

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 3160-4 or 3160-5 form.

Operator Signature Date: 8/21/2018

Well information:

30-045-29146 EVA LOU GAS COM #001

BP AMERICA PRODUCTION COMPANY

Application Type:

☒ P&A ☐ Drilling/Casing Change ☐ Location Change

☐ Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84; Submit Gas Capture Plan form prior to spudding or initiating recompletion operations)

☐ Other:

Conditions of Approval:

- Notify NMOCD 24hrs prior to beginning operations.
- Extend Plug #2 1151'-910' to cover the Ojo Alamo top. OCD Ojo Alamo pick @ 960'

NMOCD Approved by Signature

12/26/18
Date

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

| | | |
|--|--|--|
| 1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: COAL BED METHANE | | 5. Lease Serial No. NMNM010989 |
| 2. Name of Operator BP AMERICA PRODUCTION COMPANY | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 1199 MAIN AVE. SUITE 101 DURANGO, CO 81301 | | 7. If Unit or CA/Agreement, Name and/or No. NMNM95706 |
| 3b. Phone No. (include area code) Ph: 970-712-5997 | | 8. Well Name and No. EVA LOU GAS COM 1 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 35 T32N R11W SWSW 0935FSL 1205FWL 36.936798 N Lat, 107.963776 W Lon | | 9. API Well No. 30-045-29146-00-S1 |
| | | 10. Field and Pool or Exploratory Area BASIN FRUITLAND COAL |
| | | 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 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.

BP requests to P&A the subject well. Please see the attached P&A procedure, wellbore diagrams and BLM required reclamation plan documents.

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

NMOCD

DEC 12 2018

DISTRICT III

| | |
|--|--------------------------|
| 14. I hereby certify that the foregoing is true and correct. | |
| Electronic Submission #432143 verified by the BLM Well Information System For BP AMERICA PRODUCTION COMPANY, sent to the Farmington Committed to AFMSS for processing by JACK SAVAGE on 12/04/2018 (19JWS0043SE) | |
| Name (Printed/Typed) PATTI CAMPBELL | Title REGULATORY ANALYST |
| Signature (Electronic Submission) | Date 08/21/2018 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------------------------|-----------------|
| Approved By JACK SAVAGE | Title PETROLEUM ENGINEER | Date 12/04/2018 |
| 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 MK
AV

P&A Procedure

BP America – EVA LOU GC 1

Basin Fruitland Coal

935' FSL & 1205' FWL, Section 35, T32N, R11W, San Juan County, NM

API 30-045-29146

Plug & Abandonment Procedure:

1. **Plug #1, 2396' - 2446' (Fruitland top: 2034', Perfs: 2496' – 2710'):** *RIH & set CICR at 2446'. Pressure test tubing prior to pumping cement to 1000 psi. Mix & pump 6 sxs of Class B cement (or equivalent) to plug off Fruitland perfs. Circulate hole clean. If required run by BLM, run CBL (note: circulated cement to surface on primary cement job).*
2. **Plug #2, 1001' – 1151' (Kirtland Top: 1076'):** Spot 17 sxs Class B cement in a balanced plug inside casing to cover Kirtland top. PUH. WOC. TIH to confirm top of plug. Re- spot if necessary.
3. **Plug #4, (50' to Surface):** Mix approximately 6 sxs of cement. Spot the surface plug to cover a minimum of 50' so surface and top off as necessary.
4. ND BOP and cut off wellhead below surface casing flange per regulation. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

EVA LOU GC 1

Proposed P&A

Basin Fruitland Coal

935' FSL & 1205' FWL, Section 35, T32N, R11W, San Juan County, NM

API 30-045-29146

Spud: 2/10/1995

Procedure Date: 1/6/2018

Surface Plug: 50' to Surface
6 sxs Class B

Hole Size: 12-1/4"
Surface Csg: 8-5/8" 24#
Hole Size: 7-7/8"
Prod Csg: 5-1/2" 15.5#

