Form 3160-5
(August 1999)

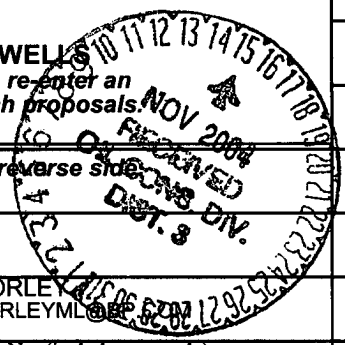
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.



1. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other	5. Lease Serial No.: SF-078336
	6. If Indian, Allottee or Tribe Name:
	7. If Unit or CA/Agreement, Name and/or No.:
	8. Well Name and No.: FLORANCE 114 2
2. Name of Operator: BP AMERICA PRODUCTION COMPANY — Contact: MARY CORLEY — E-Mail: CORLEYML@BP.COM	9. API Well No.: 30-045-27540
3a. Address: P.O. BOX 3092, HOUSTON, TX 77253 — 3b. Phone No. (include area code): Ph: 281-366-4491	10. Field and Pool, or Exploratory: BASIN FRUITLAND COAL
4. Location of Well (Footage, Sec., T., R., M., or Survey Description): Sec 11 T30N R9W NWSW 2390FSL 980FWL	11. County or Parish, and State: SAN JUAN COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☒ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

BP request permission to pull liner and cavitate the subject well, run new liner and perforate as per the attached procedure.

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

Maximum clean-out TD allowed will be 2809'

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

Electronic Submission #50102 verified by the BLM Well Information System
For BP AMERICA PRODUCTION COMPANY, sent to the Farmington
Committed to AFMSS for processing by MATTHEW HALBERT on 11/08/2004 ()

Name *(Printed/Typed)* MARY CORLEY	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 10/15/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By [signature]	Title Petr. Eng	Date 11/12/04
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

NMOCD

Florance 114 2
API # **3004527540**

Procedure:

1. Check location, ID wellhead, and verify rig anchors are in place & tested. Contact One Call 48 hrs prior to digging flare pit for cavitation.

2. Check and record tubing, casing, and bradenhead pressures. Rig up slickline unit. RIH and tag; record FL and top of fill in DIMS. Set blanking plug in 1.78" F nipple at 2770', blow down tubing to verify plug is holding. Set second blanking plug in 1.875" X nipple at 2765'. Rig down slickline.

3. MIRU pulling unit. LOTO meter run, separator, water line, and automation.
4. Blow down casing to flare pit to minimize casing pressure. ***The operations of removal of wellhead and installation of BOP will be performed under a dispensation for one (1) barrier on the backside.*** ND wellhead, NU diverter spool with outlets for 7" vent lines, double ram BOP, Hydril type annular BOP, spacer spool, and stripping head. Install 2 way plug in tubing hanger and pressure test BOP stack to 200 PSI low and 1500 PSI high. Verify that spacer spool provides sufficient room to "swallow" the tubing hanger below the stripping rubber and above the BOP pipe rams.

5. Unseat tubing hanger and pull to bottom of stripping rubber; close pipe rams. Relieve pressure, release stripping rubber, and pull hanger above stripping head. Remove hanger. POH, laying down 2 3/8" tubing. Reference "Under Balanced Well Control Tripping Procedure".

6. Make up BHA incorporating a string float to retrieve the 5.5", 17# liner. Install blind and 2.875" rams in the lower BOP; verify that the annular BOP has the capability to close around drill collars, retrieving tools and/or liner.

7. Blow down well to flare pit using vent lines, operate venturi to pull gas away from floor. Kill well with 2% KCL only if necessary. Pick up BHA and 3.5" collars; RIH on 2.875" drill string. Maintain 2.875" rubber in stripping head once BHA is below the head. Engage liner and jar free. TOH; reference "Under Balanced Well Control Tripping Procedure".

8. Pull and lay down fishing tools and 5.5" liner. Operate venturi lines to evacuate gas away from floor through 7" vent lines. As above, kill well only if necessary.

