

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.
NMSF080723

6. If Indian, Allottee or Tribe Name
EASTERN NAVAJO

7. If Unit or CA/Agreement, Name and/or No.
892000844L

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
☐ Oil Well ☐ Gas Well ☒ Other: COAL BED METHANE

8. Well Name and No.
GALLEGOS CANYON UNIT 381

2. Name of Operator
BP AMERICA PRODUCTION CO
Contact: TOYA COLVIN
E-Mail: Toya.Colvin@bp.com

9. API Well No.
30-045-27588-00-S1

3a. Address
200 ENERGY COURT
FARMINGTON, NM 87401

3b. Phone No. (include area code)
Ph: 281.366.7148

10. Field and Pool or Exploratory Area
BASIN FRUITLAND COAL

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

Sec 20 T29N R12W SENE 1650FNL 0985FEL
36.714750 N Lat, 108.116060 W Lon

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 | | | |
|--|---|--|--|---|
| <input checked="" 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 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 recomple 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 P&A the subject well. Please see the attached P&A procedure and wellbore documents.

In accordance with NMOCD Pit Rule 19.15.17.9 NMAC, BP will use a closed-loop system during operations.

*Please note this well is private surface and does not require reclamation plans.

Notify NMOCD 24 hrs
prior to beginning
operations

NMOCD
JUN 11 2018
DISTRICT III

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #413617 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 06/04/2018 (18JWS0109SE)

Name (Printed/Typed) TOYA COLVIN

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 05/04/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JACK SAVAGE

Title PETROLEUM ENGINEER

Date 06/04/2018

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 ** BLM REVISED ****

NMOCD

PLUG AND ABANDONMENT PROCEDURE

December 29, 2017

Gallegos Canyon Unit #381

Basin Fruitland Coal

1650' FNL and 985' FEL, Section 29, T29N, R12W

San Juan County, New Mexico / API 30-045-27588

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
2. Rods: Yes X , No , Unknown .
Tubing: Yes X , No , Unknown , Size 2-3/8" , Length 1545' .
Packer: Yes , No X , Unknown , Type .
3. **Plug #1 (Pictured Cliffs top, Fruitland Coal perfs and Fruitland top, 1461' – 1110')**: RIH and set 4.5" CR at 1461' (same ownership). Pressure test tubing to 1000#. Circulate well clean. Pressure test casing to 800#. If casing does not test then spot or tag subsequent plugs as appropriate. Mix 31 sxs Class B cement inside casing from 1461' to cover the PC top through the Fruitland top. PUH.
4. **Plug #2 (Kirtland, Ojo Alamo tops and 8.625" casing shoe, 366' – 0')**: Attempt to pressure test the bradenhead annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 30 sxs cement and spot a balanced plug from 366' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing and annulus from the squeeze holes to surface. Shut in well and WOC.
5. 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 cut off anchors. Restore location per BLM stipulations

Gallegos Canyon Unit #381

Proposed P&A

Basin Fruitland Coal

1650' FNL, 985' FEL, Section 20, T-29-N, R-12-W

San Juan County, NM, API #30-045-27588

Today's Date: 12/29/17

Spud: 4/9/90

Completed: 6/4/90

Elevation: 5614' GI
5622' KB

8.75" hole

Circulated cement to surface

7" 20# Casing set @ 134'
Cement with 150 sxs, circulated

Ojo Alamo @ 217'

Plug #2: 366' - 0'
Class B cement, 30 sxs

Kirtland @ 316'

Fruitland @ 1160'

Plug #1: 1461' - 1110'
Class B cement, 31 sxs

Pictured Cliffs @ 1540'

Set CR @ 1461'

Fruitland Coal Perforations:
1511' - 1534'

6.25" hole

4.5", 10.5#, Casing set @ 1675'
Cement with 385 sxs, circulated to surface

TD 1700'
PBSD 1637'

**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 381

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.

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.