

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No 1004-0137
Expires: July 31, 2010

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.

JUN 28 2011

SUBMIT IN TRIPLICATE - Other Instructions on page 2.

1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee, or Tribe Name
2 Name of Operator QEP ENERGY COMPANY		7. If Unit or CA. Agreement Name and/or No
3a Address 1050 17TH STREET, SUITE 500 DENVER, CO 80265	3b Phone No. (include area code) (303) 672-6900	8. Well Name and No DUNN #7
4. Location of Well (Footage, Sec, T, R, M., or Survey Description) NE SW 1740' 2160' 9 T 23N R 7W Long. -107.58032 FSL FWL		9 API Well No 30-039-22772
Lat. 36.23942		10. Field and Pool, or Exploratory Area LYBROOK GALLUP
		11. County or Parish, State RIO ARRIBA NEW MEXICO

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Casting Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug back	<input type="checkbox"/> 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 recompleat horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No on file with the 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 recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection)

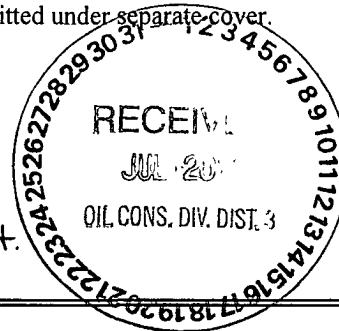
QEP Energy Company (QEP) repaired a casing leak on the Dunn #7 well between 6/3/2011 and 6/16/2011, as seen in the attached Operations Summary Report and updated wellbore diagram.

Since the casing repair was successful and the well was returned to production, there are no plans in the immediate future to P&A this well. A Subsequent Report Sundry reporting the Return to Production will be submitted under separate cover.

If you have any questions or concerns, please contact me at (303) 672-6916.

BP

File a copy of the chart from the pressure test.



14 I hereby certify that the foregoing is true and correct. Name (Printed/ Typed) Sarah Boxley		Title Permit Agent, Regulatory Affairs
Signature Sarah Boxley		Date 6/27/2011
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by		Title FARMINGTON FIELD OFFICE
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		Date JUN 28 2011
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 any "department" or "agency" of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction		

NMCCD 4

Operations Summary Report

Well Name: DUNN #7
 Location: 9- 23-N 7-W 28
 Rig Name: A PLUS WELL SERVICE

Spud Date: 7/24/1981
 Rig Release:
 Rig Number: 5

Date	From - To	Hours	Code	Sub Code	Description of Operations
6/3/2011	-		TRAV	1	Road rig and all equipment from the J #3 to location and spot in. RUSU.
6/7/2011	06:00 - 16:00	10.00	CIRC	1	<p>Note: Cost includes trucking to move equipment.</p> <p>Safety meeting. Fill well with 10 bbls kcl and circulate 16 bbls. Close csg and pressure test to 600 psi. Dropped to 550 in 1 minute. TOH with tbg and retrieving head. TIH with pkr and isolate leak between 4573' and 4603'. Leaking off 100 psi per minute. Pull up 10 stds and pour two 5 gallon buckets of sand down tbg. TOH with tbg and pkr. TIH with 12 jts, pkr and 137 jts tbg. Bottom of tbg at 4606'. Pump 5 bbls of fresh water ahead. Mix and pump 17 sxs of 15.6#, 1.18 yield (20.06 cubic ft) of class B cement with 8-1/2 gallons of fluid loss chemical. Cement spotted from 4606' to 4382'. Pull bottom of tbg up to 3958' and reverse circ 21 bbls out of tbg. Set pkr at 3588'. Hesitate/ squeeze 1/8 of a bbl of cement into leak from 800 psi to 1000 psi. Locked up at 1000 psi. Shut well in with 1000 on tbg.</p> <p>Note: Cement slow to cure with fluid loss chemical. Will drill out and test csg. Thursday. Cost includes pkr hand and tools.</p> <p>Tbg.Size: 2-3/8" Csg.Size: 4-1/2"</p> <p>S.I.T.P vac. S.I.C.P vac</p>
6/8/2011	06:00 - 16:00	10.00	WOT	1	<p>Perfs: 5486' to 5718'</p> <p>Standby day. Wait for cement to cure. Will drill out and pressure test Thrusday.</p> <p>Tbg.Size: 2-3/8" Csg.Size: 4-1/2"</p>
6/9/2011	06:00 - 16:00	10.00	CIRC	1	<p>Perfs: 5486' to 5718'.</p> <p>Safety meeting. No pressure on well. Release and TOH with tbg and pkr Pick up bit and drill collars. TIH and tag cement at 4462'. RU power swivel and establish circulation. Drill cement from 4462' to 4557'. Drilling over 2' per minute. Call cement hand and discuss water loss fluid additive Recommended letting cement set over the weekend to let cure Circulate well clean. SWIFWE.</p> <p>NOTE: A-Plus cut cost on 6/8/22 to \$1,800.</p> <p>Tbg.Size: 2-3/8" Csg Size: 4-1/2"</p>
6/13/2011	06:00 - 16:00	10.00	EQT	1	<p>Perfs: 5486' to 5718'.</p> <p>Safety meeting. Establish circulation and drill out cement from 4557' to 4620' Cement hard. Pressure test csg to 600 psi. Dropping of 10 psi per minute. Pressure up again and isolate well. Still dropping 10 psi per minute. TOH. with tbg and collars. Fill csg and pressure test again with blinds closed. Dropping 10 psi per minute. TIH with bit and scrapper to 4697'. TOH. Wait on Down Hole Service (prk hand). TIH with 12 jts of tbg and pkr. Set packer at 4573'. Pressure test csg above pkr to 600 psi. Held for 15 minutes. Bleed off. Pressure test to 600 psi below pkr. Held for 15 minutes. Possible aerated fluid causing pressure drop after drilling out cement? Release pkr and circulate well (bottom of tbg at 4945') for 10 minutes in the event scale/trash plugging leak hole. Set up chart recorder and pressure up csg to 565 psi. Bled off to 540 psi in 30 minutes. Left tbg and csg open to rig pit over night. Will retest csg in the morning.</p>

