disposal, 2 loads, Invoice #29091A \$ 285.00
8-01-00 #d Weatherford, rental tools, Invoice #2x-0003770-0C \$ 2,909.70
7-26-00 #e Safety Alliance, rental equipment, Invoice #10436 \$ 221.00

Total Line #12 Cost \$ 4,175.70

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July 27, 2000

Page 4
Oil Conservation Division
Joella #1

INVOICE #2143

Rig #4

COST SUMMARY:

Line #1 - Double drum pulling unit:	\$ 10,260.00
Line #2 - Rig Crew Travel Time:	\$ 656.25
Line #3 - Location and access preparation:	\$ 460.00
Line #4 - Move-in, move-out charges	\$ 1,864.50
Line #5 - Water Truck:	\$ 1,886.00
Line #6 - Perforate:	\$ 2,760.00
Line #7 - Cement:	\$ 2,886.60
Line #8 - Pump Charge:	\$ 2,600.00
Line #9 - Tubing work string:	\$ 257.40
Line #10 - Water Tank Rental	\$ 150.00
Line #11 - Clean up location and dry hole marker	\$ 375.00
Line #10 - Third Party Charges:	
Total Third Party Charges	\$ 4,175.70
Handling Fee 10%	\$ 417.57
Total Line #10 Cost:	\$ 4,593.27
	=====
TOTAL	\$ 28,749.02
TAX @ 6.0625%	\$ 1,742.91
	=====
THANK YOU	
TOTAL DUE	\$ 30,491.93

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July 27, 2000

Page 4
Oil Conservation Division
Joella #1

INVOICE #2143

Rig #4

Original Invoice

COST SUMMARY:

Line #1 - Double drum pulling unit:	\$ 10,080.00
Line #2 - Rig Crew Travel Time:	\$ 656.25
Line #3 - Location and access preparation:	\$ 460.00
Line #4 - Move-in, move-out charges	\$ 1,864.50
Line #5 - Water Truck:	\$ 1,886.00
Line #6 - Perforate:	\$ 2,300.00
Line #7 - Cement:	\$ 2,886.60
Line #8 - Pump Charge:	\$ 2,600.00
Line #9 - Tubing work string:	\$ 257.40
Line #11 - Clean up location and dry hole marker	\$ 425.00
Line #10 - Third Party Charges:	
12 Total Third Party Charges	\$ 4,175.70
Handling Fee 10%	\$ 417.57
Total Line #10 Cost:	\$ 4,593.27
	=====
TOTAL	\$ 28,009.02
TAX @ 6.0625%	\$ 1,698.05
	=====
THANK YOU	
TOTAL DUE	\$ 29,707.07

Daily Report

A - PLUS WELL SERVICE

16460

P.O. BOX 1979 • FARMINGTON, NM 87499
505-325-2627 • FAX (505) 325-1211Rig No -4Date July 18 2000Well No Joella #1Location Sec 5 T3CN RDWCompany NMOCO

FROM	TO	DESCRIPTION OF OPERATION
7:30am		met with Ron Hendrick & Charley Perrin
7:45am		AT A-Plus office
7:45am		Drove to loc. - Joella #1 Ron Hendrick UN Loaded His
8:45am		Back Ape.
8:45am		Charley & My self Look at the Loc to see which way was best to spot Rig & Equipment & Dry up around well - Ditch water to Pit
		Ron Hendrick Cleared Loc. dug around well Head. ditched off water Fix Pit to Hold Water
		Made Pad to spot Rig & Equipment & Lay 2 3/8 IRG & Drill collars & made small Road to West to set
		12 Noon Anchors for Anchor Track. Return to Yard
2:30pm		Sent Fred w/welder & slip on collar 4 1/2" To
3:30pm		Well w/ Le Roy & ISS drove to loc.
3pm		Fred cut off dry Hole Mark. & Le Roy Pull Water from around well w/ ISS water Truck
4 pm		Then weld on 4 1/2 collar Then send Fred & Le Roy to yard
4		Wait on L&R to Set Anchors & show Him
5:30pm		Where to set Anchor without getting stuck.
		Return to Town

Fuel & Motor Oil _____ Water Hauled _____

Rental Equipment _____ Cement Retainers _____

Cementing _____

Wireline _____

Only Day →

CREW	NAME	UNIT #	MILEAGE	HOURS
Supervisor	GA Jones			
Operator				
Helper				
Helper				
Helper				

P.O. BOX 1979 • FARMINGTON, NM 87499
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Rig No 4

Date Wednesday July 19-2000

Well No. Joella #1 Location Sec 5 T30N R17W Company NMOC

FROM	TO	DESCRIPTION OF OPERATION
5:30AM	6:30AM	Load Rig Supply Start Rig + Cement P.T.
6:30AM	7:30AM	Roll Rig + Cement Equipment to Top of Hill above Loc.
7:30AM		Help Spot Equipment in on Small Loc. Pit-Swirl Drillcollars
	10AM	Tubing.
10AM		Move Rig in to loc. + spot Found Hole in Radiator on Rig.
	10:30AM	Rig up 1/2 mas
10:30AM		Drain + Remove Radiator Load in Pickup + Take to
	1PM	Johnny's Radiator
1PM	2PM	Pickup Tong Hose + Parts for Rig + Repair

Fuel & Motor Oil _____ Water Hauled A-Plug - 2 Loads

Rental Equipment _____ Cement Retainers _____

Cementing _____

Wireline _____

Only \rightarrow

CREW	NAME	UNIT #	MILEAGE	HOURS
Supervisor	George A Jones	04		
Operator	H. Ferro	16		8 1/2
Helper	M. Figue			8 1/2
Helper	R. Harrison			8 1/2
Helper	P. Fitzpatrick			8 1/2

Rig No #4

Date THU 7-20-2000

Well No Joe 11A #1 Location _____ Company UMCO

FROM	TO	DESCRIPTION OF OPERATION
5:30	6:30	HELLO SAFETY MTR @ SAFETY Alliance (TOPIC) MSDS & HAZ COM
6:30	7:00	LOAD RIG SUPPLYS.
7:00	8:00	TRAVEL TO LOC.
8:00	10:00	INSTALL NEW FAN BELTS & RADATOR ON RIG.
10:00	10:30	R-D RIG & REPAIR OPERATOR SIDE OF RIG (SINKING)
10:30	12:00	R-D RIG & EQUIP.
12:00	12:45	NEW 4 1/2" x 8 5/8" HEAD & BOP. TEST BOP.
12:45	1:45	R-D DRILLING EQUIP.
1:45		P-U 1-3 1/8" COLLAR & BIT SUB & 3 7/8" BLADE BIT. TAG CEMENT 1' FROM SURFACE DRILL CEMENT & IRON TO 7' & FELL OUT. ROTATE & WASH DOWN TO 31' MAKE CONNECTION. WASH DOWN TO 32' TAG SOLID. DRILL FROM 32' TO 36'
	4:30	ALL IRON RETURNS.
4:30	5:00	R-D DRILLING EQUIP.
5:00		P-U 2 3/8" TBG OPEN ENDED & TAG SOLID @ 50'. L-D TBG. SHUT WELL IN.
	5:30	SOSO.

(12 HRS)

Rental 2 1/8" x 59' - 50'

1- 2 3/8" Stripping Rubber

Charlie Perrin w/UMASSO WAS ON LOC.

Fuel & Motor Oil _____ Water Hauled 2-LOADS (A-PLUS)

Rental Equipment _____ Cement Retainers _____

Cementing

Wireline _____

CREW	NAME	UNIT #	MILEAGE	HOURS
Supervisor	R. Whiteley	25		
Operator	H. Fiero	16		12
Helper	R. HARRISON			12
Helper	m. Fiero			12
Helper	P. FITZPATRICK			12

Daily Report

A - PLUS WELL SERVICE

P.O. BOX 1979 • FARMINGTON, NM 87499
505-325-2627 • FAX (505) 325-1211

Rig No # 4

Date frj 7-21-2000

Well No Jac 11A #1

Location

Company AMCO

FROM	TO	DESCRIPTION OF OPERATION
5:30	5:45	LOAD RIG SUPPLYS.
5:45	7:00	TRAVEL TO LOC.
7:00	7:30	START RIG & EQUIP. HOLD SAFETY MTD. (TOPIC) SWAKES.
7:30		MAKE UP 3 7/8" TAPPED MILL ON 3 7/8" DRILL COLLAR & START DRILLING 2'
	10:30	FROM SURFACE (RETURNS METAL) DRILL TO 28'
10:30	10:45	PUSH & CHANGE 3 7/8" MILL TO 3 3/4" BLADE BIT. TIM & TAG UP @ 50'
10:45		DRILL FROM 50' TO 429' T-O. (RETURNS IRON & CEMENT) PRESSURE
	5:30	TEST CSA TO 600# OK.
5:30	6:00	CIRCULATE WELL CLEAN. P-U OFF BOTTOM 1 JT SHUT WELL IN. SDFW
		(12 1/2 HRS)
		Rental 2 3/8" x tubing 1 - 3 7/8" Blade Bit (used) 1 - 2 3/8" Stripping Rubber
		CHARLIE PERDUE 13 / NMOGD WAS ON LOC.

Fuel & Motor Oil _____ Water Hauled 1-6000 DISP (A-PLUS)

Rental Equipment _____ Cement Retainers _____

Cementing

Wireline _____

CREW	NAME	UNIT #	MILEAGE	HOURS
Supervisor	R. Whiteley	25		
Operator	H. Fiero	16		12 1/2
Helper	R. Harrison			12 1/2
Helper	M. Fiero			12 1/2
Helper	P. Fitzpatrick			12 1/2

Daily Report

A - PLUS WELL SERVICE

16662

P.O. BOX 1979 • FARMINGTON, NM 87499
505-325-2627 • FAX (505) 325-1211Rig No #4Date Mon 7-24-2000Well No Jac 11A #1 Location _____Company NMACO