8-5/8" Set @ 274'
Cement w/ 195 sxs
Circulated cmt to surf

Kirtland Top 1076'

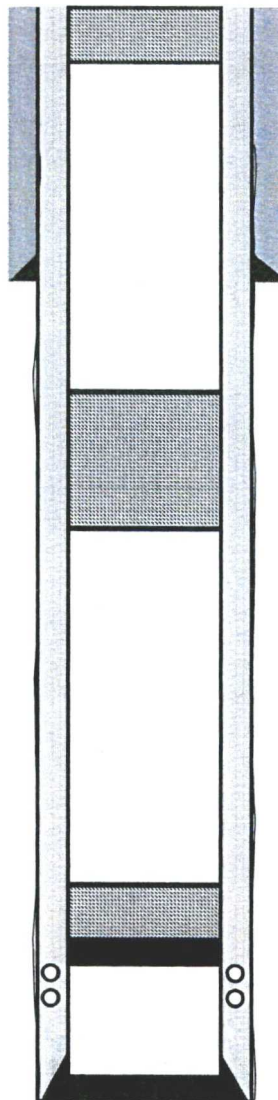
PLUG 2: 1001- 1151'
17 sxs Class B

Fruitland Top 2034'
Fruitland Perfs: 2496- 2710'

PLUG 1: 2396- 2446 '
Set CICR @ 2446'
6 sxs Class B

PC Top: 2754'

5-1/2" csg set @ 3004'
Cemented w/ 411 sxs & tail 182 sxs
top set w/ 110 sxs
Cement circ to surf



PBTD: 2965'
TD: 3006'

Well name and no: EVA LOU GAS COM 001
API No. 30-045-29146

Plugging & Abandonment Surface Reclamation Plan

| | | | |
|-----------------|---------------------|----------------|-----------------------------|
| Operator: | BP America | Location: | Sec.35, Twn: 32N, Range 11W |
| Well name & No: | EVA LOU GAS COM 001 | County, State: | San Juan County, NM |
| API No: | 30-045-29146 | Revision: | 0 |
| Surface: | BLM | | |
| Date: | 8/2/2018 | | |

This document outlines the final reclamation plan for the EVA LOU GAS COM 001 well site, API 30-045-29146, based on the BLM/BP on-site inspection conducted on 8/2/2018 and in accordance with Onshore Order No. 1 and the FFO Bare Soil Reclamation Procedures C (dated 2/2013).

PROPOSED VEGETATION RECLAMATION PLAN

General Notes:

- BP will comply with the requirements in accordance with the approved Sundry Notice associated with this submittal.
- BP will notify the BLM forty-eight (48) hours prior to commencing earthwork.
- BP will notify the Authorized Officer forty-eight (48) hours prior to commencing with seed application.
- All underground production piping on the well site belonging to BP, associated with the EVA LOU GAS COM 001 well, will be removed or abandoned-in-place if at depths greater than 36 inches.
- BP power poles, rectifier and/or radio equipment will be removed from the site.
NO POWER POLES IDENTIFIED DURING SITE VISIT
- All rig anchors found on location belonging to the EVA LOU GAS COM 001 will be removed.
- Disturbance will be limited to the well site and edge of well pad and access road boundaries.
- Disturbance will be limited to disturbance required to remove equipment and piping related to the EVA LOU GAS COM 001 well.
- All surface equipment associated with the EVA LOU GAS COM 001 identified and belonging to BP on location at time of P&A will be removed from location.
- BP has no authority to address other operator equipment or pipelines.
- BP will inform other Operators and Pipeline Companies of BLM/BIA equipment removal requests/requirements at the time of reclamation plan submission and when the EVA LOU GAS COM 001 P&A marker is set.
- All trash, if any, will be removed from location.
- The P&A marker will be permanent and comply with all NMOCD regulations.

Well Site Reclamation:

(Note: some steps may occur in a different sequence than listed below)

For future reference, pre-construction conditions are documented in the attached Inspection Form and shown in the attached photos.

