Form 3160-5 (June 2015)

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

NMNM03358

Lease Serial No.

| Do not use the abandoned we | 6. If Indian, Allottee or Tribe Name | | | | | | |
|--|---|---|--|------------------|---|--|--|
| SUBMIT IN | 7. If Unit or CA/Agreement, Name and/or No. | | | | | | |
| Type of Well Oil Well | 8. Well Name and No. NEBU 604 COM 2H | | | | | | |
| Name of Operator BP AMERICA PRODUCTION | 9. API Well No. 30-045-35794-00-X1 | | | | | | |
| 3a. Address PO BOX 3092 HOUSTON, TX 77253 | 3b. Phone No. (include area code) Ph: 281.892.5369 | | 10. Field and Pool or Exploratory Area BASIN MANCOS | | | | |
| 4. Location of Well <i>(Footage, Sec., T</i> Sec 13 T31N R7W SWNW 18 36.901585 N Lat, 107.529243 | 11. County or Parish, State SAN JUAN COUNTY, NM | | | | | | |
| 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 | ☐ Deepen ☐ Hydraulic Fracturing ☐ New Construction ☐ Plug and Abandon | ☐ Production (Start/Resume) ☐ Reclamation ☐ Recomplete ☐ Temporarily Abandon | | ☐ Water Shut-Off ☐ Well Integrity ☑ Other Drilling Operations | | |
| 00 | Convert to Injection Plug Back | | □ Water I | □ 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.

BP requests to perform the attached remedial operations on the subject well.

Please see the attached updated procedure including wellbore diagram.

OIL CONS. DIV DIST. 3

FFB 1-3 2018

Notify NMOCD 24 hrs prior to beginning operations

| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #402921 verified by the BLM Well Information System For BP AMERICA PRODUCTION CO, sent to the Farmington Committed to AFMSS for processing by JACK SAVAGE on 02/06/2018 (18JWS0094SE) | | | | | | | |
|---|-------------------------|--------|--------------------|---------------------------------------|--|--|--|
| Name (Printed/Typed) | TOYA COLVIN | Title | REGULATORY ANALYST | , , , , , , , , , , , , , , , , , , , | | | |
| Signature | (Electronic Submission) | Date | 02/01/2018 | | | | |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | | | | | | |
| Approved By_JACK SAVAGE | | TitleP | ETROLEUM ENGINEER | Date 02/06/2018 | | | |
| 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 | Farmington | | | | |

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) ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **



NEBU 604 Com 2H - 30-045-35794 Remedial ops outline

9 % x 12 ¼" 0.0558 bbl/ft 9 %" 40# 0.0758 bbl/ft

Perform remedial after lateral is drilled - 5 1/2" csg set in liner hanger

- 1. RIH and set RBP in the 9 %" or 5 1/2" casing and press test to 1500 psi
- 2. MIRU WL; Shoot 2 holes, 180 deg @ ± **3520**' (at least 50' below PC main top @ 3464') and 2 holes, 180 deg @ ± **2900**'
- RIH and set packer @ ± 3480'
- Break circulation down work string and up the upper perf holes @ 5 8 bpm w/ annulus open
- 5. POH packer and L/D
- 6. RIH w/CR and set @ ± 3480'
- 7. MIRU cement equipment; MU lines and press test
- Pump ± 50 bbls of cement (ann volume ± 40 50% excess) to be recalculated on loc based on actual perf depths and displace it to the retainer
- 9. Sting out of retainer; c/o excess cement
 - 9.1. If there is cement in the returns, balance a \pm 20 bbl cement plug at \pm 2910'; Pull up above cement level and start hesitating to max 1500 psi; pull up, clean excess, POH and shut well in with \pm 1000 psi (depending on last squeeze pressure)
 - 9.2. WOC 24 hrs or as per HES recommendation
 - 9.3. If there is no cement in returns POH w/ work string and run CBL
 - 9.4. If TOC is too low will shoot another set of perforations and repeat the process
- MIRU WL; Shoot 2 holes, 180 deg @ ± 2580' (at least 50' below KT top @ 2514') and 2 holes, 180 deg @ ± 2440'
- 11. RIH w/CR and set @ ± 2530'
- 12. MIRU cement equipment; MU lines and press test
- 13. Pump ± 12 bbls of cement (ann volume ± 40 50% excess) to be recalculated on loc based on actual perf depths and displace it to the retainer
- 14. Sting out of retainer; c/o excess cement
 - 14.1.If there is cement in the returns, balance a \pm 20 bbl cement plug at \pm 2450'; Pull up above cement level and start hesitating to max 1500 psi; pull up, clean excess, POH and shut well in with \pm 1000 psi (depending on last squeeze pressure)
 - 14.2.WOC as per HES recommendation
 - 14.3.If there is no cement in returns POH w/ work string and run CBL
 - 14.4.If TOC is too low will shoot another set of perforations and repeat the process
- 15. MU d/o BHA and d/o cement past perf hole @ 2440'
- 16. Press test csg to 500 psi
- 17. If CBL was not previously run POH w/ drilling BHA
- 18. Run CBL submit CBL to NMOCD/BLM for approval
- 19. If CBL is good RIH w/ d/o BHA
- 20. D/O CR and clean past the perf @ 2530'
- 21. Press test csg to 500 psi
- 22. Continue in hole and d/o past the perf hole @ 2900'
- 23. If CBL was not previously run, POH w/ drilling BHA
- 24. Run CBL submit CBL to NMOCD/BLM for approval
- 25. If CBL is good RIH w/ d/o BHA
- 26. D/O CR and clean past the perf @ 3520'
- 27. Press test csg to 500 psi
- 28. POH w/ drilling BHA
- If pressure tests are good , notify NMOCD 24 hr in advance to witness the final MIT
- 30. MIT casing to 500 psi for 30 min
- 31. POH and L/D drilling BHA can be POH prior to MIT

- 32. RIH and retrieve RBP
- 33. POH and lay down tools
- 34. RIH and clean PBR
- 35. RIH w/ 5 1/2" 20# P110 tie back string
- 36. MIT 5 1/2" casing string to 1500 psi

Contingencies:

- If circulation cannot be achieved (bullet 4), through the holes @ \pm 2900', plan to shoot another set of perforations @ \pm 3350' and attempt again to achieve circulation
- Operations and volumes will be adjusted accordingly and reported to regulatory agencies
- If the CBL indicates isolation between the formations but can't obtain pressure test, decision might be made to defer the pressure testing of the casing and cement the tie-back string in place and plan to bring cement above ±2440' in the 9 1/8" x 5 1/2" annulus
- Cement blend, density and WOC time will be agreed w/ HES