1 1/4 hrs

FROM	TO	DESCRIPTION OF OPERATION
5:30	5:45	LOAD RIG SUPPLYS.
5:45	7:00	TRAVEL TO LOC.
7:00	7:30	START RIG & EQUIP. HOLD SAFETY MTS (TOPIC) H2S
7:30	7:45	T.H. & TAG BOTTOM @ 429'. CIRCULATE WELL. TEST CSG TO 500' OK.
7:45	8:30	R-D DRILLING EQUIP. & R-D TBS EQUIP.
8:30	9:00	POOH WITH TBS, & L-D 6-3/8" DRILL COLLARS.
9:00		R-D WIRELINE, T.H. & PERFORATE 3-1/16" HOLES @ 410'. POOH. TRY TO EST
	9:30	RATE INTO PERFS @ 410' PRESSURE UP TO 1,000' & HOLD.
9:30	9:50	T.H. WITH 2 3/8" TBS TO 429'
9:50	10:00	PLUS #1 MIX & PUMP ^{15.6"} 7 SKS CEMENT, FROM 429' TO TAC @ 334'
10:00	10:15	L-D TBS TO 315'. POOH WITH TBS.
10:15		T.H. & PERFORATE 3-1/16" HOLES @ 300'. POOH. R-D WIRELINE, EST RATE INTO
	10:40	PERFS @ 300' @ 1/16 BPM @ 1,300'
10:40	11:00	T.H. WITH TBS TO 334'
11:00		CIRCULATE WELL 1/8 BBL CEMENT RETURNS, PLUS #2 MIX & PUMP ^{15.6"} 10 SKS CEMENT
	11:20	WITH 2 1/2" CACL FROM 334' TO TAC @ 199'
11:20	11:30	L-D ALL THE TBS.
11:30	11:45	DISPLACE CEMENT TO 226'
11:45	1:20	WOC.
1:20		T.H. WITH WIRELINE & TAG TAC @ 232'. POOH. TEST CSG TO 750' OK. T.H. &
		PERFORATE 3-1/16" HOLES @ 200'. POOH. R-D WIRELINE, TRY TO EST RATE INTO
		PERFS @ 200' PRESSURE UP TO 1,000' & HOLD. T.H. & PERFORATE 3-1/16" HOLES @
		150'. TRY TO EST RATE. PRESSURE UP TO 1,300'. T.H. & PERFORATE 3-1/16" HOLES @
		100'. POOH. BREAK CIRCULATION AROUND 4 1/2" CSG WITH 2,000' & BREAK BACK TO
	3:15	800' R-D WIRELINE.
3:15		T.H. WITH TBS TO 231'. PLUS #3 MIX & PUMP ^{15.6"} 26 SKS CEMENT, FROM 231' WITH 9000
		CEMENT RETURNS OUT THE CSG VALVE. L-D ALL TBS. Tie on CSG. mix & PUMP ^{15.6"} 63 SKS
		CEMENT WITH 9000 CEMENT RETURNS AROUND 4 1/2" CSG. SHUT WELL IN. SOFW.
5:30		CHARLIE PERRIN W/ NMACO WAS ON LOC. / OPEN WELL DISP CEMENT TO 128'

Fuel & Motor Oil _____ Water Hauled (12 HRS)Rental Equipment 2 1/2" tubing - 429' Cement Retainers _____Cementing P-#1-7 SKS P-#2-10 SKS P-#3-89 SKSWireline 3-1/16" HOLES @ 410' & 300' & 200' & 150' & 100'

One Day

CREW	NAME	UNIT #	MILEAGE	HOURS
Supervisor	R. Whitely	25		
Operator	H. Fiero	16		12
Helper	R. Harrison			12
Helper	M. Fiero			12
Helper	P. Fitzpatrick			12

10 1/2 hrs

P.O. BOX 1979 • FARMINGTON, NM 87499
505-325-2627 • FAX (505) 325-1211

Rig No # 4

Date Tue 7-25-2000

Well No. Joella #1 Location _____ Company umaco

[illegible]

Fuel & Motor Oil 24.0 Water Hauled _____

Rental Equipment 2% Feb. 43 Cement Retainers _____

Cementing P-4-93 SKS

Wireline 2-2 1/8" Holes @ 90'

CREW	NAME	UNIT #	MILEAGE	HOURS
Supervisor	R. Whiteley	25		
Operator	H. Fiero	16		6 1/2
Helper	R. Harrison			6 1/2
Helper	M. Fiero			6 1/2
Helper	P. Fitzpatrick	#110 in a fill 2 hrs		8 1/2

Date 7-25-2000

Rig No 44

Date Wed 7-26-2000

Well No Jocella #1 Location _____ Company NMCCO

FROM	TO	DESCRIPTION OF OPERATION
5:30	5:45	LOAD RIG SUPPLYS.
5:45	7:00	TRAVEL TO LOC.
7:00	7:30	START RIG & EQUIP. HOLD SAFETY INTO (TOPIC) R-D.
7:30		NO WATER FLOW ON WELL TEST CSG TO 1,200' OK. P-U TBG & TAG TO @ 65'
		Plug #5 mix & Pump 14 sacks cement from 65' with 9000 cement Returns
	8:15	OUT THE CSG VALVE L-O TBG
8:15	9:00	R-O TBG EQUIP. N-O BOP & HEAD. SCREW MARKER INTO 4 1/2" CSG COLLAR.
9:00	10:15	R-O Rig & equip. MAL.
10:15	12:00	ROAD RIG & EQUIP TO THE YARD.
		(6 1/2 HRS)
		Charlie Perrier & Henry Villanueva w/ armsco were on loc.

Fuel & Motor Oil _____ Water Hauled 2-LOADS (DISP) A-PLUS
Rental Equipment 2 3/8" tubing Cement Retainers _____
Cementing P-#5-14 S&S
Wireline _____

CREW	NAME	UNIT #	MILEAGE	HOURS
Supervisor	R. Whiteley	25		
Operator	H. Field	16		6 1/2
Helper	R. Harrison			6 1/2
Helper	M. Field			6 1/2
Helper	P. Fitzpatrick			6 1/2

275896

OCD
New Mexico
Row Headrick
Robert

Customer's Order No. Joella #1	Department Rigging	Date 7/18/2000
Name Joella #1 A. P. H. Well Service		
Address Farmington, New Mexico		
City, State, Zip		
Sold By	Cash	C.O.D.
	Charge	On Acct.
	Mdse. Retd.	Paid Out

QUAN.	DESCRIPTION	PRICE	AMOUNT
1	8hr (Backhoe Rent) dig small Pit 45"	360.00	
2	make Road for Anchor Truck		
3	dig out Well head		
4	Total		360.00
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
Received by <i>[Signature]</i>			

Adams DC5808

Keep this Slip for Reference

Date: 7-18-00

Truck #: 59

Event: #1	From: Farmington Yard	To: Well location (Hosbeck)	Hours
Start: 3:00	What: TRAVEL TO WELL SITE		
Stop: 3:45	Charge to: NMCCD Joella #1		0.75 L
Event: #2	From: Joella #1	To: Joella #1	
Start: 3:45	What: cut off DRY HOLE Marker, weld on 4 1/2 casing collar and interior		
Stop: 4:45	Charge to: NMCCD Joella #1		1.0 L
Event: #3	From: well location (Joella #1)	To: Farmington Yard	
Start: 4:45	What: Return to yard		0.75 L
Stop: 5:30	Charge to: NMCCD Joella #1		
Event: #4	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #5	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
GAS:	Driver: Fred Fowler		2.5 L
Diesel:	Helper		
Oil:	NM MILES: 40 CO MILES: UT MILES:		
Remarks:	NMCCD Joella #1		
	Welder to cut off 4 1/2"		
	and weld on collar		

#2

2 1/2 hrs
@ \$40/hr.

A-Plus Well Service, Inc.

P.O. Box 1979, Farmington, NM 87499
505-325-2627

2430

Date: 7-19-00

Truck #: 151

Event: #1	From: A+	To:	Hours
Start: 5:30	What: PRETRIP - REPAIR AIR LINE 5		1 1/2
Stop: 7:00	Charge to: A+		
Event: #2	From: A+	To: JOELLA - #1	2 1/2
Start: 7:00	What: HAUL, DRILL COLLARS, 16' to 2 3/8" TUBING ECT.		
	DROP FLOOD, POLE UP, UNLOAD PIPE, POLE DOWN-		
Stop: 9:30	Charge to: NMOC D		
Event: #3	From: JOELLA - #1	To: A+	1
Start: 9:30	What: DEAD HEAD		
Stop: 10:30	Charge to: NMOC D		
Event: #4	From: A+	To: JOELLA - #1	1 1/2
Start: 10:30	What: LOAD 214 H ₂ O TANK, HAUL TO LOC + SPOT		
Stop: 12:00	Charge to: NMOC D		
Event: #5	From: JOELLA #1	To: A+ YARD	1 1/2
Start: 12:00	What: DEAD HEAD		
Stop: 1:30	Charge to: NMOC D		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
GAS:	Driver: STEVE ANDERSON		8
Diesel:	Helper:		
Oil:	NM MILES: 102 CO MILES: UT MILES:		
Remarks:			
	NMOC D Joella #1		
	Haul &c, tubing - Unload		
	Haul water tank to loc		

#3

8hr

Date: 7-19-00

Truck #: 161

Event: #1	From: <u>Farmington</u>	To: <u>Joella #1</u>	Hours
Start: <u>6:00</u>	What: <u>Plot Swivel + Flow Back Tank</u>		<u>5</u>
Stop: <u>11:00</u>	Charge to: <u>NMOC D</u>	<u>Joella #1</u>	
Event: #2	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #3	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #4	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #5	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
GAS:	Driver: <u>Robert B. Stewart</u>		<u>5</u>
Diesel:	Helper		
Oil:	NM MILES: <u>40</u>	CO MILES: _____	UT MILES: _____
Remarks:			
	<u>NMOC D Joella #1</u>		
	<u>Haul P/s: Mud pit to loc.</u>		

#4

5 hrs

A-Plus Well Service, Inc.

P.O. Box 1979, Farmington, NM 87499
505-325-2627

2436

Date: 7-26-00Truck #: 441

Event: #1	From: <u>A+</u>	To:	Hours
Start: <u>5:30</u>	What: <u>PRETRIP</u>		<u>1/2</u>
Stop: <u>6:00</u>	Charge to: <u>A+</u>		
Event: #2	From: <u>A+</u>	To: <u>JOELLA #1</u>	<u>1</u>
Start: <u>6:00</u>	What: <u>TRAVEL</u>		
Stop: <u>7:00</u>	Charge to: <u>NMUCD</u>		
Event: #3	From: <u>JOELLA #1</u>	To: <u>A+ YARD</u>	<u>3 1/2</u>
Start: <u>7:00</u>	What: <u>STANDBY TO PULL RIG UP HILL, LOAD</u> <u>PUR SWIVEL RETURN TO YARD</u>		
Stop: <u>10:30</u>	Charge to:		
Event: #4	From:	To:	<u>3</u>
Start: <u>10:30</u>	What:		
Stop: <u>2:00</u>	Charge to:		
Event: #5	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
<u>GAS</u>	Driver: <u>STEVE ANDERSON</u>		<u>5</u>
Diesel:	Helper:		
Oil:	NM MILES: <u>50</u> CO MILES: _____ UT MILES: _____		
Remarks:			
	<u>standby to pull rig up steep hill, Load P/S &</u>		
	<u>return to yard</u>		
	<u>4.5</u>		

#5

A-Plus Well Service, Inc.