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Date	From - To	Hours	Code	Sub Code	Description of Operations
6/13/2011	06:00 - 16:00	10.00	EQT	1	<p>NOTE: Cost includes standby day Friday and pkr hand today.</p> <p>Tbg.Size: 2-3/8" Csg.Size: 4-1/2"</p> <p>SICP: 0 PERFS. 5486' TO 5718'</p>
6/14/2011	06:00 - 16:00	10.00	CIRC	1	<p>Safety meeting, pressure test csg to 600 psi. Dropped to 590 in 31 minutes. TOH with tbg and pkr. Lay down drill collars out of derrick. TIH with bridge plug retrieving tool and tag bridge at 5380'. Circulate out bridge and TIH 5420'. Tag sand and circulate clean out to BP at 5430'. Circulate well for one hour.</p> <p>Crew broke hydraulic fittings on tongs. 1-1/2 hours to repair (no charge). TOH with tbg to 1477'. Rig up air unit Pressure test lines to 1000#. Unload, clean water out of well staging in 10 stands at a time, keeping pressure below 650 psi. Clean out to 5430' and let air blow for 20 min. SWIFN. Will blow around in the morning to check for fluid entry.</p> <p>Tbg.Size: 2-3/8" Csg.Size: 4-1/2"</p>
6/16/2011	06:00 - 16:00	10.00	TRP	5	<p>Perfs: 5486' to 5718'</p> <p>Safety meeting. Pick up 1 jt and lower tbg to 5429'. Start air unit and unload 1.5 bbls of water. Pump 4 bbl sweep to clean any sand in tbg. Let blow for 30 minutes. Drop down, latch onto RBP and equalize well. Moderate gas blow Release RBP and TOH. TIH with mule shoe, SN and 184 jts of 2-3/8" tbg. Run 2-3/8" drift on every stand. Found one jt crimped. Would not drift. Replaced jt. Land bottom of tbg at 5694.54' KB. Rig down flow back lines and load drill collars on hot shot truck. Lay down power swivel and rig floor. NDBOP. NUWH. Tie in production line to separator. Rig down pump truck and lines Clean location. SWIFN.</p> <p>Note: A-Plus will run a category 3 OSHA inspection on workover rig in the morning. Will take approx 3 hours and will then move to the State J #3 and begin P&A procedure. State and BLM were notified.</p> <p>Perfs: 5486' to 5718'.</p>

Dunn 7

Sec. 9-T23N-R7W

Rio Arriba County, New Mexico

BHL: 1740' FSL, 2160' FWL

Owned by BCO Inc.

