

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

DEC 08 2016

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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.
NMSF078106

6. Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

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

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
Gallegos Canyon Unit #130

2. Name of Operator
BP America Production Company

9. API Well No.
30-045-07510

3a. Address
737 North Eldridge Parkway, 12.181A
Houston, TX 77079

3b. Phone No. (include area code)
281-892-5369

10. Field and Pool or Exploratory Area
Basin Fruitland Coal

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec. 18 T28N R12W SWNE 1790 FNL 1820 FEL

11. County 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"/> Fracture Treat | <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 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 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.)

Subject well was P&A'd 2005.

BP requests Final Abandonment on the subject well. The location was reconstructed as a museum exhibit per landowner request. All equipment was cut and capped below grade then buried into the ground 12 inches to provide the appearance of an active well pad for museum purposes. All equipment has been drained, cleaned, and made safe for public viewing per the landowner request. Surface owner concurrence letter attached stating that the surface owner is in agreement that final reclamation is to their satisfaction and meets their expectations.

For questions/concerns please contact Sabre Beebe, BP L48 Compliance Specialist at 970-779-9398 or sabre.beebe@bp.com

OIL CONS. DIV DIST. 3

DEC 15 2016

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

Toya Colvin

Title Regulatory Analyst

Signature

Date 11/08/2016

THIS 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)

NMOC

AGREEMENT FOR ABANDONMENT OF WELL SITES, BURIED PIPELINES AND LEASE ROADS

This Agreement is made this 2nd day of November, 2016 by and between BP America Production Company ("BP") and B Square Ranch LLC, with an address of, 3901 Bloomfield Hwy, Farmington, NM ("Landowner").

WHEREAS, BP is the Operator, on behalf of itself, successors, assigns, affiliates, officers, directors, employees and its partners (collectively the "Releasees") in the Well Sites, Associated Buried Pipelines and Associated Lease Roads described and located as listed on Exhibit A.

WHEREAS, BP has abandoned or intends to abandon the aforementioned Well Sites, Associated Buried Pipelines and Associated Lease Roads, pursuant to obligations imposed upon BP under oil and gas leases, surface use agreements and releases, common law, the law of the State of New Mexico, the current Rules and Regulations that exist on the date of this agreement of the New Mexico Oil Conservation Division, the Bureau of Land Management and/or otherwise.

WHEREAS, Landowner desires BP to abandon the Well Sites, Associated Buried Pipelines and Associated Lease Roads, as is, without, restoration and revegetation, and desires to relieve BP of any further and other responsibility to restore the surface of the Well Sites and Associated Lease Roads and/or to reestablish vegetative cover as to the said Well Sites and Associated Lease Roads.

WHEREAS, Landowner agrees that any of their reclamation activities, that may occur, on any of the abandoned Well Sites and Associated Lease Roads will not interfere with BP's ability to access and operate the active well that is located on any of the above referenced co-located Well Sites.

NOW THEREFORE, in consideration of the payment of One hundred thousand and No/100 Dollars (\$100,000.00) and other valuable consideration, the receipt and sufficiency is hereby acknowledged by both parties, BP and Landowner agree as follows:

1. BP and Landowner acknowledge and agree that BP has abandoned the aforementioned Well Sites, Associated Buried Pipelines and Associated Lease Roads.
2. BP acknowledges that all abandoned Associated Buried Pipelines have been properly isolated, purged and abandoned according to current regulations that existed on the execution date of this agreement.
3. Landowner agrees to assume any and all responsibility for restoration of the surface of the Well Sites and Associated Lease Roads and further agrees that BP and its Releasees are completely relieved of any further obligation of, or liability for, surface restoration, of the Well Sites and/or Associated Lease Roads thereto.
4. As further consideration for the payment herein, Landowner, on behalf of itself, successors and assigns, does hereby forever release, relinquish and discharge BP and its Releasees, from all debts, claims, demands, damages and causes of action whatsoever, known or unknown, including such as have arisen or may hereafter arise by reason of or which have in any manner grown out of and which may hereafter grow out of said Well Sites, Associated Buried Pipelines and/or Associated Lease Roads associated therewith.
5. BP and Landowner acknowledge and agree that BP will abandon in place certain pieces of equipment as described in Exhibit A that is currently located at some of the said Well Sites. Landowner desires to assume ownership and responsibility of said equipment as described in Exhibit A. Landowner, on behalf of itself, successors and assigns, does hereby forever release, relinquish and discharge BP and its Releasees, from all debts, claims, demands, damages and causes of action whatsoever, known or unknown, including such as have arisen or may hereafter arise by reason of or which have in any manner grown out of and which may hereafter grow out assuming ownership and responsibility for said equipment.
6. This Agreement shall be binding upon and shall inure to the benefit of, the parties hereto, their heirs, successors and assigns. It is the parties further intent that Landowner's agreement to permit BP to abandon said Well Sites, Associated Buried Pipelines and Associated Lease Roads, without restoration or revegetation, constitutes a covenant by said Landowner which shall run with the land and be binding upon Landowner's successors entitled to the property which is the subject of this Agreement.
7. Landowner represents and warrants to BP that Landowner owns 100% of the right, title, and interest in and to the surface tract upon which said Well Sites, Associated Buried Pipelines and Associated Lease Roads thereto are located and said Landowner agrees to indemnify and hold BP harmless from all claims asserted by and landlord, tenant, lien holder or other owner of the property asserting an interest or rights adverse or contrary to the interest warranted by Landowner herein.