P.O. Box 1979, Farmington, NM 87499
505-325-2627

2091

Date: 7-27-00

Truck #: 141

Event: #1	From: A-plus YARD To:	Hours
Start: 5:30	What: helped Fred on 155	
	changed parts	5
Stop: 10:30	Charge to:	
Event: #2	From: A-plus YARD To:	
Start: 10:30	What:	1.5
	Preck	
Stop: 11:00	Charge to: N.M.E.D.	
Event: #3	From: A-plus YARD To: Joella #1	
Start: 11:00	What:	1
	Road Time out	
Stop: 12:00	Charge to: N.M.E.D.	
Event: #4	From: Joella #1 To:	
Start: 12:00	What: load tank on lowboy	1.5
Stop: 1:30	Charge to: N.M.E.D.	
Event: #5	From: Joella #1 To: A-plus YARD	
Start: 1:30	What:	1
	Road Time in	
Stop: 2:30	Charge to: N.M.E.D.	
Event: #6	From: To:	
Start: 2:30	What: helped Fred on 155	
	Filled 143	2.5
Stop: 5:00	Charge to:	
Event: #7	From: To:	
Start:	What:	
Stop:	Charge to:	
Event: #8	From: To:	
Start:	What:	
Stop:	Charge to:	
GAS	Driver: Rudy Maez	11.5
Diesel:	Helper	
Oil:	NM MILES: 50 CO MILES: UT MILES:	
Remarks:	Haul w/t on lowboy to loc	4.0

#6

A-Plus Well Service, Inc.

P.O. Box 1979, Farmington, NM 87499
505-325-2627

2439

Date: 7-27-00

Truck #: 161

Event: #1	From: A+	To: BUBBLE CITY	Hours
Start: 9:00	What: FUEL + WASH TRUCK		1 1/2
Stop: 9:30			
Stop: 9:40	Charge to: A+		
Event: #2	From: A+ - BURL C+G YARD	To: MORRIS A 3R	1
Start: 10:00	What: LOAD 1 1/4" 10' 2400' HAUL TO LOC.		
	SPOT FLOAT		
Stop: 11:00	Charge to: BURL C+G		
Event: #3	From: MORRIS A 3R	To: A+	1/2
Start: 11:00	What: TRAVEL TO YARD		
Stop: 11:30	Charge to: A+ BURL C+G		
Event: #4	From: A+	To: JOELLA #1	1 1/2
Start: 11:30	What: PICKUP FLOAT + TRAVEL TO LOC		
Stop: 1:00	Charge to: NMOCN		
Event: #5	From: JOELLA #1	To: WEATHERFORD TO A+ YARD	2
Start: 1:00	What: LOAD 16 1/2 2 3/8 TUBING + 6 3/4 DRILL COLLARS		
	HAUL TO WF. UNLOAD COLLARS, TO YARD UNLOAD TUBING		
Stop: 3:00	Charge to: NMOCN		
Event: #6	From: A+ YARD	To: JOELLA #1	1
Start: 3:00	What: TRAVEL + LOAD 200 BBL H2O TANK		
Stop: 4:00	Charge to: NMOCN		
Event: #7	From: JOELLA #	To: A+ YARD	1
Start: 4:00	What: HAUL 200 BBL H2O TANK		
Stop: 5:00	Charge to: NMOCN		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
GAS:	Driver: STEVE ANDERSON		7 1/2
Diesel:	Helper:		
Oil:	NM MILES: 140	CO MILES:	UT MILES:
Remarks:	NMOCN Haul tubing + 6 3/8" drill collars to Weatherford, unload collars, Drive to A-Plus Yard, unload tubing Drive to location + load 4 ft - haul to A-Plus Yard		
	Burl Load 1 1/4 tbg - haul to location + spot in		1 1/2

#7

Date: 7-18-00

Truck #: 155

Event: #1	From: A-plus YARD To:	Hours
Start: 5:30	What:	
	Pre CK	.5
Stop: 6:00	Charge to: Burlington Resources	
Event: #2	From: Farmington Fire hydrant To: State line # 2	
Start: 6:00	What: hauled 2 loads From Farmington to State line # 2	4
Stop: 10:00	Charge to:	
Event: #3	From: State line # 2 To: A-plus YARD	
Start: 10:00	What:	
	Road Time in	1
Stop: 11:00	Charge to: Burlington Resources	
Event: #4	From: A-plus YARD To:	
Start: 11:00	What: helped Fred on 123 - chased parts	3
Stop: 2:00	Charge to:	
Event: #5	From: A-plus To: Joell #1	
Start: 2:00	What: pulled water out of cellar so Fred could weld a collar	4
Stop: 6:00	Charge to:	
Event: #6	From: To:	
Start:	What:	
Stop:	Charge to:	
Event: #7	From: To:	
Start:	What:	
Stop:	Charge to:	
Event: #8	From: To:	
Start:	What:	
Stop:	Charge to:	
Gas:	Driver: Leroy Maize	12.5
Diesel:	Helper:	
Oil:	NM MILES: 95 CO MILES: UT MILES:	
Remarks:	N/A CD Joell #1 Pull water out of cellar for welder to work	

#8

4 hr

Date: 7-19-00

Truck #: 155

Event: #1	From: A-plus	To:	Hours
Start: 5:30	What:		
		Pre CK	15
Stop: 6:00	Charge to:	NMCD	
Event: #2	From: Farmington fire plug	To: Joella #1	
Start: 6:00	What:	hauled 2 load from Farmington	
		swapped on 161	7
Stop: 1:00	Charge to:	NMCD	
Event: #3	From: Joella #1	To: A-plus yard	
Start: 1:00	What:		1
Stop: 2:00	Charge to:	U.M.C.D	
Event: #4	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #5	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
GAS	Driver: Lucky Marez		8 1/2
Diesel:	Helper		
Oil:	NM MILES: 47	CO MILES:	UT MILES:
Remarks:			
	NMCD Joella #1		
	Haul 2 loads water to location		
	Helper #161		

#9

Water TK
6 hrs

1 1/2 hrs

Date: 7-20-00

Truck #: 155

Event: #1	From:	To:	Hours
Start: 5:30	What:		
	Safety Meetings		1
Stop: 6:30	Charge to:		
Event: #2	From: A-plus YARD	To:	
Start: 6:30	What:		
	Pre CK		25
Stop: 7:00	Charge to:		
Event: #3	From: Farmington, Fire plus	To: Joella #1	
Start: 7:00	What: hauled 2 loads from Farmington Fire Hydrant		4.5
Stop: 11:30	Charge to:		
Event: #4	From: Joella #1	To: A-plus YARD	
Start: 11:30	What:		1
	Road Time in		
Stop: 12:30	Charge to:		
Event: #5	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
GAS	Driver: LeRy Maez		2
Diesel:	Helper		
Oil:	NM MILES: 45 CO MILES: UT MILES:		
Remarks:	Haul 2 loads water from Farmington to loc.		6

#10

Date: 7-21-00

Truck #: 155

Event: #1	From: A-plus YARD	To:	
Start: 5:30	What: Pre CK		Hours
Stop: 6:00	Charge to: N.M.E.D.		.5
Event: #2	From: A-plus YARD	To: Joella #1	
Start: 6:00	What: Road Time Out		1
Stop: 7:00	Charge to: N.M.E.D.		
Event: #3	From: Joella #1	To: Basin Disposal	
Start: 7:00	What: Pulled pit Took to Basin		
Stop: 10:30	Charge to: N.M.E.D.		3.5
Event: #4	From: Basin Disposal	To: A-plus YARD	
Start: 13:30	What:		
Stop: 11:00	Charge to: N.M.E.D.		.5
Event: #5	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
GAS	Driver: Leroy Maez		
Diesel:	Helper		5.5
Oil:	NM MILES: 49	CO MILES:	UT MILES:
Remarks:	Hauled 1 load water from pit to Disposal		5

#11

Date: 7-24-00

Truck #: 155

Event: #1	From: A-plus yard	To:	Hours
Start: 5:30	What:		
		Pre CK	.5
Stop: 6:00	Charge to:	N.M.E.D.	
Event: #2	From: A-plus yard	To: Joella #1	
Start: 6:00	What:		
		Road Time Out	1
Stop: 7:00	Charge to:	N.M.E.D.	
Event: #3	From: Joella #1	To:	
Start: 7:00	What:	pulled pit + collar + made room for Flow back - waited on Flow Back	8.5
Stop: 3:30	Charge to:	N.M.E.D.	
Event: #4	From: Joella #1	To: Basin Disposal	
Start: 3:30	What:	hauled 1 load of dirty water to Basin + unloaded	2
Stop: 5:30	Charge to:		
Event: #5	From: Basin Disposal	To: A-plus yard	
Start: 5:30	What:		
		Road Time in	.5
Stop: 6:00	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
C.A.S.	Driver: Luke Maez		12.5
Diesel:	Helper:		
Oil:	NM MILES: 66 CO MILES: UT MILES:		
Remarks:			
	Pulled water from pit + collar - hauled 80 bbls water to Disposal		12

#12

A-Plus Well Service, Inc.

P.O. Box 1979, Farmington, NM 87499

505-325-2627

20

Date: 7-26-00

Truck #: 155

Event: #1	From: A-plus yard	To:	Hours
Start: 5:30	What:		
		Pie CK	0.5
Stop: 6:00	Charge to:	N.M.E.D.	
Event: #2	From: A-plus yard	To: Joella #1	
Start: 6:00	What:	Road Time out	1
Stop: 7:00	Charge to:		
Event: #3	From: Joella #1	To: Basin Disposal	
Start: 7:00	What:	hauled 2 load from Big pit	6.5
		To Disposal	
Stop: 1:30	Charge to:	N.M.E.D.	
Event: #4	From: Basin Disposal	To: A-plus	
Start: 1:30	What:		
		Road Time in	1.5
Stop: 2:00	Charge to:	N.M.E.D.	
Event: #5	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #6	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #7	From:	To:	
Start:	What:		
Stop:	Charge to:		
Event: #8	From:	To:	
Start:	What:		
Stop:	Charge to:		
GAS:	Driver: Le Roy Mace		8.5
Diesel:	Helper:		
Oil:	NM MILES: 100 CO MILES: UT MILES:		
Remarks:	Haul 2 loads water from pit to Disposal		8.0

#13

275897

OCD

Ron Hendrick

K. W. Hill

Robert

Customer's Order No. <i>710000001</i>	Department <i>Pig Hts</i>	Date <i>4/10/2000</i>
Name <i>A. Flores</i>		
Address <i>Farmington, New Mexico</i>		
City, State, Zip		
Sold By	Cash	C.O.D.
	Charge	On Acct.
	Mdse. Retd.	Paid Out

QUAN.	DESCRIPTION	PRICE	AMOUNT
1	1 hr (Backhoe Rent) Power up Pit	45 ⁰⁰	315 ⁰⁰
2	4 Clean up after Drilling out		
3	+ Pit A: 100 H		
4	Total		315 ⁰⁰
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			

#14

Received by

Adams DC5808

Keep this Slip for Reference

L&R ANCHOR SERVICE

519 E. Animas St.
Farmington, NM 87401
505-325-1922
FAX 505-327-2537

Invoice

DATE	INVOICE #
7/18/2000	4127

BILL TO

A-PLUS WELL SERVICE INC
PO BOX 1979
FARMINGTON NM 87499-1979

GEORGE JONES

VENDOR NO.	TERMS

DATE	DESCRIPTION	AMOUNT
7/18/2000	JULIET #1 SET AND TEST ANCHORS.	650.00
		#21
Total		\$650.00

TERMS: Net 30 Days. Interest Charged at the Rate of
2% PER MONTH or 24% PER ANNUM on Accounts
not paid within 30 days.

