State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary Heather Riley, Division Director Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following <u>3160-4 or 3160-5</u> form.

Operator Signature Date: 7/20/2015 Well information:

API WELL #	Well Name	Well #	Operator Name	Туре	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/ł
	GALLEGOS CANYON UNIT		BP AMERICA PRODUCTION COMPANY	G		San Juan	F	E	17	28	N	12	W

Application Type:

X P&A Drilling/Casing Change Location Change

Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84)

Other:

Conditions of Approval:

- Notify NMOCD 24hrs prior to beginning operations.
- Change Plug #5 to 2478'-2378' to cover the Chacra top.

Seand the

NMOCD Approved by Signature

<u>2/16/18</u> Date

	UNITED STATES EPARTMENT OF THE ID UREAU OF LAND MANA	NTERIOR			OMB NO	APPROVED D. 1004-0137 nuary 31, 2018		
SUNDRY		5. Lease Serial No. NMSF078106						
Do not use the abandoned we		6. If Indian, Allottee or Tribe Name EASTERN NAVAJO						
SUBMIT IN		7. If Unit or CA/Agreement, Name and/or No. 892000844F						
 Type of Well ☐ Oil Well ☑ Gas Well ☑ Oth 	ner			8. Well Name and No. GALLEGOS CANY	and No. S CANYON UNIT 264			
2. Name of Operator BP AMERICA PRODUCTION	COntact: CO E-Mail: Toya.Colvi	IN		9. API Well No. 30-045-20656-00-S1				
3a. Address 200 ENERGY COURT FARMINGTON, NM 87401	3b. Phone No Ph: 281.36	. (include area code) 6.7148		10. Field and Pool or Exploratory Area BASIN DAKOTA				
4. Location of Well (Footage, Sec., 7	., R., M., or Survey Description)			11. County or Parish, State			
Sec 17 T28N R12W SWNW 1 36.664950 N Lat, 108.139530				SAN JUAN COUNTY, NM				
12. CHECK THE AI	PPROPRIATE BOX(ES)	TO INDICA	TE NATURE O	F NOTICE,	REPORT, OR OTH	ER DATA		
TYPE OF SUBMISSION			TYPE OF	ACTION	- * · ·			
Notice of Intent	□ Acidize	Dee	pen	Product	ion (Start/Resume)	□ Water Shut-Off		
_	□ Alter Casing			🗖 Reclam	ation	U Well Integrity		
Subsequent Report	 Casing Repair Change Plans 	New	v Construction	🗖 Recomp	olete	□ Other		
Final Abandonment Notice	Plug	g and Abandon	Temporarily Abandon Water Disposal					
testing has been completed. Final Al determined that the site is ready for f BP requests to P&A the subje In accordance with NMOCD F operations.	inal inspection. ct well. Please see the at	tached proce	dure and wellbor	e diagram. stem during		IST. 3		
				Г	ED OI 2010			
14. I hereby certify that the foregoing is	true and correct							
	Electronic Submission # For BP AMERICA	A PRODUCTIO	N CO, sent to the	Farmingtor				
Co Name (Printed/Typed) TOYA CO	cessing by JA	JACK SÁVAGE on 01/31/2018 (18JWS0065SE) Title REGULATORY ANALYST						
Signature (Electronic S	Date 12/18/2017							
	THIS SPACE FO	OR FEDERA	L OR STATE	OFFICE U	SE			
ACCEPT	FD		JACK SAV					
Approved By ADDL1 I Conditions of approval, if any, are attache	not warrant or	r TitlePETROLEUM ENGINEER Date 01/31/						
certify that the applicant holds legal or equivalent which would entitle the applicant to condu	uitable title to those rights in the act operations thereon.	Office Farming						
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a statements or representations as	crime for any pe to any matter w	erson knowingly and ithin its jurisdiction.	willfully to ma	ake to any department or a	agency of the United		
(Instructions on page 2) ** BLM REV	ISED ** BLM REVISE	D ** BLM RE	EVISED ** BLM) ** BLM REVISED) **		
	NM	OCD IN						

b

BP America

Plug And Abandonment Procedure

GCU 264

1630' FNL & 1150' FWL, Section 17, T28N, R12W

San Juan County, NM / API 30-045-20656

- 1. Hold pre-job safety meeting. Comply with all NMOCD, BLM safety and environmental regulations. Test rig anchors prior to moving in rig if not rigged to base beam.
- 2. Check casing, tubing, and bradenhead pressures.
- 3. Remove existing piping on casing valve. RU blow lines from casing valves and begin blowing down casing pressure. Kill well as necessary. Ensure well is dead or on a vacuum.
- 4. ND wellhead and NU BOP. Function test BOP.
- 5. P/U 4 ¹/₂" bit or casing scraper on 2-3/8" work string and round trip as deep as possible above top perforation at 6018'.
- 6. P/U 4 ½" CR, TIH and set CR at +/- 5968'. Pressure test tubing to 1000 psi. Sting out of CR. Load hole, and pressure test casing to 800 psi. If casing does not test, then spot or tag subsequent plugs as appropriate. POOH w/ tubing.
- 7. Rig up to pump cement down tubing. Pump water to establish rate down tubing.

