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October 3, 2013

Christopher L. Sandoz Regulatory Engineer - San Juan

State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division 1000 Rio Brazos Rd. Aztec, New Mexico 87410 RCVD OCT 4'13 OIL CONS. DIV. DIST. 3

Attention: Mr. Brandon Powell, Inspection and Enforcement Supervisor

Re: Federal B #1, API # 30-045-09118 UL O, Section 28, Township 30N, Range 11W, San Juan County, New Mexico

Dear Mr. Powell:

Based on your letter dated September 5, 2013 regarding conditions near the location of Federal B #1 well, BP America, Inc. (BP) plans to conduct the following assessment activities at the subject site:

Install a monitor well to a depth equivalent to the cathodic protection well associated with the Morris #103S well. The monitor well will be installed at a suitable location between the Federal B #1 P&A marker and the cathodic protection well.

 Collect gas samples from the monitoring well and the cathodic protection well. Samples will be analyzed to determine composition of the gas and possible origin.

In addition, BP conducted a review and analysis of the repair and abandonment activities that were performed on the Federal B #1 well in 1992 and 1993. No irregularities were noted in this review of the work performed.

BP will provide NMOCD with notice at least 48 hours prior to initiating well installation and sample collection activities. Should you have questions or require additional information, please contact me at (713) 323–3520 or christopher.sandoz@bp.com. New Mexico EMNRD, Oil Conservation Division Federal B #1, API # 30-045-09118, San Juan County, New Mexico October 3, 2013 Page 2 of 2

Sincerely,

Christopher L. Sandoz **Regulatory Engineer**

cc: Burlington Resources

c/o ConocoPhillips 3401 East 30th Street Farmington, NM 87402 Attn: Heather McDaniel

(via email) Stephen Collins James Walker Juan Sierra Ben Freestone Jeff Peace Elysia Linson Andy Hawk Chris Sandoz