Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

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.

2006 AUG 21 PM 4 37

SUBMIT IN TRIPLICATE – Other instructions on reverse side

RECEIVED
070 FARMINGTON NM

5. Lease Serial No.	NMSF-078049
6. If Indian, Allottee or tribe Name	
7. Unit or CA/Agreement, Name and/or No.	
1. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other	8. Well Name and No. **Hughes A 1**
2. Name of Operator **BP America Production Company Attn: Mary Corley**	9. API Well No. **30-045-20161**
3a. Address **P.O. Box 3092 Houston, TX 77253**	3b. Phone No. *(include area code)* **281-366-4491**
10. Field and Pool, or Exploratory Area **Dakota & Mesaverde**	
4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)* **1765 ' FSL & 1060' FWL Sec 27 T29N R08W**	11. County or Parish, State **San Juan County, New Mexico**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OR NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Abandon
	☐ Change Plans	☐ Plug and Abandon	☐ Water Disposal	
	☐ Injection	☐ Plug Back	☒ Other **Clean Out & Repair Casing**	

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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall 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 America requests permision to repair casing leak per the attached procedure.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Name (Printed/typed) **Cherry Hlava** Title **Regulatory Analyst**

Signature Cherry Hlava Date **08/16/2006**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by [signature] Title Pet Eng. Date 8/28/06

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 FFO

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 witin its jurisdiction.

NMOCD

SJ Basin Casing Repair Procedure

Well Name:	**HUGHES A 1**		
Location:	**T29N-R8W-Sec27**		
API #:	**30-045-20161**		
County:	**San Juan**		
State:	**New Mexico**	**Engr:**	**Andrew Berhost**
Horizon:	**Mesa Verde/Dakota**		**Office (505) 326-9208**

Objective: Run Scraper, Set RBP, RIH w/ Packer locate casing leak, Isolate casing leak, Squeeze leak, Drill out cement, Clean out well bore, and return to production.

1. TOH w/ tubing
2. Run Scraper on 4-1/2" casing
3. Set RBP
4. RIH w/ Packer to locate casing leak, locate casing leak
5. Squeeze Leak, Pressure test
6. Drill out cement
7. Clean out well bore
8. Return well to production.

History: Original DK completion in 1/67. Bradenhead repair in 4/93, backed off 4-1/2" casing to 2650', sqz'd 7" from 250' to surface, re-ran 4-1/2" casing to surface. Reperf'd DK in 1994. MV payadd in 2001 added Cliff house and Lower Menfee in single stage frac job. Stuck plunger pulled in 4/06 wireline tagged fill – frac sand. Last two bradenhead tests show minor intermediate casing leak.

Procedure:

1. Notify NMOCD and BLM prior to starting well casing repair work.

2. Perform pre-rig site inspection. Check for: size of location, Gas Taps, other wells, other operators, running equipment, wetlands, wash (dikes req.), H2S, barriers needed for equipment, Landowner issues, location of pits (buried lines in pits), Raptor nesting, critical location, check anchors. Check ID wellhead; if earth pit is required have One Call made 48 hours prior to digging.

3. Perform second site visit after lines are marked to ensure all lines clear marked pit locations and that planning and scheduling had location ready for rig.

4. Hold pre-job safety meeting and discuss all JSA's with all BP and third party personnel. The Pre-job safety meeting should cover: heavy lifts, pinch points, location hazards, pressure hazards, and proper PPE

5. RU slickline unit. Pressure test lubricator and equipment. RIH and set **two** barriers (CIBP, tbg collar stop w/plug, or plug set in nipple) for isolation in tubing string.

6. Check and record tubing, casing, and bradenhead pressures. Ensure production casing has double casing valves installed. Double valve all casing strings.

7. MIRU workover rig. LOTO all necessary equipment including but not limited to: meter run, automation, separator, and water line.