NOTE: All Plugs Include 100% excess outside casing and 50% Excess inside casing

8. Plug 1 (Dakota Perforations and Dakota Formation Top 5968'-5918', 6 Sacks Class B Cement)

Mix 6 sx Class B cement and spot a balanced plug inside casing to cover Dakota perforations and formation top.

9. Plug 2 (Gallup Formation Top 5200'-5050', 12 Sacks Class B Cement)

Mix 12 sx Class B cement and spot a balanced plug inside casing to cover Gallup formation top.

10. Plug 3 (Mancos Formation Top 4080'-3930', 12 Sacks Class B Cement)

Mix 12 sx Class B cement and spot a balanced plug inside casing to cover Mancos formation top.

11. Plug 4 (Mesa Verde Formation Top 3100'-2950', 12 Sacks Class B Cement)

Mix 12 sx Class B cement and spot a balanced plug inside casing to cover Mesa Verde and formation top.

12. Plug 5 (Chacra Formation Top 1895'-1745', 12 Sacks Class B Cement)

Mix 12 sx Class B cement and spot a balanced plug inside casing to cover Chacra and formation top.

13. Plug 6 (Pictured Cliffs Formation Top 1530'-1380', 12 Sacks Class B Cement)

Mix 12 sx Class B cement and spot a balanced plug inside casing to cover Pictured Cliffs formation top.

14. Plug 7 (Surface Shoe and Surface 351'-surface, 120 Sacks Class B Cement)

Attempt to pressure test the bradenhead annulus to 300 psi; note the volume to load. If BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 120 sx cement and spot a balanced plug from 351' to surface, circulate good cement out of casing valve. TOH and LD tubing. Shut well in and WOC. If BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing from 351' and the annulus from the squeeze holes to surface. Shut in well and WOC.

15. ND cementing valves and cut off wellhead. Fill annuli with cement as necessary. Install P&A marker to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and restore location per BLM stipulations.

Wellbore Diagram

Gallegos Canyon Unit 264 API #: 3004520656 San Juan, New Mexico

<u>Plug 7</u> 351 feet - Surface 351 feet plug 120 sacks of Class B Cement

<u>Surface Casing</u> 8.625" 24# @ 351 ft

<u>Plug 6</u> 1530 feet - 1380 feet 150 feet plug 12 sacks of Class B Cement

<u>Plug 5</u> 1895 feet - 1745 feet 150 feet plug 12 sacks of Class B Cement

<u>Plug 4</u> 3100 feet - 2950 feet 150 feet plug 12 sacks of Class B Cement

<u>Plug 3</u> 4080 feet - 3930 feet 150 feet plug 12 sacks of Class B Cement

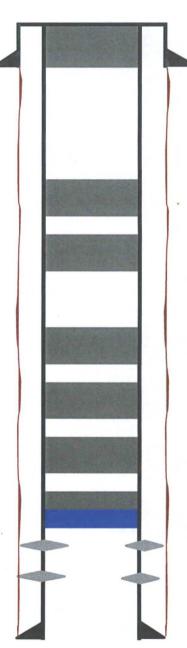
Plug 2 5200 feet - 5050 feet 150 feet plug 12 sacks of Class B Cement

<u>Plug 1</u> 5968 feet - 5918 feet 50 feet plug 6 sacks of Class B Cement

<u>Perforations</u> 6018 feet - 6038 feet 6096 feet - 6116 feet Formation Pictured Cliffs - 1480 feet MesaVerde - 3050 feet Gallup - 5150 feet Dakota - 6094 feet

Retainer @ 5968 feet

Production Casing 4.5" 10.5# @ 6159 ft



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: Gallegos Canyon Unit 264

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) Set Plug #3 (4322-4222) ft. to cover the Mancos top. BLM picks top of Mancos at 4272 ft.
- b) Add Plug (1214-1114) ft. to cover the Fruitland top. BLM picks top of Fruitland at 1164 ft. Adjust cement volume accordingly.

Operator must run a CBL to verify cement top. Submit the electronic copy of the log for verification to the following addresses: jwsavage@blm.gov Brandon.Powell@state.nm.us

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.