

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUL 12 2013

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.

5. Lease Serial No. **SF-081325**

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐

Oil Well

☒

Gas Well

☐

Other

2. Name of Operator

Burlington Resources Oil & Gas Company LP

3a. Address

PO Box 4289, Farmington, NM 87499

3b. Phone No. (include area code)

(505) 326-9700

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

Canyon Largo Unit

8. Well Name and No.

Canyon Largo Unit 86

9. API Well No.

30-39-05237

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Surface

UL J (NWSE), 1850' FSL & 1650' FEL, Sec. 35, T24N, R6W

10. Field and Pool or Exploratory Area

Ballard PC

11. Country or Parish, State

Rio Arriba

New Mexico

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☒ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 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 must 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 must be filed once Testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Burlington Resources requests permission to P&A the subject well per the attached procedure, current & proposed wellbore schematics. The Pre-Disturbance site visit was held on 7/9/13 w/ Bob Switzer. The Re-Vegetation Plan is attached. A closed loop system will be utilized for this P&A.

**Notify NMOCD 24 hrs
prior to beginning
operations**

RCVD JUL 18 '13

OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Kenny Davis

Title **Staff Regulatory Technician**

Signature

Date

7/11/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

JUL 16 2013

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.

(Instruction on page 2)

NMOCD

ConocoPhillips
CANYON LARGO UNIT 86 (PC)
Expense - P&A

Lat 36° 16' 0.149" N

Long 107° 25' 57.756" W

Prepared by: Kurtis Shaw
Peer Reviewed by: Michelle Wilcox
Supervisor: Ryan Frost

Date: 04/15/13
Date: 05/13/13

Twinned Location: No Currently Surface Commingled: No

Scope of Work: P&A the wellbore and return the location to its natural condition.

Est. Rig Days: 4 Area: 26 Route: 656
Formation: PC

WELL DATA

API: 3003905237 Spud Date: 6/22/1957
LOCATION: 1850' FSL & 1650' FEL, Spot J, Section 35 -T 024N - R 006W

Artificial lift on well (type): None Est. Reservoir Pressure (psia): 300 (PC)

Well Failure Date: N/A Earthen Pit Required: NO

H2S: 0 ppm; **Always Verify!** this well has no known history of producing H2S. If while the rig is on location, H2S is suspected or encountered please contact Robert Ingram (324-5166) to evaluate for an H2S Contingency Plan and contact HSE H2S SPOC.

Special Requirements:

This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up. Also, two 5-1/2" cement retainers, a CBL, a mill for 5-1/2" 15.5# casing, and a 2-3/8" workstring with tools to handle will be needed.

Contacts	Name	Office #	Cell #
PE Production Engineer	Kurtis Shaw	324-5193	215-3470
PE Backup	Michelle Wilcox	599-3460	405-517-0626
MSO	Mike Brown		609-3909
Lead	Ramon Florez	599-3479	320-2506
Area Foreman	Vance Roberts	599-3467	320-9567

Well History/Justification

The Canyon Largo Unit 86 was drilled and completed in March 1957 in the Pictured Cliffs. The wellbore includes 5-1/2" casing with 1-1/4" tubing. The well does not have any history of remedial work, slickline, or swabbing. In the past 11 years, the well has been unable to sustain production over 6 MCFD.

The well is currently producing 3 MCFD. Since the well is at the end of its life, we do not expect to gain any production through remedial work. RAM's forecast indicates that we are currently producing below our abandonment rate.

Recommendation

Economic analysis shows that at the current rate the well is not profitable. The well has been unprofitable every month of the past year. In addition, there are no possible remedial options. It is recommended to P&A the wellbore and return the location to its natural condition.

ConocoPhillips
CANYON LARGO UNIT 86
Expense - P&A

Lat 36° 16' 0.149" N

Long 107° 25' 57.756" W

PROCEDURE

This project requires a NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.