L & R Anchor Service and Test Hole Monitoring

519 E. Animas
Farmington, NM 87401
(505) 325-1922
Roustabout Services

Date: 7-18-00
Company: A-Plus Lease: Juliet Well No: 1
Work Description: Set-4-Test-4

(Soft Drilling, Got stuck, location
way out in tool-ies) Additional 2 hours

Materials Used: 4- Tags

Equipment Used:	Name or Unit Number	Hours	Rate	Amount
Anchor Truck	<u>T-44</u>	<u>5</u>		<u>550.00</u>
Test Truck				
anchors	<u>4</u>			
2 1/2 Ton Truck				
1 Ton Truck				
Backhoe				
Trailer				
Float				
Pickup				
Other	<u>2 hours over</u>	<u>2</u>	<u>50.00</u>	<u>100.00</u>
Other	<u>TIME</u>			
Other				
Foreman Name	<u>S Green</u>	<u>7</u>		
Helper Name				
Helper Name				
			Sub total	<u>\$ 650.00</u>
			Tax	
			Total	<u>\$</u>

George Jones

Foreman Signature: _____

Accepted by: _____

#2-2

INVOICE # 29170

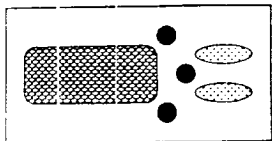
INVOICE DATE 7/28/00

A-PLUS WELL SERVICE
P O BOX 1979

FARMINGTON, NM 87499-1979

BASIN DISPOSAL, INC.

"SPECIALIZING IN KCL AND DISPOSAL OF PRODUCED WATER"
P.O. BOX 100 • AZTEC, NEW MEXICO 87410 • PHONE(505) 334-3013



LOCATION: JOELL #1

NEW MEXICO ENERGY DEPARTMENT

DATE:	TICKET NUMBER		LOADS	RATE	AMOUNT
7/26/00	82738	A-PLUS WELL SERVICE	2.00	55.00	110.00

SUB TOTAL

5.750% SALES TAX

\$110.00

6.33

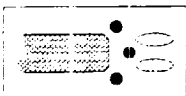
TOTAL AMOUNT DUE

\$116.33

THANK YOU

No TAX

b-1



BASIN DISPOSAL, INC.

P.O. BOX 100 • AZTEC, NEW MEXICO 87410 • PHONE: (505) 632-8936
LOCATED 3 MILES NORTH OF BLOOMFIELD ON WEST SIDE OF NM HWY 44

29170
NO. 82738

DATE 7/26/2000 CUSTOMER NEW MEXICO ENERGY DEPT.
WELL NAME & NUMBER JOELL #1
TRUCKING CO. A PLUS UNIT NO. 155
DRIVER L. MAZE DEL. TICKET NO. 2236
ORDERED BY _____

NO.	WATER	MUD	TIME	AM	PM	DRIVER'S SIGNATURE
1	80					L. Maze
2	80					
3	100					
4						
5						
6						

2 LOADS @ 55.00 = ~~110.00~~

____ LOADS @ _____ = _____

TOTAL = ~~110.00~~
110.00

ATTENDANT'S SIGNATURE _____

ALPHAGRAPHICS BD003

#6-2

INVOICE # 29091A

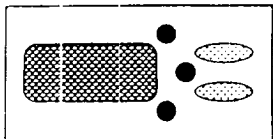
INVOICE DATE 7/26/00

A-PLUS WELL SERVICE
P O BOX 1979

FARMINGTON, NM 87499-1979

BASIN DISPOSAL, INC.

"SPECIALIZING IN KCL AND DISPOSAL OF PRODUCED WATER"
P.O. BOX 100 • AZTEC, NEW MEXICO 87410 • PHONE(505) 334-3013



LOCATION: JOELLA #1

STATE OF NEW MEXICO ENERGY DEPT
CHARLIE PE

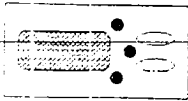
DATE:	TICKET NUMBER		LOADS	RATE	AMOUNT
7/21/00	82430	A-PLUS WELL SERVICE	1.00	55.00	55.00
7/21/00	82430	TREAT H2S W\CHEMICALS	5.00	25.00	125.00
7/24/00	82624	A-PLUS WELL SERVICE	1.00	55.00	55.00
7/24/00	82624	TREAT H2S W\CHEMICALS	2.00	25.00	50.00

SUB TOTAL \$285.00
5.750% SALES TAX 16.39

TOTAL AMOUNT DUE \$301.39

THANK YOU

C-1



BASIN DISPOSAL, INC.

P.O. BOX 100 • AZTEC, NEW MEXICO 87410 • PHONE: (505) 632-8936
LOCATED 3 MILES NORTH OF BLOOMFIELD ON WEST SIDE OF NM HWY 44

29091
NO. 82430

DATE 7-21-00

CUSTOMER STATE OF NEW MEXICO ENERGY DEP.

WELL NAME & NUMBER JOELLA #1

TRUCKING CO. A-PLUS WELL SERVICE

UNIT NO. 155

DRIVER L. MEAZ

ORDERED BY CHARLIE T. PERRIN

DEL. TICKET NO. 0

NO.	WATER	MUD	TIME	AM	PM	DRIVER'S SIGNATURE
1	80					L. Meaz
2						
3						
4						
5						
6						

125 PPM H₂S
TREATED WATER TO

LOADS @ 55⁰⁰

KILL H₂S USING

5 gals
LOADS @ 25⁰⁰ = 125⁰⁰

CHEMICAL

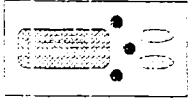
TOTAL = 180⁰⁰

ATTENDANT'S SIGNATURE

[Signature]

ALPHAGRAPHS B0003

#C-2



BASIN DISPOSAL, INC.

P.O. BOX 100 • AZTEC, NEW MEXICO 87410 • PHONE: (505) 632-8936
LOCATED 3 MILES NORTH OF BLOOMFIELD ON WEST SIDE OF NM HWY 44

29091

NO. 82624

DATE 7/24/2000 CUSTOMER NEW MEXICO ENERGY & DEVELOPMENT
men

WELL NAME & NUMBER JOELL #1

TRUCKING CO. A-PLUS UNIT NO. 155

DRIVER L. MAZE

ORDERED BY CHARLIE DEL. TICKET NO. 0

NO.	WATER	MUD	TIME	AM	PM	DRIVER'S SIGNATURE
A 1	80					L. Maze
2						
3						
4						
5						
6						

1 LOADS @ 55.00
Bill H2S LOADS @ 20.00

TOTAL = 105.00

ATTENDANT'S SIGNATURE L. Maze

ALPHAGRAPHICS BD003

#C-3

Weatherford

Iny Seq#: 2X 001 Final Bill
 01-AUG-2000
 LUS WELL SERVICE INC
 BOX 1979
 MINGTON, NM 87499 USA

Supplied By: FARMINGTON
 Wh Phone #: 505-327-6341
 Ordered By: GEORGE JONES,
 Contract:
 PO:
 AFE:
 Service Tkt:

Field: STATE JOB
 Well: :
 Rig: :
 UCS: :
 Job Type: RENTALS-DRILL PIPE & CO
 PBook: 98R/FUS
 State: NM
 County: SAN JUAN
 City: <none>

PAGE 1 of

2-1

em#/eq-ine	Description/Serial Numbers/Description	Ship Return	Qty	Bill Days Units UOM	Unit Price Stdbdy Discs	Gross Amount	Disc %	Extended Amount
1	DRILL COLLAR, SLICK, 3-1/8" OD W/2-1/8" PAC BILL FROM 18-JUL-2000 TO 27-JUL-2000	18-JUL 27-JUL	6	Min-> 5.00 Add-> 6.0000 EA	160.00 16.00	960.00	20.00%	768.00 *
2	SUB, LIFT, 2-7/8" CONN & SMALLER 271111 - 2-7/8" PAC PIN W/2-3/8" OD NECK, SS 304896 - 2-7/8" PAC PIN W/2-3/8" OD NECK, SS 4578 - 2-7/8" PAC PIN W/2-3/8" SS BILL FROM 18-JUL-2000 TO 26-JUL-2000	18-JUL 26-JUL	3	Min-> 5.00 Add-> 1.0000 EA	66.00 10.00	198.00	20.00%	158.40 *
3	SUB, BOX X PIN, 2-7/8" CONN X2-3/8" CONN & SML SUB, BOX X PIN, 2-7/8" CONN X 2-3/8" CONN & SML 4480 - 2-3/8" EUE BRD BOX X 2-7/8" PAC PIN BILL FROM 18-JUL-2000 TO 26-JUL-2000	18-JUL 26-JUL	1	Min-> 5.00 Add-> 1.0000 EA	33.00 10.00	33.00	20.00%	26.40 *
4	SUB, BOX X BOX, 2-7/8" CONN X2-3/8" CONN & SML SUB, BOX X BOX, 2-7/8" CONN X 2-3/8" CONN & SML 102668 - 2-7/8" PAC BOX X 2-3/8" REG BOX BILL FROM 18-JUL-2000 TO 26-JUL-2000	18-JUL 26-JUL	1	Min-> 5.00 Add-> 1.0000 EA	33.00 10.00	33.00	20.00%	26.40 *
5	CLAMP, SAFETY TYPE "I" (NON-SERIALIZED) 5 LINK SAFETY TYPE "I" (5129) BILL FROM 18-JUL-2000 TO 26-JUL-2000	18-JUL 26-JUL	1	Min-> 5.00 Add-> 1.0000 EA	160.00 16.00	160.00	20.00%	128.00 *
7	MILL, TAPERED, 2-3/8" CONN 103481 - 3-7/8" OD W/2-3/8" REG PIN (1190) BILL FROM 21-JUL-2000 TO 24-JUL-2000	21-JUL 24-JUL	1	Min-> 1.00 Add-> 3.8750 IN	.00 340.00	1317.50		1317.50 *
6	THIRD PARTY INSPECTION CHARGE, RENTAL TOOLS	18-JUL	1	Min->	.00	360.00		360.00

ORIGINAL

EQUIPMENT AND SERVICES ARE PROVIDED SUBJECT TO TERMS AND CONDITIONS ON REVERSE. INCLUDING INSURANCE, INDEMNITY, RELEASE, HOLD HARMLESS AND WARRANTY DISCLAIMER.



Weatherford

Inv Seq#: 2X 001 * BILLING APPROVAL * PAGE 2 of

Seq- Line	Description/ Serial Numbers/Description	Ship Return	Qty	Bill Days Units UOM	Unit Price Stdby Disc%	Gross Amount Disc %	Extended Amount
8	WASTE DISPOSAL CHARGE 20 ENDS			Add-> 1.00 20.0000 EA	18.00		
9	WEATHERFORD MACHINE SHOP CHARGES, REBILL, RENTAL REQUIT BOX AND PIN ON SUB #4480			1 Min-> Add-> 1.00 20.0000 EA	.00 .75	15.00	15.00
				1 Min-> Add-> 1.00 2.0000 EA	.00 55.00	110.00	110.00
Subtotal:							2909.70
State Tax:							130.95
County Tax:							10.91
City Tax:							34.56
TOTAL AMOUNT DUE: US\$							3086.12

Comments:
FIXED PRICES. THANK YOU FOR USING
WEATHERFORD.