- Temporary and / or permanent storm water and erosion control BMP's will be employed at appropriate locations around the pad as dictated by local drainage patterns and expected areas of disturbance, slopes and across the access road. BMP's selection will be determined by local factors and will be a combination of sediment and erosion controls that are deemed effective and low maintenance. Straw wattles, diversion ditches, mulch, soil blankets, and/or other suitable BMP's may be used in various

Well name and no: EVA LOU GAS COM 001
API No. 30-045-29146

combinations, as appropriate, during and after construction activities. Any temporary means to control storm water will be removed before final reclamation is achieved.

- Vegetation and approximately 6 inches of soil will be stripped and stockpiled to use after grading operations to facilitate re-vegetation.
- Gravel on the well site surface will be removed.
- If there is a BGT on location it will be properly closed per NMOCD Rules and the area will be reclaimed along-side the entire well pad.
- Fill material on the location will be used to reclaim the site to near original and natural topography as is practical. The pad will be ripped and will just be disc 4-6 inches to break any clods and prepare the location for seeding. This locations reclamation will include the road leading to the well site.
- Mature, healthy vegetation on the site perimeter will be left intact to the extent possible to achieve contour.
- Natural drainage patterns will be established when possible and practical. Additional means for ensuring proper drainage, such as water bars or diversion ditches, may be employed. The natural drainage patterns already in existence will be maintained and enhanced with the fill material on site.
- Disturbed areas will be prepared for seeding.
- A seed drill will be utilized to create a firm bed.
- After the site has been prepared, the location will be seeded using appropriate equipment.
- All disturbed areas will be seeded in accordance with the FFO Bare Soil Reclamation Procedure C.

Access Road Reclamation:

The road into this location will continue to serve other well and will be reconstructed through the reclamation area.

Re-vegetation:

The planned, initial seed mixture and application rates for the Badlands Community identified during the site visit will be as follows. The seed application rates may be adjusted according the based upon method of application.

| Species of seed | | Pound/Acre (PLS) |
|--------------------------|---------------------------------|------------------|
| Fourwing Saltbush | <i>Atriplex canescens</i> | 4.0 |
| Winterfat | <i>Krascheninnikovia lanata</i> | 2.0 |
| Indian Ricegrass | <i>Achnatherum hymenoides</i> | 5.0 |
| Alkali sanction | <i>Sporobolus airoides</i> | 0.5 |
| Sand Dropseed | <i>Sporobolus cryptandrus</i> | 1.0 |
| Bottlebrush Squirreltail | <i>Elymus elymoides</i> | 4.0 |
| Small Flower Globemallow | <i>Sphaeralcea parvifolia</i> | 0.25 |
| Mormon Tea | <i>Ephedra viridis</i> | 2.0 |
| Sage Brush | | 2.0 |
| Rubber Rabbitbush | <i>Ericameria nauseosa</i> | 2.0 |
| Greasewood | | 2.0 |
| Shadscale | | 2.0 |

Well name and no: EVA LOU GAS COM 001

API No. 30-045-29146

Seed mixtures will be certified weed-free and the seeding records (bag labels) or other official documentation will be available to the Authorized Officer prior to seeding upon request.

Seeding will occur as soon as reasonably possible following completion of earthwork activities and timed for successful germination.

To prepare the site for seeding, only the seed drill will be necessary to create a firm bed. The seed mix is designed to be applied at 60 Total PLS per square foot which will ensure adequate stand density and diversity. Seeding will be completed using a no-till drill or Brillion drill seeder, this method allows for the handling of a wide variety of seed types and sizes in addition to establishing good seed to soil contact without undo disruption of the soil surface. Using a no till or Brillion drill also provides proper seed planting depth which will be approximately 1/8 inch.

Weed Management:

BP's objective is to implement an integrated weed management program to control weed populations and establish desirable vegetation. No noxious weeds were noted during the onsite visit.