1. Hold pre-job safety meeting. Comply with all NMOCD, BLM, and COPC safety and environmental regulations. Test rig anchors prior to moving in rig.
2. MIRU work over rig. Check casing, tubing, and bradenhead pressures and record them in Wellview.
3. When an existing primary valve (i.e. casing valve) is to be used, the existing piping should be removed and replaced with the appropriate piping for the intended operation.
4. RU blow lines from casing valves and begin blowing down casing pressure. Kill well with water, as necessary, and at least pump tubing capacity of water down tubing.
5. ND wellhead and NU BOPE. Pressure and function test BOP. PU and remove tubing hanger.
6. TOO H and lay down the 1-1/4" tubing (per pertinent data sheet).

Rods:	No	Size:		Length:	
Tubing:	Yes	Size:	1-1/4"	Length:	2065'
Packer:	No	Size:		Length:	

7. PU 4-3/4" bit and string mill on 2-3/8" EUE work string and round trip to 2045' or as deep as possible.
8. PU cement retainer for 5-1/2" 15.5# casing and set at 1995'. Pressure test tubing to 1000 psi. Pressure test casing to 800 psi. If casing does not test, then spot and tag subsequent plugs as necessary. **Run CBL and adjust plugs accordingly.**

All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Type II mixed at 15.6 ppg with a 1.18 cf/sk yield.

9. Plug 1 (Pictured Cliffs, 1895-1995', 17 Sacks Class B Cement)

Mix 17 sx Class B cement and spot inside the casing above the CR to isolate the Pictured Cliffs perforations and Pictured Cliffs formation top. PUH.

10. Plug 2 (Fruitland, Kirtland, and Ojo Alamo, ^{1801 1450}1455-1775', 42 Sacks Class B Cement)

Mix 42 sx Class B cement and spot a balanced plug inside the casing to isolate the Fruitland, Kirtland, and Ojo Alamo formation tops. PUH.

11. Plug 3 (Nacimiento, 1089-1189', 17 Sacks Class B Cement)

Mix 17 sx Class B cement and spot a balanced plug inside the casing to isolate the Nacimiento formation top. POOH.

12. Plug 4 (Surface Shoe and Surface Plug, 0-170', 68 Sacks Class B Cement) ^{Nacimiento 94'}

Perforate 3 HSC holes at 170'. Establish good circulation out the bradenhead with water and circulate annulus clean. Mix 68 sx Class B cement and pump down production casing to circulate good cement out the bradenhead. Shut in the well and WOC.

13. Nipple down BOP and cut off casing below the casing flange. Install P&A marker with cement to comply with regulations. Rig down, move off location, cut off anchors, and restore location.