Indicates Taxed Item

Date: 01-AUG-2000

Billing Approval:

Signature

Print Name

ORIGINAL

EQUIPMENT AND SERVICES ARE PROVIDED SUBJECT TO TERMS AND CONDITIONS ON REVERSE INCLUDING INSURANCE PROVISIONS. PLEASE HOLD EQUIPMENT AND SERVICES SECURED.

A - PLUS WELL SERVICE, INC.

P.O. BOX 1979
FARMINGTON, NM 87499
505-325-2627 • FAX: 505-325-1211

July 27, 2000

King Oil Company
C/o Oil Conservation Division

Page 3 of 3

Joella #1

1730' FNL and 280' FEL, Section 5, T30N, R17W
San Juan County, NM
Lease #14-20-603-2021. API# 30-045-0993

Plug & Abandonment Report

Plugging Summary Continued:

- 7-25:** Continued: TIH with tubing to 117'. Plug #4 with 18 sxs Class B cement from 117' to surface with good cement returns out casing valve. TOH and LD tubing. Connect pump line to 4-1/2" casing and then mix and pump 75 sxs Class B cement down the casing; did not circulate to surface. Displace cement to 64' and shut in well. SDFD.
- 7-26:** Safety Meeting. Open up well; no water flow. Pressure test casing to 1,200#, held OK. PU tubing and tag cement at 65'. Plug #5 with 14 sxs Class B cement from 65' to surface, circulate good cement returns out casing valve. TOH and LD tubing. RD tubing equipment and ND BO with wellhead. Screw P&A marker into 4-1/2" casing collar. RD rig and equipment; move off location. Road rig and equipment to A-Plus' yard.
Charlie Perrin with NMOCD was on location and approved the plugging activities.

Perrin, Charlie

From: Perrin, Charlie
Sent: Tuesday, July 18, 2000 7:17 PM
To: Chavez, Frank; Hebert, Lyn
Cc: Wrotenbery, Lori; Perrin, Charlie
Subject: RE: Emergency Plugging

Lyn

Good afternoon.

Steve Mason with the BLM contacted me Thursday July 13, and said the well was leaking. Friday morning I went to the location to check the leak and see if it could be coming from somewhere else, I checked the area for a possible line leak. The well has been leaking for a while, there is about a one inch stream of fluid with some bubbles coming up about 10 inches from the P&A marker. The fluid has run down a gully for about 200 yards 6 to 14 inches wide. I shook the marker and the bubble flow increased. I discussed this with Frank, we discussed declaring the emergency, .

I called KEY, Triple P, and A-Plus for rig availability, I discussed this with Frank and we discussed the emergency action necessary.

HISTORY

The well was plugged by Johnny Robinson for the NMOCD and Tripple P well service.

ACTION

This morning we dug the pit and diverted the water away from the P&A marker, the fluid and bubbles appear to be coming from around the outside of the casing. The water and bubble flow increased when we bumped the marker.

4:00 p.m. cut off the P&A marker, the casing is full of cement, weld on slip collar, no indication of flow from the inside of the casing. Still fluid and bubbles around the outside of the casing.

4:30 in stall pulling unit anchors.

6:00 leave location for the office.

Wednesday AM we intend:

A-Plus will move in work string, rig up the pulling unit, rig up well head, blowout preventor, pick up a drill collar and power swivel. We will start drilling the cement out.

Hope this helps will keep you all informed as progress is made

Have a great day

Charlie

From: Hebert, Lyn

Sent: Tuesday, July 18, 2000 9:45 AM

To: Chavez, Frank

Cc: Wrotenbery, Lori; Perrin, Charlie

Subject: RE: Emergency Plugging

Frank, what company did the work two years ago? Is there any indication from this leaking condition that the plugging work was negligently performed, or is this just a situation that could not be avoided?

Are you contacting the contractor to do this work? If so, please give the information to Dorothy so that she can start the paperwork.

Would the district provide me with narrative of this situation so that I can prepare a determination for Lori's signature as required by the General Services Department's rules?

Thank you.

From: Chavez, Frank
Sent: Monday, July 17, 2000 17:37 PM
To: Wrotenbery, Lori; Hebert, Lyn
Cc: Perrin, Charlie
Subject: Emergency Plugging

ENVIRONMENTAL CONDITIONS OF APPROVAL

Operator Energen Resources Corporation Well Name Jic 94 1C

Legal Location 2400' FSL & 1650' FEL Sec. 22 T. 27 N. R. 3 W.

Lease Number Jicarilla 94 Field Inspection Date 8/29/2001

The following stipulations will apply to this well unless a particular Surface Managing Agency (SMA) or private surface owner has supplied to the BLM and the operator a contradictory environmental stipulation. The failure of the operator to comply with these requirements may result in the assessment of liquidated damages or penalties pursuant to 43 CFR 3163.1 or 3163.2. A copy of these conditions of approval shall be present on the location during construction, drilling and reclamation activity.

An agreement between the operator and Fee landowner will take precedence over BLM surface stipulations unless 1) the BLM determines that the operator's actions will affect adjacent Federal or Indian surface (43 CFR Part 3160), or 2) the operator does not maintain the well area and lease premises in a workmanlike manner with due regard for safety, conservation and appearance (43 CFR Part 3162.5-3), or 3) no such agreement exists (43 CFR Part 3160), or 4) in the event of well abandonment, minimal Federal restoration requirements will be required (43 CFR Part 3162.3-4).

The approval of this action does not grant or imply approval of any off-lease or off-unit action. It is the responsibility of the applicant to obtain any such approvals from the appropriate surface management agency, including BLM, BIA and/or any private landowners.

On Federal Surface or Minerals, the operator or his contractor will contact the BLM Cuba Field Office, at (505) 289-3748, approximately 24 to 48 hours prior to construction activities and again, upon site completion prior to moving on drilling rig.

For Wells on Tribal Surface, the operator or his contractor will contact the Jicarilla Tribal Inspectors, at (505) 759-3485 ext 31.

The King Oil Company, Joella #1, API# 30-045-09993, H-05-30N-17W, is leaking water and gas to the surface. We plugged this well 2 years ago under RFA.

We will be moving on this well immediately based on rig availability.

<<File: MVC-002S.JPG>> <<File: MVC-004S.JPG>> <<File: MVC-003S.JPG>><<File: MVC-007S.JPG>>
<<File: MVC-005S.JPG>><<File: MVC-006S.JPG>>

I. Site Specific Stipulations

A list of Tribal Ordinances that apply to oil and gas drilling on Tribal Lands is attached and has been provided by the BIA, Jicarilla Agency Real Property Office. For questions regarding these ordinances, please call the BIA.

The Surface Use Plan for the APD should be followed. In order to minimize the spread of noxious weeds all equipment will be cleaned and free of weed seed prior to being brought into the project area.

A. The top to 5 to 6 inches of soil material will be stripped and stockpiled on either side of the reserve pit and used for future reclamation. **This stockpiled material will be used in the reclamation and revegetation of the reserve pit and any unneeded portion of the pad as soon as possible.**

B. The pad will be constructed with drainage controls to prevent overland flow from concentrating or ponding on the well pad. The reserve pit can be high walled during drilling and then sloped back to 3:1 slope when the pit is closed. V-ditch will be constructed below the cut slope to divert run off around the pad after production equipment is placed. When the reserve pit is closed, a natural drainage pattern should be reestablished on the location.

C. Paint color Juniper Green : Seed mix recommended for this site by the Jicarilla Environmental Protection Office is as follows:

Alkali Sacaton (Salado Variety)	1.0 lb per acre
Western Wheat Grass (Arriba or Barton Variety)	8.0 lbs per acre
Intermediate Wheat (Grass Amur or Oahe Variety)	9.0 lbs per acre
Galleta (Caryopsis)	2.0 lbs per acre
Blue Gramma (hachita, lovington)	1.0 lb per acre

Grass seed should be certified weed free to prevent the spread of noxious weeds and planted per Pure Live Seed Calculations (PLS) $PLS = \% \text{ Germination} \times \% \text{ Purity}$.

E. Access roads will be constructed with adequate drainage controls. Turnout ditches or rolling water bars will be graded to drain water with a one percent minimum to a three percent maximum ditch slope. Low water crossings or culverts will be used where necessary. If culverts are installed they will be installed properly and maintained in a functioning condition. The spacing interval for turnout ditches and rolling water bars shall be determined according to the following table, but may be amended depending upon existing soil types and centerline road grade.

Percent Slope Spacing Interval

0-4%	150-350 Feet
4-6%	125-250 Feet
6-8%	100-200 Feet
8-10%	75-150 Feet

Pipelines will be reclaimed with the seed mix identified above and water barred along slopes with the same frequency as roads (see above formula). This well tie pipeline will be placed under NM537 and pipeline company,

Perrin, Charlie

From: Perrin, Charlie
Sent: Thursday, July 20, 2000 6:53 PM
To: Wrotenbery, Lori; Chavez, Frank
Cc: Hebert, Lyn; Phillips, Dorothy; Perrin, Charlie
Subject: Emergency plugging

Good evening

Cost thru July 19. And does not include July 20, 2000
\$3721.00

July 20, 2000

Install radiator on pulling unit,
the rig is leaning to the west, lay down derrick, build up pad on the west side of the unit,
rig up pulling unit
Rig up BOP, 12:00
Pick up swivel, drill collar and bit. Start drilling 1:45,
drill 7 feet and fall out of cement.
wash down to 30', pick up drill collar # 2
Go one foot (31') tag up and start drilling,
We start circulating metal and cement back in the returns.
Mill down to 35', concerned with cutting outside the casing
Lay down swivel,
Pull out of the hole with the collars
look at the bit, indications we were milling on the outside of the bit only,
no marks on the bottom of the bit. 5:00
Rig up to run 2.375" tubing,
run in the hole with tubing
tag at 50'
we are 15 below the bad spot,
pull out of the hole with the tubing
pick up swivel,
close BOP
shut down for the night. 6:00

This letter only serves as notification that National Historic Preservation Act Section 106 compliance has been completed for the subject projects. It does not constitute approval of right-of-way or concurrence in the proposed activities by the Bureau of Indian Affairs (BIA). This compliance is one of several legal requirements that must be accomplished before BIA approval of rights-of-way, easements, or other land use contracts for land modifying projects.

If you have any questions, please contact Dr. Bruce G. Harrill, Regional Archeologist, Branch of Natural Resources Services, at (505) 346-7111.

Sincerely,

signed Arch H. Wells

Acting Deputy Regional Director

cc: Superintendent, Jicarilla Agency, Attn: Realty ✓
Mr. Phil Young, NMHPD
Mr. Gifford Velarde, VES

Perrin, Charlie

From: Perrin, Charlie
Sent: Monday, July 24, 2000 7:21 PM
To: Hebert, Lyn; Wrotenbery, Lori; Phillips, Dorothy; Chavez, Frank
Cc: Perrin, Charlie
Subject: emergency plugging

Good Afternoon

Monday July 24, 2000

I see none of us got the email for the 20th or the 21st so I will try again.