Weed management and control will be performed by a properly licensed contractor and within full compliance of all federal and state laws and regulations.

Weed management and control will be performed in an environmental conscious manner using BMP's.

Monitoring:

BP will submit a Sundry Notice informing the BLM the earthwork and seeding is completed and requesting a joint inspection to examine the site.

Any fencing installed to assist with re-vegetation will be removed once there is agreement from the BLM that the vegetation percent cover standard has been attained.

Attachments:

- P&A Field Inspection Sheet performed on 8/2/2018.
- Aerial of location.

Well name and no: EVA LOU GAS COM 001
API No. 30-045-29146



BP L48 San Juan



P&A Field Inspection Sheet

| | | | |
|------------------------------------|--------------|--|--------------------------|
| Date: 8/2/2018 | | Specialist Sabre Beebe, BP: Randy McKee, BLM | |
| Operator: BP America | | Well Name & Number: Eva Lou Gas Com 001 | |
| API Number: 05-067-29146 | | Section: 35 | Township: 32N Range: 11W |
| Lease Number: NMNM010989 | | Footage: 935 FSL 1205 FWL | |
| | | County: San Juan County | State: New Mexico |
| Surface: BLM | Mineral: BLM | Twinned/Collocated: No | |
| Active well name: Active well API: | | | |

Well Pad

| | | |
|--|--|----|
| Topography: SLOPING | Stockpile Topsoil | No |
| Soil Type: BAD LANDS | | |
| Vegetation Community: BADLANDS | | |
| VEGETATION NOTED IN AREA SURROUNDING WELL PAD | | |
| Sage Brush Rubber Rabbit Brush Four Wing saltbrush Indian Rice Grass Vegetation Cages: No Facilities on Location: N/A Tanks 1 Meter Runs 97869 3 INCH N/A Separators N/A Compressor N/A Day Tanks 1 Pipeline riser belonging to: Enterprise Other operator lines and risers on and near location that Other operators will need to address as BP cannot address other Operator's equipment. BLM is requiring the Williams and/or Enterprise lines in the fill dirt will need to be addressed as they will impede full reclamation. 1 RTU 2429 1 Solar Panel 2 Batteries N/A Lift Equipment Steel Pits: Above Grade: Where on Location: Northwest corner Drip or possible Drip NO Gravel Present: Yes Bury No Place Gravel on Main Road: Yes Cathodic Ground bed on location: No In Service: N/A Abandon: N/A Plug: No Remove Wire No Remove Rectifier N/A Power Poles: No Remove Power Poles: N/A Trash on location: No N/A Construction Diversion Ditch: N/A | | |
| Side draining | Contaminated Soil: No | |
| Side draining | Remove: <input type="checkbox"/> Yes, where on location: | |

Construction Silt Trap(s): Yes, PLACEMENT TO BE DETERMINED DURING DIRT WORK
 Re-Contour Disturbed Areas to Near Natural Terrain: Yes

Special Features: Pipeline through the fill dirt

Location & Access Barricade: No / How: N/A

Construction Comments / Concern: Road serves Hilcorp well and will need to be reconstructed

Access Road

Access Length: N/A Remediation Methods: ☐Rip ☐Disk ☐Water Bars ☐Re-establish Drainages
Other:

Access Condition: At Grade

Culverts: Yes

Cattle Guard: No

Reconstruct Fence: No

Surface Material: No

| | |
|--------------------------|---|
| What to do with Material | REMOVE ALL MATERIAL / GRAVEL FROM LOCATION |
| Road Comments/Concerns | Road will remain in service of Hilcorp well pad around the hill |

Noxious weeds identified at time of on site? N/A , if yes list noxious weeds found

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: Eva Lou GC 1

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 #1 (2446 – 2272) ft. to cover the Fruitland top. BLM picks top of Fruitland at 2322 ft.
 - b) Set Plug #4 (324 – 0) ft. to cover the surface casing shoe. Surface casing shoe at 274 ft.

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.