8. The parties agree that a Memorandum of the Agreement shall be executed and filed in the real property records for San Juan County, New Mexico. In addition, all terms and conditions of this Agreement shall remain confidential between the Landowner and BP (collectively "Parties"), except it may be disclosed to the Parties' successors in interest, including potential purchasers.

Executed this 2nd day of November, 2016

B Square Ranch LLC

By: Tommy Bolack

BP America Production Company

By: Debra Bacon, Attorney-in-Fact

ACKNOWLEDGEMENT

STATE OF TEXAS)

COUNTY OF HARRIS)

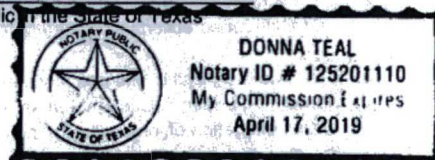
The foregoing instrument was acknowledged before me this 2 day of November, 2016 by Debra Bacon as Attorney-in-Fact for BP America Production Company, a Delaware corporation.

Witness my hand and official seal the day and year last above written.

My Commission Expires:

4/17/19

Notary Public in the State of Texas



STATE OF NEW MEXICO)

COUNTY OF SAN JUAN) ss

On this 2nd day of November, 2016, before me the undersigned Notary Public in and said County and State, personally appeared Tommy Bolack, as owner of B Square Ranch LLC, known to be the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same as his free and voluntary act and deed for the purposes and consideration therein mentioned and set forth.

Witness my hand and official seal the day and year last above written.

My Commission Expires:

6.13.18

Notary Public in the State of New Mexico



EXHIBIT "A"

Attached to and made a part of the Agreement for Abandonment of Well Sites, Buried Pipeline and Lease Roads, dated November 2, 2016, between Tommy Bolack, Owner of B Square Ranch, LLC and BP America Production Company.

| WELL | API | LOCATION | (S-T-R) | SHARED PAD |
|---------------|------------|----------|--------------|----------------------|
| 1. GCU 308 | 3004524624 | SESE | 7-T28N-R12W | N/A |
| 2. GCU 289 | 3004523820 | SESW | 8-T28N-R12W | N/A |
| 3. GCU 584 | 3004531601 | NENW | 18-T28N-R12W | N/A |
| 4. GCU 22 | 3004507479 | SWNE | 18-T28N-R12W | N/A |
| 5. GCU 130 | 3004507510 | NWNE | 18-T28N-R12W | N/A |
| 6. GCU 582 | 3004531017 | NWNW | 19-T28N-R12W | GCU 196E, 3004524254 |
| 7. GCU 509 | 3004528170 | NWNW | 28-T29N-R12W | N/A |
| 8. GCU 394 | 3004528116 | SESW | 30-T29N-R12W | GCU 187E, 3004524172 |
| 9. GCU 292 | 3004523787 | SESW | 30-T29N-R12W | N/A |
| 10. GCU 285 | 3004523605 | SWSW | 31-T29N-R12W | N/A |
| 11. GCU 332 | 3004525475 | SESE | 31-T29N-R12W | GCU 221E, 3004524259 |
| 12. GCU 210E | 3004524249 | NENW | 31-T29N-R12W | N/A |
| 13. GCU 322 | 3004524626 | SENE | 31-T29N-R12W | N/A |
| 14. GCU 323 | 3004524615 | SWSW | 32-T29N-R12W | N/A |
| 15. GCU 324 | 3004524614 | SESW | 30-T29N-R12W | N/A |
| 16. GCU 236E | 3004526270 | SWSW | 14-T28N-R13W | N/A |
| 17. GCU 234 | 3004511714 | NENE | 14-T28N-R13W | GCU 571, 3004530703 |
| 18. GCU 239 | 3004511740 | SENE | 24-T28N-R13W | N/A |
| 19. GCU 240E | 3004526341 | NENW | 24-T28N-R13W | N/A |
| 20. GCU 161E | 3004524886 | SESW | 23-T29N-R13W | GCU 390, 3004528309 |
| 21. GCU 262 | 3004520285 | SESW | 24-T29N-R13W | GCU 377, 3004527537 |
| 22. GCU 304 | 3004523939 | SESW | 24-T29N-R13W | GCU 377, 3004527537 |
| 23. GCU 163 | 3004507795 | SWSE | 26-T29N-R13W | N/A |
| 24. GCU 135E | 3004526295 | SWNE | 26-T29N-R13W | N/A |
| 25. CALLOW A1 | 3004507913 | NWNW | 27-T29N-R13W | N/A |
| 26. CALLOW 8 | 3004507790 | SWSE | 27-T29N-R13W | N/A |
| 27. CALLOW 11 | 3004507887 | SESW | 28-T29N-R13W | N/A |
| 28. CALLOW 9E | 3004524294 | SENE | 28-T29N-R13W | N/A |
| 29. GCU 325 | 3004524627 | SWNW | 35-T29N-R13W | N/A |
| 30. GCU 164E | 3004524957 | NENW | 35-T29N-R13W | N/A |
| 31. GCU 164 | 3004507622 | SWSW | 35-T29N-R13W | GCU 396, 3004528310 |
| 32. GCU 44 | 3004507610 | SWSW | 35-T29N-R13W | N/A |
| 33. GCU 326 | 3004524616 | SESW | 36-T29N-R13W | N/A |
| 34. GCU 163E | 3004524870 | SWSW | 26-T29N-R13W | N/A |
| 35. GCU 367 | 3004526880 | SESW | 31-T29N-R12W | N/A |
| 36. GCU 262E | 3004526159 | SESE | 24-T29N-R13W | N/A |