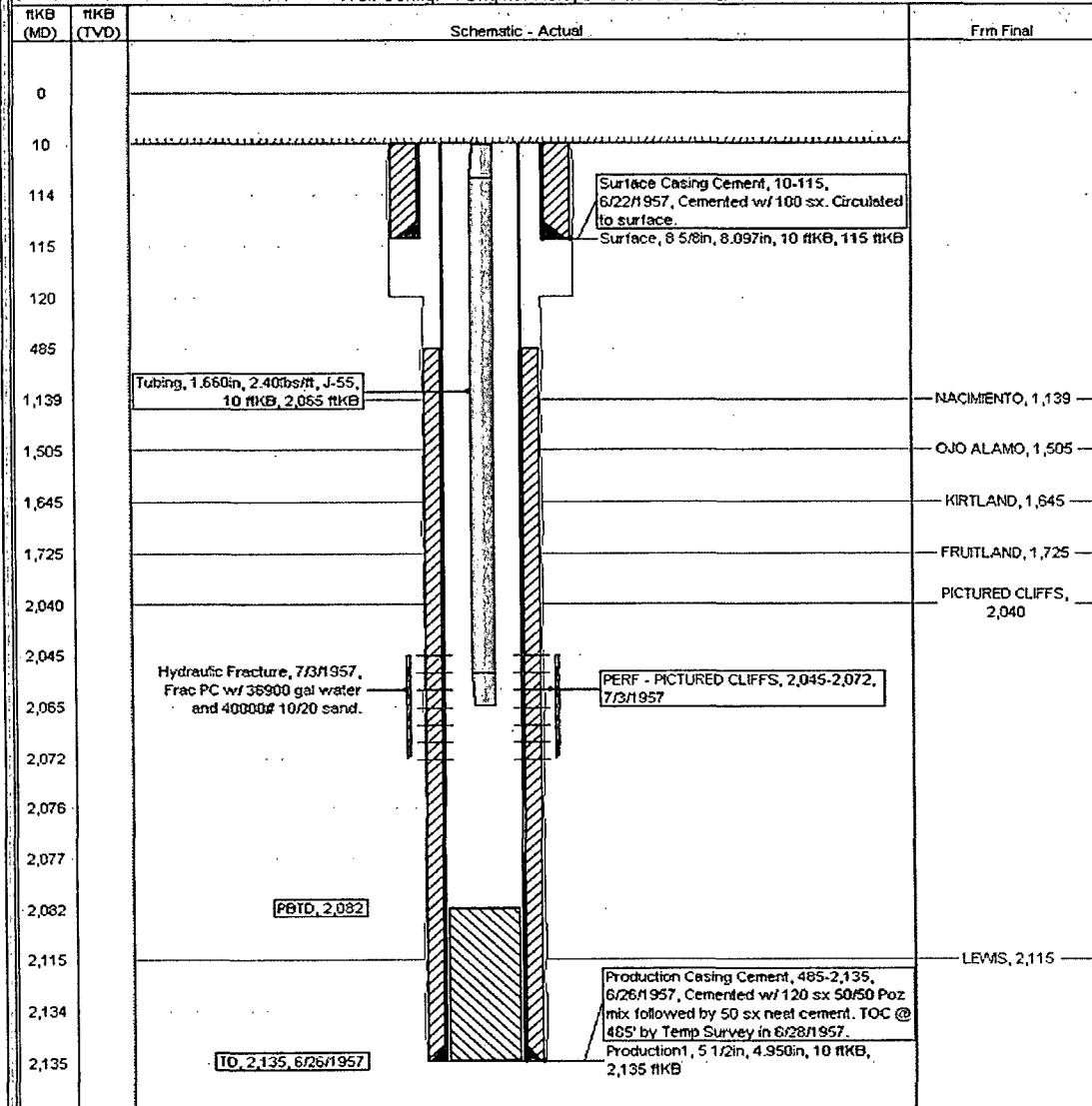
Current Schematic

ConocoPhillips

Well Name: CANYON LARGO UNIT #86

API# 0001	State Legal Location	Field Name	License No.	State/Province	Well Completion Type	Edit
3003905237	NMPM 035-024N-006W	SAFARI PEPPER CLIFFS (GAS)		NEW MEXICO		
GRV13 Elevation (ft)	Original KIRBY Elevation (ft)	PS-C 10113 DUBOIS (ft)	KB-Casing FB Height US Block (ft)	KB-Tubing Height US Block (ft)		
6,626.00	6,636.00	10.00				