8. Blow down well. Kill with 2% KCL water ONLY if necessary.

9. Check all casing strings to ensure no pressure exist on any annulus. The operations of removal of wellhead and installation of BOP's will be performed under a dispensation for one (1) barrier on the backside.

10. Nipple down Wellhead. NU BOPs and diversion spool with 3" outlets and 3" pipe to the blow tank. Pressure test BOPs to 200 psi above BHP. Monitor flowing casing pressure with gauge (with casing flowing to blow tank) throughout workover.

11. Pull tubing hanger and shut pipe rams and install stripping rubber.

12. RIH and pull one joint then tag fill, then TOOH with rest of 2-3/8" production tubing currently set at 7418'. Visually inspect tubing while POOH.

13. TIH with bit and scraper for 4-1/2" casing to PBTD with approved barrier. Check the distance between the top of the blind rams and the length of the bottomhole assembly that is being run. If the BHA is too long then the well has to be top killed and monitored prior to opening bind rams. Work casing scraper across Mesa Verde and Dakota perforations (4623'-4983')Cfhs/MN and (7280'- 7458')DK and POOH.

14. TIH with 4-1/2" RBP and packer. Set RBP 50-100' above MV perfs @ 4550'. TOH with one joint and set packer. Pressure test RBP to 750 psig.

15. Located casing leak, if any, by moving the packer up the hole and repeating casing pressure test to 500 psig. Pressure test both lower (tubing side) and upper (casing side) intervals with each test.

16. Isolate casing leak, if any. Contact engineer ~~and~~ + BLM NMOCD before proceeding with casing repair to determine the casing squeeze method based on pressure test data. Establish and injection rate into leak and attempt to circulate with surface.

17. Release packer and spot sand on RBP and TOH with packer.

18. Perforate 4-1/2" casing around depth of located leak. Ensure perforating charge will not penetrate the 7" casing if leak is found 3200' or above.

19. Depending on depth of hole and circulated pressure, a packer or cement retainer may be needed.

20. Mix and pump sufficient cement to circulate to surface. Shut bradenhead valve and attempt to walk squeeze to obtain a 1,000 psi squeeze pressure. WOC.

21. TIH with bit and scraper and drill out cement. Pressure test casing to 500 psi. TOH with bit and scraper.

22. TIH with retrieving head for RBP. Circulate sand off of RBP and TOH RBP.

23. If necessary, rig up air package/unit, pressure test all lines (Testing procedure to be supplied from air company), TIH with tubing and bit for 4-1/2" casing. Cleanout fill to PBTD 7515'. Blow well dry. Reference Under-Balanced Well Control Tripping Procedure.

24. RIH with original 2-3/8" production tubing if visually inspect to be good. (With muleshoe, F-nipple with plug, 4ft pup, X-nipple with plug).

25. Land 2-3/8" production tubing at +/-7410'. Lock down hanger.

26. Pressure test tubing to 500 psi with air unit, make sure tubing spool valves are open. Care should be taken during pressure testing of the tubing due to potential problem caused if tubing parts close to surface or above the hanger. Check all casing string for pressure. The operations of removal of wellhead and installation of BOP's will be performed under a dispensation for one (1) barrier on the backside.

27. ND BOP's. NU Wellhead. During Master valve placement ensure the top of hanger has spacer nipple in place to bottom of bonnet flange so plunger equipment will not hang up through tree. Pressure test Wellhead.

28. RU WL unit. Run gauge ring for 2-3/8" tubing. Pull plugs and set tubing stop for plunger. Communicate plunger equipment status to IC room personnel.