7-20

install radiator,
rig down rig and rework the west side of the rig. rig was sinking
Rig up equipment, blow out preventor, swivel and pick up one collar and bit
Tag cement at one foot start drilling from surface.
Drill 7' and wash down to 31'
Make a connection wash down to 32' drill from 32'-26' getting metal in the returns, no cement
Rig down drilling equipment, pick up tubing and run in the hole tag bottom at 50
Lay down tubing and shut down for night

Cost for 7-20 \$3775.00

Cum cost \$7500.00

7-21

pick up 3 7/8 tapered mill on drill collar and start drilling at 2'
getting all metal returns, drill to 28'
Pull out of the hole pick up 3 3/4' blade bit and run in the hole
Start drilling at 50' drill from 50 to 429', testing casing at each connection
Test casing ok at 600#
Circulate well clean, shut down for night

Cost for 7-21 \$4700.00

Cum cost \$12,200

7-24

run in hole and tag bottom at 429' circulate the well, test the casing to 600 psi
rig down and lay down drilling equipment
pull out of the hole lay down drill collars
run in the hole and perforate at 410, could not pump in, held 1250#
run in hole and spot cement plug 249 to 325
run in hole and perforate at 302' test to 1250# lost to 500 in three minutes,
spotted a 100' cement plug across perforations and walk squeeze 3 sacks cement in to perforations
wait on cement 3 hours, test to 1250#
Run in hole and perforate at 200' held 1250
Run in hole and perforate at 150' held 1250
Run in hole and perforate at 100, held 1250#
Pressure to 1900 break circulation
Run in hole with the tubing
Circulate hole full of cement
Pull tubing out of the hole
Connect to casing and pump cement
Circulate hole with cement and leave casing full
Wash up equipment,
Start to see bubbles in the cellar.
Watch it thirty minutes, appears to a water flow

Williams will be responsible for getting the necessary permits.

THE FOLLOWING STIPULATIONS APPLY TO ALL WELL PADS AND ROADS.

II. Location and Access Road

A. Well area and lease premises will be maintained in a workmanlike manner with due regard to safety, conservation and appearance. All liquid waste, completion fluids and drilling products associated with oil and gas operations will be contained and then buried in place, or removed and deposited in an approved disposal site. Trash cages will be used for all solid waste. Trash will be removed from the location to an approved solid waste disposal site. No solid waste shall be put in the reserve pit before, during or after drilling operations.

B. No tree is to be removed or damaged without prior approval from the Authorized Officer. Useable Pinon and juniper trees will be cut from road rights-of-way and well pad locations and distributed beside rights-of-way and well pads for fuelwood salvage. Care will be taken to keep the trees as undamaged as practically possible. Compensation for pinyon and/or juniper trees removed will be made to the BLM on the standard vegetative sales contract using the following formula:

_____ acres X _____ cords/acre X \$10.00/cord = _____
(Approx. acres disturbed)

Large vegetation such as sagebrush, juniper and pinon will not be incorporated in pit walls. Sagebrush removed during clearing operations will be placed in drainages and "walked down" by a crawler - type tractor. All uprooted vegetation not subsequently buried will be scattered so it does not detract from the natural appearance of the area and does not accelerate erosion.

C. Surface disturbance and vehicular traffic will be limited to the approved location and approved access road.

All roads must be maintained in a good passible condition, and, if necessary, culverts of sufficient size will be placed where the drainages cross access roads.

D. Mud pits and blow pits will be constructed so as not to leak, break, or allow discharge of liquids. The bottom of the reserve pit shall not be in fill material. Pits are not to be located in natural drainages. **All pits will be lined with an impervious material.** Any plastic material used to line pits must be removed to below-ground level before pits are covered. Pit walls are to be "walked down" by a crawler-type tractor following construction and prior to usage.

E. All unguarded pits containing liquids will be fenced. Drilling pits will be fenced on three sides and once the rig leaves the location, the fourth side will be fenced. (See Part I of this section.) Fencing must be a legal fence in accordance with Law. To protect migratory birds, all pits used for drilling, completion, blowdown, workover, or an emergency must have hydrocarbons/oil removed from their surface or be screened, netted, or otherwise covered immediately upon completion of the operation. Liquids in pits will be allowed to evaporate, or be properly disposed of, before pits are filled and recontoured. (This office will be notified 24 hours prior to fluid hauling). Under no circumstances will pits be cut and drained.

Pump 2 bbl h2O down casing.

1. Try to get more cement to cover

2. give us room to pick up tools with out having to drill cement from surface if it continues to flow
bleed pressure off casing, no bubbles 6 pm

cost not available till am.

Have a nice night and a super Tuesday.

F. If, in the conduct of operations, paleontological materials (fossils) are observed, lessee shall immediately contact the Surface Managing Agency. Lessee shall cease any operations that would result in the destruction of such objects. The results of further investigation will dictate site specific stipulations for avoidance or salvage of any potentially significant paleontological resources.

G. No gravel or other related minerals from new or existing pits on Federal land will be used in construction of roads, well sites, etc., without prior approval from the Surface Managing Agency.

H. Prior to crossing, using, or paralleling any improvement on public lands, the operator shall contact the owner of the improvement to obtain mitigating measures to prevent damage to the improvements.

I. Fencing/Cattleguards:

All cut fences are to be tied to the braces prior to cutting. The opening will be protected as necessary during construction to prevent the escape of livestock. A temporary closure will be installed on all cut fences within one day of cutting the fence.

A 12 foot gate must be installed between the cattleguard and brace assemblies on whichever side of the cattleguard is most convenient. If the gate is made of wire, it must have at least four horizontal strands of barbed wire with at least four 3 inch diameter vertical wood stays evenly spaced. When the gate is closed, the wires must be taut.

Cattleguards must be at least 8 feet wide. The length is left to the discretion of the operator. The Cattleguard must be set on concrete or pressure treated wood bases. All cattleguards must have wings installed on both ends. (If you install the bases at least 12 inches above the surrounding contour, and provide drainage through the open area under the cattleguard, you will not have to clean them so often).

All cattleguards must have clearly visible identification marks welded into them indicating the ownership, well name and number associated with the cattleguard.

J. Berms or firewalls will be constructed around all storage facilities sufficient in size to contain the storage capacity of the tanks, or combined capacity of tanks if a rupture could drain more than one tank.

K. A proposed use of pesticide, herbicide or other possible hazardous chemical on Federal or Tribal land shall be cleared for use prior to application.

III. Cultural Resources (Archaeology)

A. EMERGENCY DISCOVERY IN THE ABSENCE OF MONITORING: This stipulation applies in emergency discovery situations where monitoring for cultural resources was not being performed because the presence of cultural resources could not have been anticipated. If, in its operations, the operator

Perrin, Charlie

From: Perrin, Charlie
Sent: Tuesday, July 25, 2000 2:22 PM
To: Wrotenbery, Lori; Hebert, Lyn; Phillips, Dorothy; Chavez, Frank
Cc: Perrin, Charlie
Subject: emergency plugging

Good Afternoon

Tuesday July 25, 2000

Cost for Monday July 24, 2000 \$8000.00
Cost to date \$20,200.00

7-25 activities

no bubbles out can hear a hiss
concrete too hot to keep your hand on
open casing valve got five gallons back
concrete cracks and flow starts up the out side of the casing again
Test casing to 1100# real lost to 0 in twenty minutes
Can not pump into it
pick up tubing and tag at 30'
lay down tubing
rig up drilling equipment, swivel
pick up blade bit and one drill collar
fell right thru at 30' no cement to 95'
drill down to 117'
pull out of the hole and lay down drill collars and drilling equipment
test casing to 1900 still slow bleed off
Rig up wire line, run in hole and perforate at 90'
Pull out of the hole and rig down wire line
Start pumping into formation, flow at surface stops
Run in hole with tubing and circulate cement to surface 18 sx cement
Pull out of the hole and lay down the tubing.
Pump cement down casing 75 sax., no circulation to surface
Displace to 60' wash up equipment
Shut down till the morning.

Cost for 7-25 \$3450.00

Cost to date 23,650.00

discovers any historic or prehistoric ruin, monument, or site, or any object of antiquity subject to the Antiquities Act of 1906, the Archaeological Resource Protection Act of 1979, and 43 CFR Part 3, then work will be suspended and the discovery promptly reported to the Authorized Officer. The Authorized Officer will then specify what action is to be taken. The Authorized Officer will evaluate the discovery, evaluate its significance, and consult with the State Historic Preservation Officer. Minor recordation, stabilization, or data recovery shall be carried out by a qualified, permitted archaeologist. It is Authorized Officer's responsibility to ensure that such mitigation is carried out in accordance with 36 CFR Part 800.11. Given timeframes involved in Federal Agency's budgeting process, operators are strongly encouraged to fund such required mitigation. Further damage to significant cultural resources and operations in its vicinity will not be allowed until any required mitigation is successfully completed.

B. DISCOVERY OF CULTURAL RESOURCES DURING MONITORING: This stipulation applies to situations where archaeological monitoring was taking place because local geological conditions favored the presence of subsurface archaeological sites in the project area. If monitoring confirms the presence of subsurface sites, all work will cease in the site area. Monitor will immediately report all finds to the Authorized Officer. The Authorized Officer will specify what further steps must be taken to assess the damage to the sites and to mitigate any adverse effects to them. Monitoring in these circumstances is considered to be a form of inventory and operator will be responsible for obtaining at his/her expense a qualified permitted archaeologist to complete a damage assessment report and to carry out any mitigation required by Authorized Officer.

C. DAMAGE TO PREVIOUSLY IDENTIFIED SITE: This stipulation applies to situations where operations have damaged a previously identified archaeological site that was visible on the surface. If, in its operations, the operator damages, or is found to have damaged, any historic or prehistoric ruin, monument, or site, or any object of antiquity subject to the Antiquities Act of 1906, the Archaeological Resource Protection Act of 1979, and 43 CFR Part 3, the operator will prepare and implement a data recovery plan at his/her expense. The operator will obtain at his/her expense, a qualified, permitted archaeologist to carry out the specified instruction of the BLM.

IV. Reseeding and Abandonment

A. All surface areas disturbed during drilling activities and not in use for production activities, will be reseeded. Any stockpiled topsoil on location will be used in the reseeding effort. The goal of reseeding is successful revegetation to the sites capability.

B. Compacted areas of the well pad will be plowed or ripped to a depth of 12" before reseeding. Seeding will be done with a disc-type drill with two boxes for various seed sizes. The drill rows will be eight to ten inches apart. The seed will be planted between one-half inch deep and three-quarter inch deep. The seeder will be followed with a drag, packer or roller to insure uniform coverage of the seed, and adequate compaction. Drilling of the seed will be done on the contour where possible. Where slopes are too steep for contour drilling a "cyclone" hand-seeder or similar broadcast seeder will be used, using twice the recommended seed per acre. Seed will then be covered to a depth described above by whatever means is practical.

