

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

JUN 28 2011

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.

5. Lease Serial No
NM 58878

6. If Indian, Allottee, or Tribe Name
Bureau of Land Management

7. If Unit or CA, Agreement Name and/or No

8. Well Name and No.
FEDERAL L #1

9. API Well No
30-043-20825

10. Field and Pool, or Exploratory Area
ALAMITO GALLUP

11. County or Parish, State
SANDOVAL NEW MEXICO

SUBMIT IN TRIPLICATE - Other Instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
QEP ENERGY COMPANY

3a. Address
1050 17TH STREET, SUITE 500
DENVER, CO 80265

3b. Phone No. (include area code)
(303) 672-6900

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SW SE 490' 1765' 28 T 23N R 7W Long. -107.57707
FSL FEL

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 type="checkbox"/> Final Abandonment Notice	<input checked="" type="checkbox"/> Casing 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"/> 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 recomplete horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will be 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 recompletion 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 reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

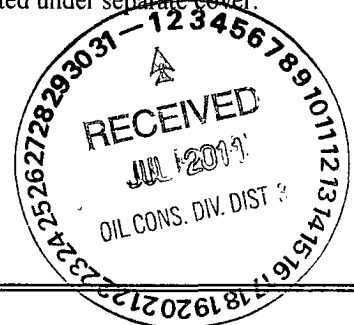
QEP Energy Company (QEP) repaired a casing leak on the Federal L #1 well between 5/13/2011 and 5/26/2011, as seen in the attached Operations Summary Report and updated wellbore diagram.

Since the casing repair was successful and the well has been 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

ACCEPTED FOR RECORD

Approved by _____ Title _____ Date JUN 28 2011

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 FARMINGTON FIELD 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 any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

Operations Summary Report

Well Name: FEDERAL L # 01
 Location:
 Rig Name: A PLUS WELL SERVICE

Spud Date: 10/31/1988
 Rig Release:
 Rig Number: 5

Date	From - To	Hours	Code	Sub Code	Description of Operations
5/13/2011	06:00 - 16:00	10.00	BOP	1	<p>Road rig and equipment from alamito #2. Rig stuck in wash 400 yards from location. Dug out and pulled out in 45 minutes. Rig up and spot in equipment. Open well 5 psi on tbg. Csg "0", NDWH. NUBOP. Remove donut and drop in with 2 jts to tag fill. NMOCD pulled up on location. Shut down 1/2 hour for inspection. Must be Friday. The 13th !!!! Break for lunch TOH with tbg. One 12' sub and 159 jts. Tag was at 5234'. Bottom of tbg landed at 5182'. PU and TIH with 4-1/2" bit and scrapper to 5234'. TOH with bit and scrapper. SWIFWE.</p> <p>Note: Will have packer hand Monday. Cost includes mobilization of tanks, equipment, kcl and water hauling.</p> <p>SITP: 5, SICP: 0.</p>
5/16/2011	06:00 - 16:00	10.00	CIRC	1	<p>Perfs: 4986' to 5198'. TIH with 4-1/2" RPB and set at 4820'. Pull up 4'. Circulate well clean with 75 bbls. Attempt to pressure test csg. Bledd off from 600 psi to 500 in 2 min. TOH and lay down retrieving head. TIH with 4-1/2" packer to 2604', load hole and set pkr. Communication between tbg and csg. Run one stand, set at 2668. Communication. TIH to 4746' and drop standing valve to test tbg. Pump 14 bbls down tbg at 2 bpm/1000 psi. TOH to 4219' and found standing valve stuck in crimped jt. Lay down jt, drop SV and pressure test tbg to 1000 psi. Good TIH and retrieve SV. Set pkr at 4032' and pump down tbg. Circulating back up csg. TOH with tbg and inspect pkr. Top element damaged. TIH with 2nd pkr to 2018' Load hole and set pkr. Circulating up csg again. Set at 980'. communicating up csg. Hole in csg? SWIFN.</p> <p>Tbg. Size: 2-3/8" Csg. Size: 4-1/2"</p>
5/17/2011	06:00 - 16:00	10.00	BOP	1	<p>Perf 4986' to 5198' TOH to 522' and set pkr. Communication. TOH to 202' and set pkr. Communication. Pull tbg and pkr out of well. Had seating nipple one stand above pkr. Found pin holes in jt just above jt. Lay down jt. Blew hydraulic hose on tongs. Shut down for 1-1/2 hours. Met mechanic with hydraulic hose, return to location and repair tongs. (No charge one and one half hours). TIH with pkr. Test csg and isolate hole between 3966' to 3998'. Leaking off 50 psi per min at 750 psi. Run pressure up to 1750 psi. Leaking off 250 psi per minutes. TOH with tbg & pkr. Run back in well with 11 jts, pkr, and 112 jts with end of tbg at 4000'. Pour sand down tbg to cover retrievable plug at 4820'. SWIFN.</p> <p>Tbg. Size: 2-3/8" Csg. Size: 4-1/2"</p>
5/18/2011	06:00 - 16:00 16:00 -	10.00	RIG CIRC	7 1	<p>Perf 4986' to 5198' Safety meeting at A-Plus office. No Charge. Circulate 8 bbls of 2% kcl followed by 5 bbls of fresh. Mix 22 gallons of fluid loss additive in fresh water then mix and pump 15 sxs of 15.6#, 1 18 yield (17.7 cubic ft) of class B cement from 4000' to 3798'. top of cement Displace with 4 bbls fresh 10.5 kcl Pull bottom of tbg up to 3675'. Set pkr at 3319' RU to csg, load with 1/2 bbl and circulate 17 bbls out tbg. Set pkr, RU to tbg and pressue up 2000 psi for squeeze. Drop 50 psi in 30 min. Back up to 2000. Drop 50 psi in 30 min. Back up</p>

