Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I P. O. Box 1980, Hobbs, NM 88240 DISTRICT II 811 S. First St., Artesia, NM 88210-2834 DISTRICT III 1000 Rio Brazos Rd, Aztec, NM 87410

2040 S. Pacheco Santa Fe, New Mexico 87505

WELL API NO. 30-Ø45-23196

5. Indicate Type of Lease STATE FEE X

aval. DilW.

6. State Oil & Gas Lease No. 1344

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well:

7. Lease Name or Unit Agreement Name B. Montoya 25

2. Name of Operator

WELL

OIL

Hallwood Petroleum, Inc.

OTHER

GAS

WELL X

Address of Operator

P. O. Box 378111, Denver, CO 80237

9. Pool name or Wildcat Basin Fruitland Coal

County

SUBSEQUENT REPORT OF:

Well Location Unit Letter

11.

1850 Feet From The

North Line and 790 Feet From The

Section 32N Range 13W NMPM 10. Elevation (Show whether DF, RKB, RI, GR, etc.)

5866' GL

5878' KB

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

San Juan

8. Well No.

1

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK

PLUG AND ABANDON

REMEDIAL WORK

OTHER:

ALTERING CASING

TEMPORARILY ABANDON

CHANGE PLANS

COMMENCE DRILLING OPNS.

PLUG AND ABANDONMENT

PULL OR ALTER CASING OTHER:__Plugback & sidetrack to new BHL CASING TEST AND CEMENT JOB

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

X

The subject well is currently an uneconomical & shut-in Basin Fruitland Coal well completed with perforations at 2106-2136'. Hallwood plans to plug the well back and sidetrack (re-drill) to a new bottomhole location. Hallwood plans to do this by December 1997 or January 1998.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

_TITLE Drlg & Prod Manager

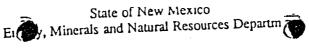
TYPE OR PRINT NAME (This space for State Use)

TELEPHONE NO.

303-850-6303

TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 43 DATE

CONDITIONS OF APPROVAL, IF ANY:



OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

0, Hobbs, NM 88240 II wer DD, Artesia, NM 88210

WELL LOCATION AND ACREAGE DEDICATION PLAT

RICT III O Rio Brazos Rd	Aziec, NM	87410	WELL LOC	ces must be	from the ou	ter boundaries	of the section		Well No.	
7					Lease				1	
Operator Quinoco Petroleum, Inc.						Montoya	25_	County		
			Township		Range			County	San Juan	
Unit Letter	Section 25		32N]	13 W	NMPM	l	Sun out	
H Actual Footage Loc						700			East line	
1850			iorth	line and		790	led from	une	Dedicated Acreage:	
Ground level Elev.	feet from the	Producing	Formation		Pool	Fruitlan	id Coal		320 Acres_	
5866		Fruit	land Coal		<u> </u>	- marks on the	nlat below.			
1 Outli	ne the acreage	dedicated	to the subject well	by colored pe	neil or hachu	ne maras on an	. pracocio			
1. 00			installed the Well Of	uline each an	d identify the	ownership the	reof (both as to work	ing intere	est and royalty).	
2. If mo	ore than one le	25C 18 GCG	Cated to the went or			about manners of s	all owners been cons	olidated t	oy communitization,	
3 If me	ore than one le	ase of diff	erent ownership is d	ledicated to the	e well, have	the litterest of	Communitize	4		
2. If more than one lease is decicated to the wan, of the second of the										
X	Yes	the owner	وأمسلت والمستام والأراب	∽a which hav	e actually of	Ell Collections	r (ne tenetre me e	×		
If answ	m if neccessar	y			heen consoli	dated (by comm	nunitization, unitizatio	on, force	1-pooling, or otherwise)	
No allo	owable will be	assigned	to the well until all is minating such intere	nteresta nave et has been a	ipproved by t	he Division.				
or unti	l a non-standa	rd unit, eli	minating such filter	N			*****	OF	PERATOR CERTIFICATION	
		777	, , , , , , , , , , , , , , , , , , , 	7777	77///	14///		,	hereby certify that the inform	
7777	/ / / /	,,,,	Ouinoco P	etroleu	m .	i	1 7	contain	ed herein in true and complete t	
Uni	11		Quinoco P (Hallwood F	Emocei	iw)	1		best of	my knowledge and belief.	
/ Tex	as	•	[111]		•	į	1 7	Signatu	re	
								1	ruld W Fines	
				1		i		Printed	19090	
	1 1	İ				į ;	~		nald W. Finch	
				 			1	Positio	n	
 		Γ				i	SURFACE / LOC.		lg & Prod Manager	
11		l				<u>~</u>	790'	Compa		
1 /	İ	Ì				<u> </u>	0 /90		inoco Petroleum, Inc	
	1	100	a meren F	141		F	1	Date	1.1000 1.00	
	1	PIZ	OJECTED B 40' FELX	1000		l 1		Au	gust 22, 1989	
2285	MD -	i> 14	40 FELX	1830	TNL	i i	4		URVEYOR CERTIFICATION	
2160	TVD	i	///Śectĭ	00/25/	1///	1/1/	11/1/1/	, 3	URVETOR CERTE TO	
1/1/	<u>////</u>	4-/-	// sect1	VIII CHA		1		1 her	eby certify that the well location	
E C						CDAIN	ING 7	on I	his play was plotted from Jiela "	
		1				phoov	CINGUNI	actua	al eveneus made by me or was	
		1				ma son	ING T CINGUNIT UN 320 ACRE	supe	rvison, and that the same is tr ect to the best of my knowled	
		1				Dig vo		belie		
		l i				0 10 17	. D		ricuse see	
11		i i		(6)		旧国国	3 1111	Dat	e Surveyed	
		ļ		.1-14		E 1 M E 2 5 1989			nature & Seal of	
				U\	4	2 5 1989	.	Pro	lessional Surveyor	
		i i			AUG	2 3 1403		1 1		
		1				ON. D'	1			
11		i.		Ì		ICT				
		Į 1			L	ן ייכות				
		ļ.				1		Ce	nificate No.	
11		ļ		1				_ _		
								1		
-	_		650 1980 2310	2640	2000	1500 1	000 500	0		
0 330	660 990	1320	650 1980 2310							

MONTOYA #25-1

Procedure

- 1. Prior to start of work, move pumping unit to the edge of location.
- 2. MIRU pulling unit to prep well for sidetracking.
- 3. TOH with tubing/packer.
- 4. PU a 7" cement retainer and RIH on tubing to 2050' (56' above top perf). Set retainer and prep to cement squeeze.
- 5. Squeeze Fruitland perfs with 150 sacks of cement, pull out of retainer and leave some cement on top of retainer.
- 6. TOH with tubing.
- 7. RU to freepoint, cut and pull 7" casing, CBL log shows it to be free at 850'.
- 8. Cut as deep as possible, pull and lay down 7" casing.
- 9. TIH with tubing, tag casing stub and spot a 200' open hole cement plug.
- 10. TOH, WOC and RD pulling unit.
- 11. MIRU large service unit with pump, tanks and power swivel or drilling rig.
- 12. TIH with milltooth bit (7 7/8") and collars and DP. Circulate and wash down, displacing hole with drilling mud.
- 13. Tag cement plug and dress off to kick off from.
- 14. TOH and PU Baker Hughes motor and bent sub.
- 15. TIH, orient in a 271.76° direction and start motor drilling off plug and old hole.
- 16. Build angle to approximately 24° and hold this angle to total depth of approximately 2285' MD.
- 17. Circulate hole good with mud and TOH.
- 18. Run open hole "coal" log.
- 19. Run pre-perfed casing, ECP and 5 1/2" casing and cement to surface. 1/40 10 30 91
- 20. Complete well per forthcoming procedure.