Well Config: - Original Hole, 5/10/2013 2:34:27 PM



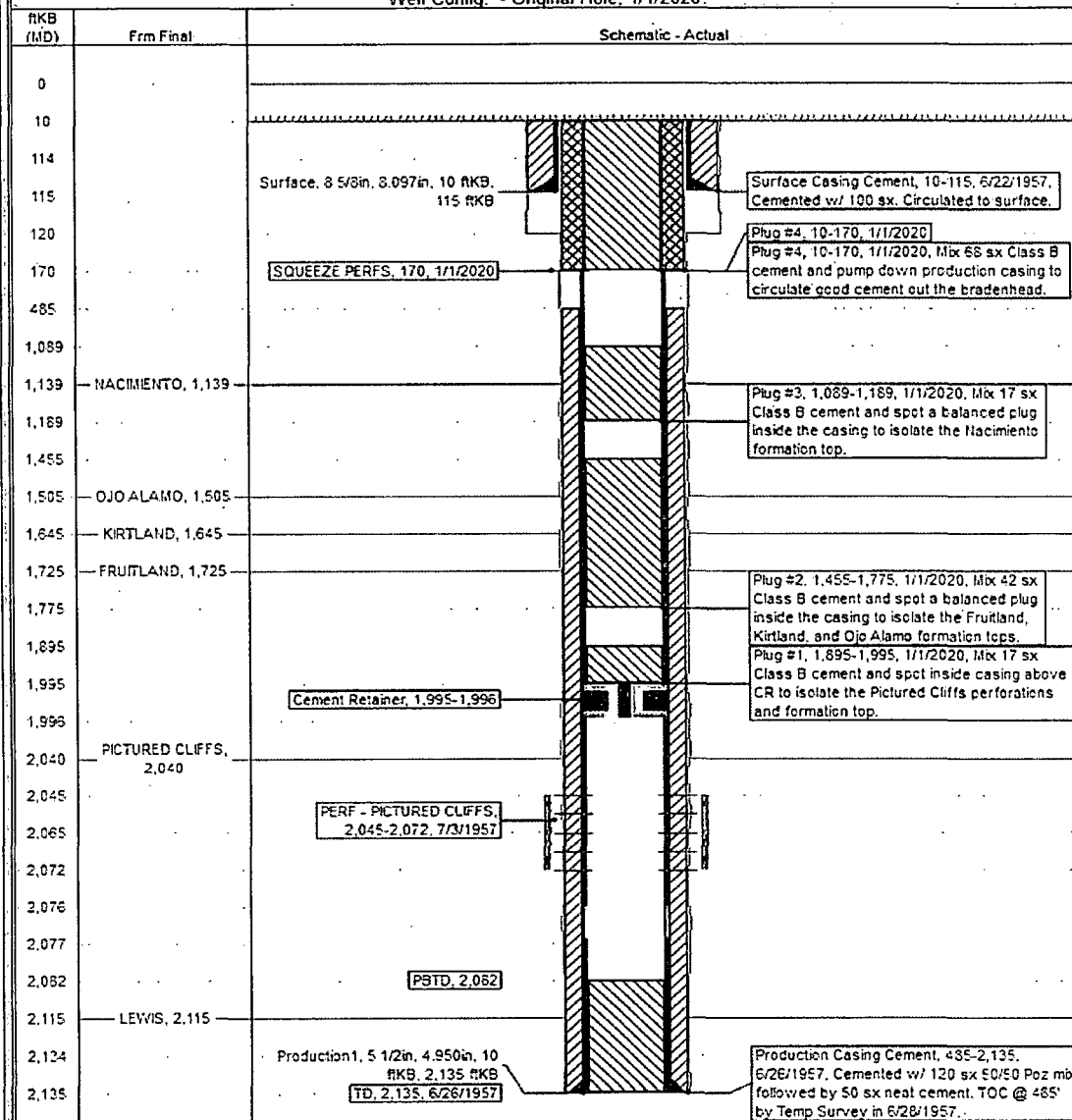
ConocoPhillips

Proposed Schematic

Well Name: CANYON LARGO UNIT #86

API Well No. 3003905237	Surface Location NMPM 035-02411-006W	Field Name BALCONO PLACES FIELD EAST	License No.	State Province NEW MEXICO	Well Configuration Type	Edit
Ground Elevation (ft) 6,626.00	Original KBRT Elevation (ft) 6,636.00	KBRT to TD Distance (ft) 10.00	5-Casing Floor Elevation (ft)	KB-Tying - Length Distance (ft)		

Well Config: - Original Hole, 1/1/2020.



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 86 Canyon Largo Unit

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."

2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.

3. The following modifications to your plugging program are to be made:

a) Place the Fruitland/Kirtland/Ojo Alamo plug from 1851' - 1450'.

b) Place the Nacimiento/Surface plug from 170' to surface inside and outside the 5 ½" casing.

Note: Nacimiento top is 94'.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.