Operations Summary Report

Well Name: FEDERAL L # 01
 Location:
 Rig Name: A PLUS WELL SERVICE

Spud Date: 10/31/1988
 Rig Release:
 Rig Number: 5

Date	From - To	Hours	Code	Sub Code	Description of Operations
5/18/2011	16:00 -		CIRC	1	to 2000. Drop to 1975 psi. Shut well in at 1975. NOTE: Costs include pkr hand. Tbg. Size: 2-3/8" Csg. Size: 4-1/2" Perf: 4986' to 5198'.
5/19/2011	06:00 - 16:00	10.00	WOT	4	Travel to location. Roads muddy. Crew truck pulling gooseneck trailer with collars stuck for 30 min.
	-		EQT	1	Tbg pressure 800, csg 0. Blow pressure off tbg. Release pkr and TOH. Tally and TIH with 3-7/8" blade bit, bit sub, six 3-1/8" drill collars XO and tbg. Tag cement at 3766'. Schluffe flow back pit and spot drill pit next to pump truck. RU power swivel, Start circulation, stripping rubber would not seal. Change out rubber. Cement sample pulled yesterday still green. Drill out cement from 3766' to 3895'. Drilling to fast. Cuttings soft. Shut down to let cement cure. Circ hole clean. Lay down 1 jt of tbg. SWIFN. Will drill out cement and pressure test squeeze zone in the morning. Set up air foam unit for Monday. Tbg. Size: 2-3/8" Csg. Size: 4-1/2" SITP: 800 SICP: 0. Perf: 4986' to 5198'.
5/20/2011	06:00 - 16:00	10.00	SEQ	1	Safety Meeting. Pick up swivel. Establish circulation Drill cement from 3895' to 3927'. Cement still soft from chemical additives? Circulate well clean and shut down for weekend to let cement cure. Travel to Farmington yard. 8 hour minimum charge. Tbg. Size: 2-3/8" Csg. Size: 4-1/2" Perf: 4986' to 5198'
5/23/2011	06:00 - 16:00	10.00	CIRC	1	Safety meeting. Establish circulation and drill cement from 3927' to 4008'. Cement hardened. Setting 5K on bit. Hang swivel back and TIH. Tag sand above RBP at 4809'. Pressure test csg to 575 for 5 min. Good. RU pressure recorder and chart. Recorder would not read over 180 psi. Call for new recorder. TOH with tbg, collars and bit while waiting for recorder. Load hole and RU new recorder. Pressure well to 550 psi. Drop to 540 psi in 35 minutes. Good TIH with 4-1/2" bit & scrapper to 4809'. TOH. SWIFN. Air package will arrive tomorrow morning. Tbg. Size: 2-3/8" Csg. Size: 4-1/2".
5/24/2011	06:00 - 16:00	10.00	WOT	4	Perf: 4986' to 5198' Safety meeting. TIH with RBP retrieving head and tubing to 1500'. Rig up truck pulling air foam unit buried in sand wash. Wait on water truck scheduled to haul water from Alamito battery. Load water on vac truck and pull Rig up truck & air unit through wash. Spot in and rig up air foam unit. Unload well w/air from 1500' at 650 psi. TIH to 3000'. Attempt to unload at 650 psi. Would not unload. Pull up to 2475' and unload at 650 psi. TIH to 3175', unload at 550 psi. TIH to 3775'. unload at 550 psi. 4425' and unload at 550 psi Tag sand at 4809'. Circulate sand off top of RBP