9. TIH with bit, string float, 3.5" collars, and 2.875" drill pipe. Clean out to 2810' using foam. POH when hole is clean; close blind rams.

10. Cavitate well using air compressor. Add water and soap slugs as required to maximize coal returns during flow back. TIH with drill string periodically to

clean out fill; use water and soap sweeps with air circulation to keep solids moving. Clean out fully after last cavitation.

11. Blow down well to flare pit using vent lines, operate venturi to pull gas away from floor. Kill well with 2% KCL only if necessary. Run blank 5.5" liner and hanger on drill string with string float. Land liner shoe at ± 2810'; liner lap to be ± 50'. Set liner hanger and release from drill string. POH, lay down drill string and liner running tools. ND stripping head and annular BOP.

12. Prepare for explosive operations. Follow Schlumberger Explosive SOP including radio silence, suspension of welding operations, and isolation of electrical devices from the work area. Perform Pre-Job Safety Meeting to review JSA and procedures. Meeting should address the VDR (vehicle data recorder) system that BP personnel have installed in their vehicles. They must be shut off at the 300 foot sign by hitting 00 and then the enter button, and then wait for about 5 minutes for the unit to turn off. When the green light goes out, call the control center at 326-9475. This number is on a pickup list in the Optimizer room and should be your first point of contact followed by the front desk then the weekend pager. Verify the unit is not transmitting. You then can drive to location and park, but do not to exceed 10 miles per hour. Note: 20 mph will turn unit back on. If someone has On Star on their vehicle they cannot enter closer than 300 feet. On Star cannot be turned off. PLEASE take special caution. This is in conjunction with all cell phones, pagers, radios and any electronic device that transmits a signal.

13. Install companion flange and lubricator. Run GR/CCL log, tie in to open hole log. Perforate following intervals with 3 1/8" casing gun:

2621'-2630'	4 SPF	36 holes
2655'-2669'	4 SPF	56 holes
2703'-2717'	4 SPF	56 holes
2748'-2758'	4 SPF	40 holes
2777'-2793'	4 SPF	64 holes

14. Assemble following downhole gas separator on ground (not as going in hole).

- TAPPED BULL PLUG, 2.375 EUE
- TUBING SUB, 2.375 X 6 FT
- TUBING SUB, 2.375 X 10 FT
- PERFORATED SUB, 2.375 X 3 FT (3/8" holes)
- TUBING SUB, 2.375 X 10 FT
- PERFORATED SUB, 2.375 X 4 FT (3/8" holes)
- TUBING SUB, 2.375 X 4 FT
- PROFILE TOOL, F nipple, 1.78" ID (with plug in place)
- TUBING SUB, 2.375 X 4 FT
- PROFILE TOOL, X nipple, 1.875" ID (with plug in place)

Check spacing of separator along side rod pump to be certain that lower end of the pump will be positioned in the middle of the 3' perforated sub when seated in the "F" nipple. Size 1" dip tube to extend from the pump inlet to 3' above the tapped bull plug at the bottom of the separator.

15. ND companion flange, NU stripping head. Blow down well through vent lines, operate venturi to pull gas away from rig floor. Pick up gas separator and RIH. Run balance of 2.375" tubing to land bottom of separator at ±2780'. Use slim hole couplings on gas separator and bottom 300' of tubing to increase clearance in liner. ND BOP, NU wellhead. ***The operations of removal of BOP and installation of wellhead will be performed under a dispensation for one (1) barrier on the backside.***

16. RU slick line and pull blanking plugs. Install 1.0" dip tube (see above) on inlet of 2.0 X 1.25 X 16 RHAC "San Juan" pump. Run pump on .75" grade D rods, space out as required. Load tubing and long stroke pump to pressure test. Hang rods on pumping unit and RDMO pulling unit.

17. Flow out annulus to pit, and check the O2 using NOP-7804 Wellbore Air Purge. Update all well data in DIMS and print out summary and put in well file. Have discussion with production and hand over well file.