

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

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 19163**

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

Dugan Production, c/o BHP Billiton San Juan Coal

3a. Address PO Box 561, Waterflow, NM 87421

3b. Phone No. (include area code)
(505) 598-2000

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

8. Well Name and No. **Turks Toast 10**

9. API Well No. **30-045-30724**

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

660' FNL and 1980' FWL, Sec. 19, T-30-N, R-14-W

10. Field and Pool or Exploratory Area
Twin Mounds FR Sand PC

11. Country or Parish, State
San Juan, NM

12. CHECK THE APPROPRIATE BOX(ES) 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 type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input checked="" type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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 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 recompletion 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.)

Turks Toast 10 was plugged and abandoned according to MSHA and BLM standards on June 25, 2015. Please reference the attachment for details on the procedure.

OIL CONS. DIV DIST. 3

**Approved as to plugging
of the well bore. Liability
under bond is retained until
surface restoration is completed.**

ACCEPTED FOR RECORD

NOV 09 2015

NOV 09 2015

**FARMINGTON FIELD OFFICE
BY: [Signature]**

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

Title **Mine Geologist, BHP Billiton San Juan Coal Company**

Signature

Date

10/30/2015

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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.

(Instructions on page 2)

NMOCD

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KC

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979
Farmington, New Mexico 87499
505-325-2627 *fax: 505-325-1211

BHP
Turk's Toast #10

June 25, 2015
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660' FNL and 1980' FWL, Section 19, T-30-N, R-14-W
San Juan County, NM
Lease Number: NM19163
API #30-045-30724

Plug and Abandonment Report
Notified NMOCD and BLM on 6/12/15

Plug and Abandonment Summary:

- Plug #1** with four sets of squeeze holes (6 HSC holes in a two foot interval per event) at 1105', 1107', 1055', and 1057': mix and spot 36 sxs (42.48 cf) Class B cement with 18% salt BWOW inside casing from 1107' to 633', to isolate the Pictured Cliffs perforations. WOC. Tag TOC at 858'.
- Plug #2** with four sets of squeeze holes (6 HSC holes in a two foot interval per event) at 941'- 943' and 891'- 893': mix and spot 60 sxs (70.8 cf) Class B cement with 18% salt BWOW inside the casing from 1026' to 235', to isolate the Fruitland coals zones. WOC and tag TOC at 495'.
- Plug #3** with 42 sxs (49.56 cf) Class B cement inside casing from 495' to surface to cover the Fruitland top and surface casing shoe.
- Plug #4** mix and pump 12 sxs Class B cement thru poly-pipe to top off casing and annulus and install underground plate marker set at N 36° 48' 18" / W 108° 21' 11".

- 6/15/15 Rode rig to location and RU. Check well pressures: SITP 40 PSI, SICP 30 PSI and SIBHP 0 PSI. Blow well down. LD polished rod and 4', 2', 6' x 3/4" pony rods, 40 - 3/4" rods, centralizer sub and 2" top-hold pump. ND wellhead. NU and function test BOP. TOH and LD 33 joints 2-3/8" 4.7# J-55 tubing, (total 1062'). PU first BHA: 3-7/8" blade mill, bit sub, 6 - 3-1/8" drill collars, x-over and A-Plus 2.375" workstring. TIH and tag PBTD at 1088'. SI well. SDFD.
- 6/16/15 Held safety meeting. Open up well; no pressures. RU drilling equipment and drill from 1098' to 1105'. Circulate well clean. TOH with BHA. RU Southwest Exploration wireline. Ran GYRO from 1060' to surface. RU Jet West wireline. Ran Gamma/Neutron log from 1105' to surface. TIH with BHA. SI well. SDFD.
- 6/17/15 Held safety meeting. Check well pressures: SITP and SIBHP 0 PSI, SICP 30 PSI. Tag at 1105'. Break circulation. Drill from 1105' to 1107'. Circulate well clean. TOH with BHA. RU A-Plus wireline. Perforate 6 HSC squeeze holes at two intervals: 1105' to 1107' and 1055' to 1057'. TIH open-ended tubing to 1107'. Establish rate of 2 bpm at 300 PSI into squeeze holes. Spot plug #1 with calculated TOC at 633'. TOH with tubing. Hesitate squeeze 1/2 bbl to 800 PSI, OK. Final estimated TOC at 825'. SI well. SDFD.
- 6/18/15 Held safety meeting. Check well pressures: SICP 50 PSI and SIBHP 0 PSI. Pressure test casing to 800 PSI, OK. TIH with BHA and tag plug #1 at 858'. Establish circulation and drill out cement from 858' to 1026'. TOH and LD blade mill. Pick up second BHA: Weatherford 3.5" section mill, 6 - drill collars and 2.375" tubing workstring. TIH to 986' and open section mill knives. Mill casing from 986' to 995.5'. Observe lots of metal & cement in returns. PUH. SI well. SDFD.