Operations Summary Report

Well Name: FEDERAL L # 01
 Location:
 Rig Name: A PLUS WELL SERVICE

Spud Date: 10/31/1988
 Rig Release:
 Rig Number: 5

Date	From - To	Hours	Code	Sub Code	Description of Operations
5/24/2011	06:00 - 16:00	10.00	WOT	4	with soap mist and air at 550 psi Latch onto and release RBP. TOH with tbg and RBP. SWIFN. Tbg.Size: 2-3/8" Csg.Size: 4-1/2" Perfs: 4986' to 5198'
5/25/2011	06:00 - 16:00	10.00	EQT	1	Safety meeting. TIH with notched collar, SN and tbg to 3000'. Drift all stands with 2-3/8" mandril for crimped jts. RU air unit to tbg and blow around. No water. TIH to 4130' and attempt to blow around with air. Pressure up to 650 psi and well at an average 500' per trip unloading water, in order to keep pressures low on squeeze area. Tag fill at 5139'. 95' of fill from original tag at start of job. Clean out sand to 5222', start mist and blow well around 30 min. Stop mist and blow well with air for 1-1/2 hrs. Shut down air, lay down 2 jts and SWIFN. RD air unit. Tbg.Size: 2-3/8" Csg.Size: 4-1/2" Perfs: 4986' to 5198'. SICP: 0.
5/26/2011	06:00 - 16:00	10.00	BOP	1	Will rig down and move to the State J #3 in the morning. Safety meeting. NDBOP. NUWH. Land tbg (159 jts and seating nipple w/notched collar) at 5167' KB. RDSU and all equipment on location Tbg.Size: 2-3/8" Csg.Size: 4-1/2" Perfs: 4986' to 5198' SITP: 5, SICP: 10

Federal L 1

Sec. 28-T23N-R7W

Sandoval County, New Mexico

BHL: 490' FSL, 1765' FEL

by BCO Inc.

date: 7/19/88

Schematic - not drawn to scale

GL = 6930
 KB = 6942
 TVD = 5387

SURFACE CASING:

Casing Size	Weight (lb/ft)	Depth Set (MD)	Cementing Record (sacks)
8 5/8 "	23	212	155.00

Cement Job

8 - 5/8 " surface casing 219' to surface. 155 sacks Class B, 2% CaCl₂, 1/4 lb flocele per sack mixed at 15.6 lbs with a yeild 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"	11.6	5384	5296	1050

Cement Job

4 1/2 casing Cement from TD to surface. Lead cement was 900 sacks Class H pozmix A cement mixed with 3% gel, 12 1/2 pps gilsonite, 10% salt, 10 % calseal mixed at 13 ppg with a yield 1.78 cfps The tail cement was 150 sacks Class H with 2% CaCl₂, 8 pps salt 1 1/2 pps flocele, 6 1/4 pps gilsonite mixed at 15.2 ppg. ant circulated 65 bbls at surface.

TUBING:

Tubing Size	Weight (lb/ft)	Depth Set (MD)
2 3/8"	4.7	5184

PERFORATION RECORD

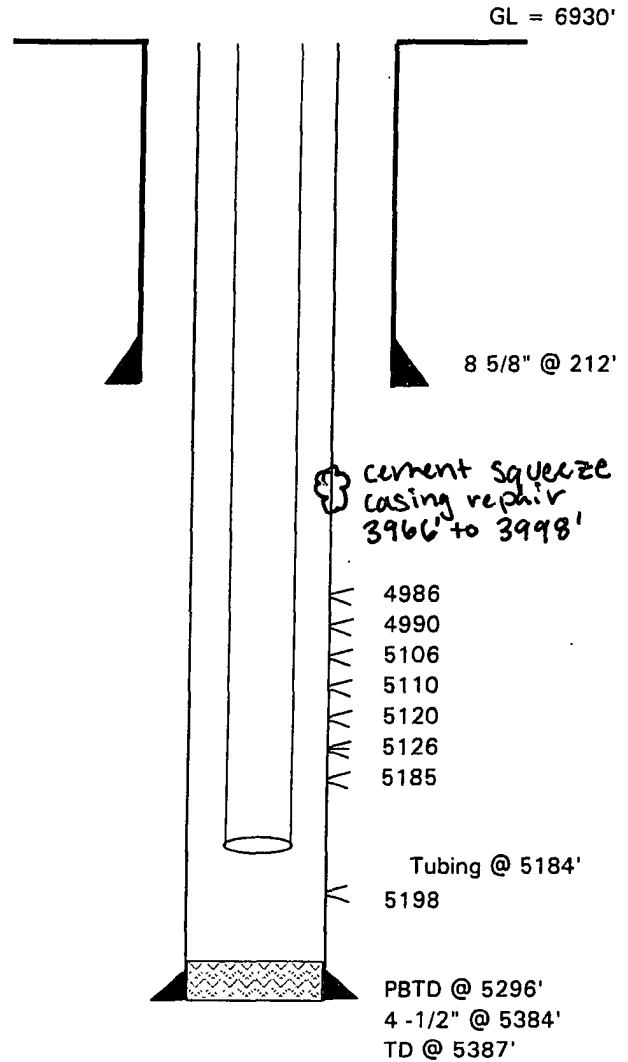
Depth (MD)	Size (inches)	Number (SPF)
4986	0.39	1
4990	0.39	1
5106	0.39	1
5110	0.39	1
5120	0.39	1
5126	0.39	1
5185	0.39	1
5198	0.39	1

COMMENTS

November 93, pumped 210 gallons 15% FeHCl to treat producing formation.

workover

5-13-11 casing repair
 15 SXS of 15.6# cement



ACID/FRACTURE JOB

800 gallons of 15% HCL 129,229 gal. of 70% quality foam
 320000 lbs 20-40 sand with 2.3 MMscf N2