Date: 7/24/81

GL = 7196

KB = 7208

TVD = 5880

Schematic - not drawn to scale

SURFACE CASING:

Casing Size	Weight (lb/ft)	Depth Set (MD)	Cementing Record (sacks)
8 5/8"	23	213	140

Cement Job

8 - 5/8" surface casing 213' to surface. 140 sacks Class B, 3% CaCl₂, 1/4 lb floccle per sack mixed at 15.6 lbs with a yield of 1.18 or 183 cubic feet. Cement circulated to surface

PRODUCTION CASING:

Casing Size	Weight (lb/ft)	Depth Set (MD)	Plug Back TD (MD)	Cementing Record (sacks)
4 1/2"	10.5	5850	5760	975

Cement Job

4 1/2" casing cemented 2 Stages.

Stage 1: 5850-5250 175 sacks of Class B 2% CaCl₂, 8 pps salt, 1/2 pps floccle 6 1/4 pps gilsonite. Mixed at 15.2 ppg.

Stage 2: 4728-surface. 800 sacks of 65/35 poz mix, 12% gel 10 1/2 pps gilsonite, mixed at 11.4 ppg. Circulated 30 bbls of slurry at surface.

DV tool located at 4750'

TUBING:

Tubing Size	Weight (lb/ft)	Depth Set (MD)
2 3/8"	4.7	5718

PERFORATION RECORD

Depth (MD)	Size (inches)	Number (SPF)
5486	0.39	1
5492	0.39	1
5496	0.39	1
5510	0.39	1
5575	0.39	1
5597	0.39	1
5600	0.39	1
5603	0.39	1
5616	0.39	1
5644	0.39	1
5660	0.39	1
5685	0.39	1
5707	0.39	1
5718	0.39	1

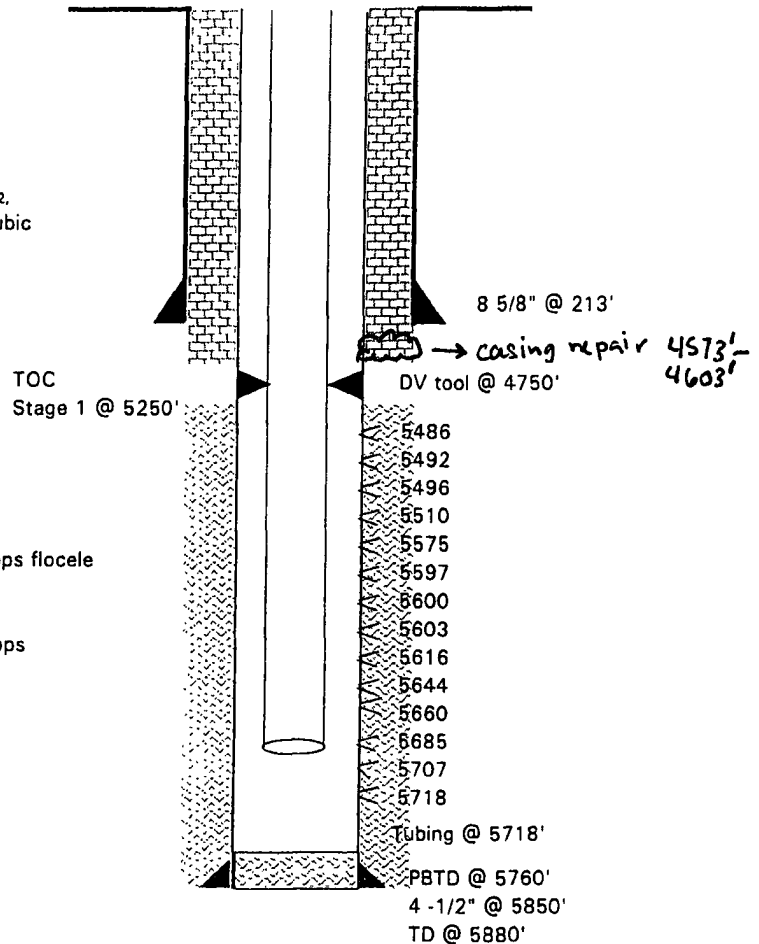
ACID/FRACTURE JOB

Sand Foam frac. With 197920 gals. Foam. 301250 lbs 10-20 sand, 1.5 MMscf N₂. Depth interval 5486-5718.

Workover

6-3-11, casing repair - cement squeeze
17 sacks of 15.6# cement

GL = 7196'

**COMMENTS**