C. If, in the opinion of the surface management agency, the seeding is

Perrin, Charlie

From: Perrin, Charlie
Sent: Wednesday, July 26, 2000 3:02 PM
To: Hebert, Lyn; Wrotenbery, Lori; Phillips, Dorothy; Chavez, Frank
Cc: Perrin, Charlie
Subject: emergency plugging

Good Afternoon

7-26 activities

No water flow this morning,
Test casing to 1200#
Run in hole with tubing tag cement top at 65'
Circulate cement to surface
Pull out of the hole laying down the tubing
Rig down tubing equipment
Rig down pumping equipment
Rig down blow out preventor
Install P&A marker
Rig down pulling unit
Move off location

PLUGGING OPERATIONS ARE COMPLETE ON THIS WELL(finally)

Cost for 7-26 \$ 2,450.00

Cost \$ 23,650.00

Cost to date not including repair items \$ 26,100.00

Have a great week!!!

unsuccessful, the lessee/operator may be required to make subsequent seedings.

D. If, upon abandonment of wells, the retention of access roads is not considered necessary for the management and multiple use of the natural resources, it will be ripped a minimum of 12" in depth. All ripped surfaces are to be protected from the vehicular travel by construction of a dead-end ditch and earthen barricade at the entrance to these ripped areas. (Reseeding of the affected areas may be required).

476 3326
3226

MEMORANDUM

TO: Charlie Perrin, (Working Title), OCD

FROM: Michael D. Hansen, Financial Auditor
Darlene J. Valdez, Management Analyst

DATE: February 22, 2002

RE: Internal review report for the well plugging project performed by A-Plus Well Service Inc., San Juan County, New Mexico
Well Plugging Contract #01-521.25-054, \$30,491.93, 07/18/00 to 09/30/00

Enclosed is an internal review report on the well plugging and services contract between Energy, Minerals and Natural Resources Department (EMNRD) and A-Plus Well Service Inc. This was an emergency procurement to plug an abandoned well that was leaking water and gas to the surface and into a tributary of the San Juan River.

This was considered a "desk review." We did not visit the contractor, A-Plus Well Service Inc., and we did not view the site of the well. There were a few findings noted during this review, which are listed in the attached report. We would like to thank you for your time and cooperation during the review of this contract.

Once you respond to the observations noted in this report, we will forward this report with a separate cover letter to management, and to Cabinet Secretary Rivera.

If we can be of further assistance, please feel free to contact Michael D. Hansen at 476-3226 or Darlene J. Valdez at 476-3227. You may also contact Kirk A. Macpherson at 476-3225.

PC: File copy

Attachment

On Site Technologies, LTD.

CLIENT: On Site Technologies Limited
Work Order: 0110010
Project: 4-1877; San Juan 28-7-86

Date: 26-Oct-01

QC SUMMARY REPORT

Laboratory Control Spike - generic

Sample ID: LCS_011017	Batch ID: 8015GRO_S-	Test Code: SW8015B	Units: mg/Kg	Analysis Date: 10/17/2001	Prep Date: 10/17/2001
Client ID: 0110010	Run ID: GC-1B_011017A			SeqNo: 43724	
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC
T/R Hydrocarbons: C6-C10	1.838	0.18	1.8	0.04	99.9%
				LowLimit	HighLimit
				80	120
				%RPD	RPDLimit
					Qual
Sample ID: LCS_011018	Batch ID: 8015GRO_S-	Test Code: SW8015B	Units: mg/Kg	Analysis Date: 10/18/2001	Prep Date: 10/18/2001
Client ID: 0110010	Run ID: GC-1B_011018A			SeqNo: 43883	
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC
T/R Hydrocarbons: C6-C10	1.816	0.18	1.8	0.04	98.7%
				LowLimit	HighLimit
				80	120
				%RPD	RPDLimit
					Qual

Qualifiers:

ND - Not Detected at the Reporting Limit
J - Analyte detected below quantitation limits

S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits

B - Analyte detected in the associated Method Blank

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

INTERNAL REVIEW REPORT

A-Plus Well Service Inc. Well Plugging and Services Contract

Contract # 01-521.25-054
Contract Period 07/18/00 to 09/30/00

This contract came into being as a result of a gas well leaking water and gas from the surface of its outside casing, and the fluid was flowing into a tributary of the San Juan River. On July 13, 2000, the Aztec district office of OCD was notified by BLM that the King Oil Company Joella #1 well, API #30-045-09993 located in San Juan County, was leaking. Aztec personnel inspected the well, and three companies were called to determine rig availability, because the situation was deemed an emergency. Emergency procurement was approved by memorandum on August 22, 2000 by EMNRD counsel. Emergency services were procured from A-Plus Well Services Inc. (APWS) on August 30, 2000, with retroactive approval of the contract from July 18, 2000, when the work was begun. The well had previously been plugged in December of 1996, but had apparently not held.

Charlie Perrin, of the Aztec OCD district office, performed the oversight on the emergency well plugging operation. He made an estimate of cost and obtained approval through the Aztec district supervisor and Santa Fe. The contractor APWS was briefed, inspections were performed, and preparation arrangements were made on 7/18/00. Work was completed on 7/26/00 (seven working days from start), after testing on the casing was done and found to be satisfactory. APWS submitted an invoice dated July 27, 2000, received by OCD on August 18, 2000, and was paid on September 14, 2000.

The goal of an internal review is to identify, report and provide assistance to correct any contract deficiencies noted during the review. The following are the internal findings noted during this review:

1. The language in Section 1.3 of the well plugging and services contract between APWS and EMNRD-OCD indicates that the contractor may commence work with a verbal Notice to Proceed. However, in Section 4.2.3.1, the contract specifies that APWS would be in default if it "Fails to begin the work under the contract within the time specified in the Notice to Proceed." We are unclear whether the "Notice to Proceed" was to be strictly verbal or whether the verbal notice was to be followed up by a formal written one. It appears that Section 4.2.3.1 is unenforceable unless the notice is in writing.

Response and Corrective Action:

Since this was an emergency procurement, notice was given verbally. The written notice was the contract itself.

On Site Technologies, LTD.

Date: 26-Oct-01

CLIENT: On Site Technologies Limited
Work Order: 0110010
Project: 4-1877; San Juan 28-7-86

QC SUMMARY REPORT

Continuing Calibration Verification Standard

Sample ID: CCV1_011017	Batch ID: 8015GRO_S-	Test Code: SW8015B	Units: mg/Kg	Analysis Date 10/17/2001	Prep Date: 10/17/2001
Client ID:	0110010	Run ID: GC-1B_011017A		SeqNo: 43723	
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC LowLimit HighLimit RPD Ref Val %RPD RPDLimit Qual
T/R Hydrocarbons: C6-C10	1.791	0.18	1.8	0	99.5% 85 115
Trifluorotoluene	.112	0	0.11	0	101.8% 70 130
Sample ID: CCV1_011018	Batch ID: 8015GRO_S-	Test Code: SW8015B	Units: mg/Kg	Analysis Date 10/18/2001	Prep Date: 10/18/2001
Client ID:	0110010	Run ID: GC-1B_011018A		SeqNo: 43882	
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC LowLimit HighLimit RPD Ref Val %RPD RPDLimit Qual
T/R Hydrocarbons: C6-C10	1.777	0.18	1.8	0	98.7% 85 115
Sample ID: CCV2_011017	Batch ID: 8015GRO_S-	Test Code: SW8015B	Units: mg/Kg	Analysis Date 10/17/2001	Prep Date:
Client ID:	0110010	Run ID: GC-1B_011017A		SeqNo: 43747	
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC LowLimit HighLimit RPD Ref Val %RPD RPDLimit Qual
T/R Hydrocarbons: C6-C10	1.673	0.18	1.8	0	93.0% 85 115
Trifluorotoluene	.1131	0	0.11	0	102.8% 70 130
Sample ID: CCV2_011018	Batch ID: 8015GRO_S-	Test Code: SW8015B	Units: mg/Kg	Analysis Date 10/18/2001	Prep Date: 10/18/2001
Client ID:	0110010	Run ID: GC-1B_011018A		SeqNo: 43905	
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC LowLimit HighLimit RPD Ref Val %RPD RPDLimit Qual
T/R Hydrocarbons: C6-C10	1.79	0.18	1.8	0	99.5% 85 115

Qualifiers: NID - Not Detected at the Reporting Limit
J - Analyte detected below quantitation limits

S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits

B - Analyte detected in the associated Method Blank

2. Section 21 of the contract between APWS and EMNRD-OCD specifies that APWS is to maintain general liability, property damage liability, automobile liability, and workers compensation insurance for the term of the contract, in amounts specified by the contract, naming EMNRD-OCD as additional insured co-insured or principal beneficiary. Section 21.2 states in part that "The Contractor shall furnish EMNRD-OCD with written evidence of the insurance coverage required, including copies of all policies, prior to commencing work under this Agreement." We did not find evidence of this insurance coverage in the file.

Response and Corrective Action:

This appears to be an oversight, will research and get us a copy.

3. Invoice number 2143 submitted by APWS to EMNRD-OCD dated July 27, 2000 shows on "Line #10 - Water Tank Rental" five days at \$25.00 per day (page 3). The total listed is \$150.00. Either this total amount should be \$125.00, or the total days should be six. The daily reports seem to indicate only 4 days.

Response and Corrective Action:

Sometimes, water tank is out at site but not used.

4. Invoice number 2143 submitted by APWS to EMNRD-OCD dated July 27, 2000 shows on "Line #7 - Cement Cost" a total of 77 "sxs" of cement for plug #1. The daily sheet shows 7 "sxs." Also, the total cement is shown at 283 "sxs." This should be 273.

Response and Corrective Action:

Will research the difference of 10 sacks of cement because doesn't seem to show on dailies.

5. Invoice number 2143 submitted by APWS to EMNRD-OCD dated July 27, 2000 shows on



United States Department of the Interior
BUREAU OF INDIAN AFFAIRS
SOUTHWEST REGION

P.O. BOX 26567
Albuquerque, New Mexico 87125-6567



IN REPLY REFER TO:

380-Natural Resources Services
Jicarilla 2001-258

Handwritten: 8/17/01

AUG 14 2001

Mr. Don Graham
Energen Resources Corporation
2198 Bloomfield Highway
Farmington, New Mexico 87401

Dear Mr. Graham:

We have reviewed the cultural resources survey report dated July 26, 2001, entitled, "Cultural Resource Survey: Archaeological Survey of Six Well Locations and their Access Roads on Jicarilla Apache Tribal Lands." This was prepared by Mr. Gifford Velarde, Velarde Energy Service, and is numbered Report CR-2001-703. The report describes the surveys of Jicarilla 94 #1C, 95 #4B, 95 #4C, 95 #7B, 96 #7C, and 96 #4Y. We understand that you also have a copy of this report.

The report, dealing with Jicarilla Apache Tribal lands, states that no surface evidence of potentially significant cultural resources was encountered during the requisite field inspections. The projects are small and in locations where we would not expect them to impact any areas of traditional religious or cultural importance to the Jicarilla Apache Tribe. Additionally, the tribe has approved each of these locations. Therefore, we have determined that the proposed activity will not affect any historic properties. We have notified the New Mexico State Historic Preservation Officer of our determination and provided a copy of this report for their files.