A-PLUS WELL SERVICE, INC.

BHP
Turk's Toast #10

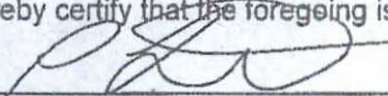
June 25, 2015
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Plug and Abandonment Summary Continued:

- 6/22/15 Held safety meeting. Open up well; no pressures. TOH with BHA and replace knives. TIH. Knives not extending out. TOH and rebuild section mill. TIH and mill from 995.5' to 1011.5'. Good metal and cement volumes in returns. TOH. Replace section mill knives. TIH and mill from 1006' to 1011.5' again. Circulate well clean. TOH and replace knives. TIH and ream down to 1009.5'. POH. SI well. SDFD.
- 6/23/15 Held safety meeting. Open up well; no pressures. Mill from 1010.5' to 1013. Good amounts metal and cement in returns. TOH and LD section mill. PU 5 blade mill. TOH and tag fill at 1024'. Circulate well clean down to 1026'. TOH. RU Jet West wireline. Ran caliper log, shows casing milled to 1010'. Note: requested by Eric Herth, BHP to mill more. PU section mill. TIH and mill casing from 1010' to 1017'. Good metal and cement in returns. Circulate well clean. TOH. PU 5 blade junk mill and tag at 1026'. Circulate well clean. RU Jet West wireline. Ran caliper log, interval successfully milled out. RU A-Plus wireline. Perforate 6 HSC squeeze holes in intervals from: 841' to 843' and 791' to 793'. SI well. SDFD.
- 6/24/15 Held safety meeting. Open up well; no pressures. RU A-Plus wireline. Perforate 6 HSC squeeze holes in intervals from: 941' to 943' and 891' to 893'. TIH with open ended tubing to 1026'. Establish rate of 3 bpm at 650 PSI. Spot plug #2 with calculated TOC at 235'. Keeping pressure at 800 PSI over 2 hours until held 800 PSI for 30 minutes. TIH and tag plug #2 at 495'. Spot plug #3 with TOC at surface. TOH and LD all tubing. SI well. SDFD.
- 6/25/15 Held safety meeting. Open up well; no pressures. Found cement down 50' in 4.5" casing. ND BOP. RD rig. Dig out wellhead with backhoe. Write Hot Work Permit. Cut off wellhead. Found cement down 27' in annulus. Spot plug #4 with Class B cement thru poly-pipe to top off casings and install underground plate marker set at N 36° 48' 18" / W 108° 21' 11". Rode equipment to yard.

Steve Slauch, Weatherford Field Service representative was on location.
Dustin Porch, BLM representative was on location.
Joe Ruybalid, BLM representative was on location.

I hereby certify that the foregoing is true and correct


Phillip Fitzpatrick
Field Supervisor
A-Plus Well Service, Inc.

Date: June 30, 2015