The proposed undertakings are in compliance with the provisions of Section 106 of the National Historic Preservation Act and may proceed under the following stipulations:

1. All land-altering activities will be confined to the areas surveyed for cultural resources.
2. If subterranean cultural resources are encountered, all land-altering activities will be halted and the Regional Archeologist notified immediately.

These stipulations must be followed or project suspensions will be issued. The responsibility of project sponsors is to notify subcontractors of the project boundaries and stipulations. Any change in project boundaries will require additional survey and repetition of the compliance procedures.



“Line #2 – Crew Travel” one and one-quarter hours per day for travel. However, on the daily sheet for 7/20/00, it appears the crew only traveled for one hour. At a rate of \$105.00 per hour, the difference here would be \$26.25 in overcharge.

Response and Corrective Action:

5:30 am to 7:00 am is actually travel for the crew, depending on whether they charge in the morning or the afternoon. Will research to determine discrepancy. Explanation forthcoming.

6. We noted on the daily reports dated 7/19/00, 7/20/00, and 7/21/00 there are rentals of “stripping rubber” and “blade bit.” If these are rental items, it seems we should see invoices submitted by APWS from the companies these were rented from. We did not find any invoices as such in the file. The same is true for “Line #7 – Cement Cost.” Unless APWS had cement on hand, it would have purchased cement from other companies. It seems reasonable to assume that invoices from these companies would be available.

Response and Corrective Action:

Normally OCD purchases the bits, but if not we rent from APWS. Also, cement is supplied by APWS and it is a full service well plugging company.

- 2 -

This letter only serves as notification that National Historic Preservation Act Section 106 compliance has been completed for the subject projects. It does not constitute approval of right-of-way or concurrence in the proposed activities by the Bureau of Indian Affairs (BIA). This compliance is one of several legal requirements that must be accomplished before BIA approval of rights-of-way, easements, or other land use contracts for land modifying projects.

If you have any questions, please contact Dr. Bruce G. Harrill, Regional Archeologist, Branch of Natural Resources Services, at (505) 346-7111.

Sincerely,

signed Arch H. Wells

Acting

Deputy Regional Director

cc: Superintendent, Jicarilla Agency, Attn: Realty ✓
Mr. Phil Young, NMHPD
Mr. Gifford Velarde, VES

1. The language in Section 1.3 of the well plugging and services contract between APWS and EMNRD-OCD indicates that the contractor may commence work with a verbal Notice to Proceed. However, in Section 4.2.3.1, the contract specifies that APWS would be in default if it "Fails to begin the work under the contract within the time specified in the Notice to Proceed." We are unclear whether the "Notice to Proceed" was to be strictly verbal or whether the verbal notice was to be followed up by a formal written one. It appears that Section 4.2.3.1 is unenforceable unless the notice is in writing.

Section 21 of the contract between APWS and EMNRD-OCD specifies that APWS is to maintain general liability, property damage liability, automobile liability, and workers compensation insurance for the term of the contract, in amounts specified by the contract, naming EMNRD-OCD as additional insured co-insured or principal beneficiary. Section 21.2 states in part that "The Contractor shall furnish EMNRD-OCD with written evidence of the insurance coverage required, including copies of all policies prior to commencing work under this Agreement." We did not find evidence of this insurance coverage in the file.

3. Invoice number 2143 submitted by APWS to EMNRD-OCD dated July 27, 2000 shows on "Line #10 - Water Tank Rental" five days at \$25.00 per day (page 3). The total listed is \$150.00. Either this total amount should be \$125.00, or the total days should be six. The daily reports seem to indicate only 4 days.

19-

6 DAYS

4. Invoice number 2143 submitted by APWS to EMNRD-OCD dated July 27, 2000 shows on "Line #7 - Cement Cost" a total of 77 "sxs" of cement for plug #1. The daily sheet shows 7 "sxs." Also, the total cement is shown at 283 "sxs." This should be 273.

714.00

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United States Department of the Interior
BUREAU OF INDIAN AFFAIRS
SOUTHWEST REGION

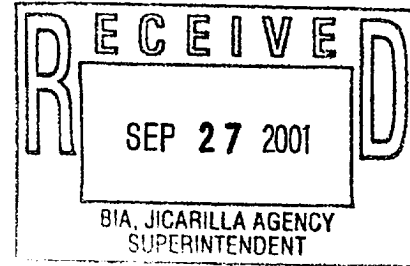
P.O. BOX 26567
Albuquerque, New Mexico 87125-6567



IN REPLY REFER TO:

380-Natural Resources Services
Jicarilla 2001-280

SEP 24 2001



Mr. Don Graham
Energen Resources Corporation
2198 Bloomfield Highway
Farmington, New Mexico 87401

Dear Mr. Graham:

We have reviewed the cultural resources survey report dated August 20, 2001, and entitled, "Cultural Resource Survey: Archaeological Survey of Five Well Locations and Their Access Roads on Jicarilla Apache Tribal Lands." This was prepared by Mr. Gifford Velarde, Velarde Energy Service, and is numbered Report CR-2001-707. The report describes the surveys of Jicarilla 94 #2B, 95 #8C, 94 #4B, 96 #4R, 95 #5B wells and access roads. We understand that you also have a copy of this report.

The report, dealing with Jicarilla Apache Nation lands, states that no surface evidence of potentially significant cultural resources was encountered during the requisite field inspections. The projects are small and in locations where we would not expect them to impact any areas of traditional religious or cultural importance to the Jicarilla Apache Nation. Additionally, the Tribe has approved each of these locations. Therefore, we have determined that the proposed activities will not affect any historic properties. We have notified the New Mexico State Historic Preservation Officer of our determination and provided a copy of this report for their files.

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1. All land-altering activities will be confined to the areas surveyed for cultural resources.
2. If subterranean cultural resources are encountered, all land-altering activities will be halted and the Regional Archeologist notified immediately.

These stipulations must be followed or project suspensions will be issued. The responsibility of project sponsors is to notify subcontractors of the project boundaries and stipulations. Any change in project boundaries will require additional survey and repetition of the compliance procedures.

A-PLUS WELL SERVICE, INC.

18522

Vendor: NMCCD
2/26/02

785.13

18522

18522

\$785.13

18522



A-PLUS WELL SERVICE, INC.
P.O. BOX 1979
FARMINGTON, NM 87499
(505) 325-2627

WELLS FARGO BANK NEW MEXICO, N.A.
FARMINGTON, NM 87401
95-219-1070

Memo:

Feb 26, 2002

***\$785.13

DATE

AMOUNT

Seven Hundred Eighty-Five and 13/100 Dollars

PAY
TO THE
ORDER
OF

NMCCD

VOID AFTER 60 DAYS

MP

⑈018522⑈ ⑆107002192⑆1351454510⑈

See order form for details

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979
FARMINGTON, NM 87499
505-325-2627 • FAX: 505-325-1211

February 26, 2002

State of New Mexico

Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410
Attn: Charlie T. Perrin

Office of Inspector General
1220 South St. Francis Drive
Santa Fe, NM 87505
Attn: Michael D. Hansen

CREDIT INVOICE #2674

Rig #4

A credit invoice for the post audit reconciliation of a July 27, 2000 Invoice #2143, that was for re-entry and subsequent plugging and abandonment of the **Joella #1** well, which is located in the NE, Section 05, T-30-N, R-17-W, San Juan County, NM.

This work was done under an emergency basis, **Contract Number: 01-521.25-054**

As Invoice July 27, 2000:

Line #2 - Crew Travel
7-20, 21, 24, 25, 26; 5 days at 1-1/4 hours x \$105.00/hr \$ 656.25

Line #7 - Cement Cost:
7-24-00 Plugs: #1, 77 sxs; #2, 10 sxs and #3, 89 sxs;
7-25-00 Plug: #4, 93 sxs;
7-26-00 Plug: #5, 14 sxs;
Total Cement: 283 sxs at \$10.20/sx \$ 2,886.60

Corrected Charges:

Line #2 -- Crew Travel
7-20-00; 1 day at 1 hour, not 1-1/4 hours; **Credit -1/4 hour at \$105/hr;** <\$ 26.25>

Line #7 - Cement Cost:
7-24-00; Plug: #1 at 7 sxs, not 77 sxs; **Credit - 70 sxs at \$10.20/sx** <\$ 714.00>

TOTAL <\$ 740.25>

TAX @ 6.0625% <\$ 44.87>

=====

THANK YOU

TOTAL CREDIT <\$ 785.13>

ACORD CERTIFICATE OF LIABILITY INSURANCE		OP 13 MG APLUS-1	DATE (MM/DD/YY) 02/26/02
PRODUCER SCHREIBER INSURANCE AGENCY P.O. BOX 10 FARMINGTON NM 87499 Phone: 505-325-1849 Fax: 505-326-5825		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED A Plus Well Service Bill Clark P.O. Box 1979 Farmington NM 87499		INSURERS AFFORDING COVERAGE INSURER A Bituminous INSURER B New Mexico Mutual Casualty Co. INSURER C INSURER D INSURER E	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSURER	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
1	GENERAL LIABILITY	CUP3066023 B	07/31/99	07/31/00	EACH OCCURRENCE \$1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				FIRE DAMAGE (Any one fire) \$50,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$5,000
					PERSONAL & ADV INJURY \$1,000,000
					GENERAL AGGREGATE \$2,000,000
					PRODUCTS - COMP/OP AGG \$2,000,000
					GENERAL AGGREGATE LIMIT APPLIES PER <input checked="" type="checkbox"/> POLICY, <input type="checkbox"/> PRO- FEET, <input type="checkbox"/> LOC
2	AUTOMOBILE LIABILITY	CAP3066021-B	07/31/99	07/31/00	COMBINED SINGLE LIMIT (Each accident) \$1,000,000
	<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> UNRECORDED AUTOS				
	<input type="checkbox"/> NON-OWNED AUTOS				
	GARAGE LIABILITY				AUTO ONLY - FA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY EA ACC \$
					ACC \$
A	EXCESS LIABILITY	CUP2526157-B	07/31/99	07/31/00	EACH OCCURRENCE \$400,000
	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$400,000
	<input type="checkbox"/> COINSURABLE				\$
	<input type="checkbox"/> RETENTION \$				\$
B	WORKERS COMPENSATION AND EMPLOYERS LIABILITY	016936.103	07/31/99	07/31/00	WC STATUS <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>
					EL EACH ACCIDENT \$100,000
					EL DISEASE - EA EMPLOYEE \$100,000
					EL DISEASE - POLICY LIMIT \$100,000
	OTHER				

DESCRIPTION OF OPERATIONS, LOCATIONS, VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

Certificate Holder is an Additional Insured (except workers comp) and subrogation has been waived when required by written contract

CERTIFICATE HOLDER New Mexico Oil Conservation 1000 Rio Brazos Aztec NM 87410	ADDITIONAL INSURED; INSURER LETTER: NMOIL-0	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT. BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE Ken Gehrke
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