29. RD slickline unit.

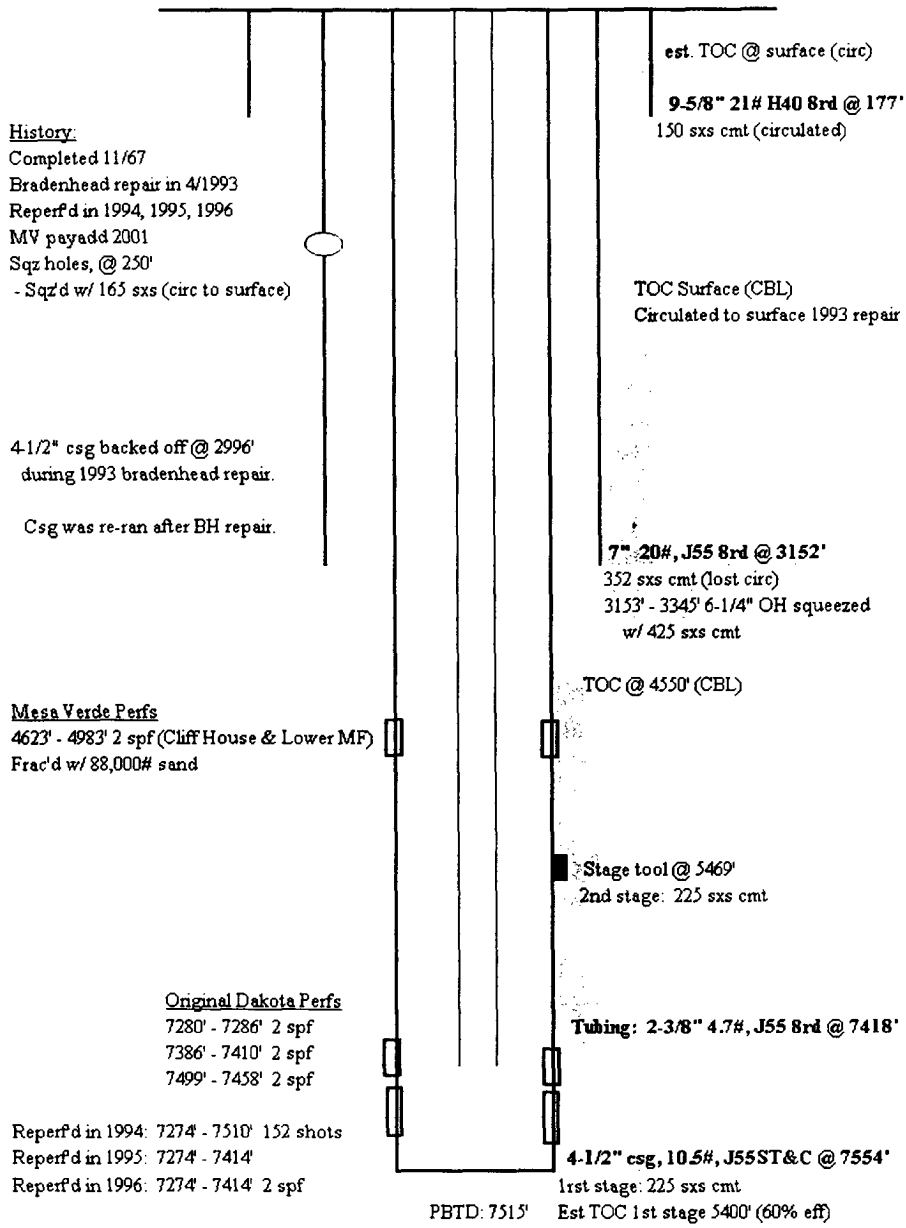
30. Test well for air. Return well to production. RD and release all equipment. Remove all LOTO equipment.

31. Ensure all reports are loaded into DIMS. Print out summary of work and place in well file. Have discussion with production about particulars of well when handing off the well file.

Hughes A =1

Sec 27, T29N, R8W

API # 30-045-20161



NOTES:

1) 6-1/4" OH got wet during drilling below 7" shoe and required 3 cmt sqz jobs (425 sxs cmt total).
2) DK was reperforated and stimulated with MEOH during 1994 workover.
3) 1993 CBL results:
   0' - 3500' no cmt
   3500' - 4100' very poor cmt
   4100' - 4500' no cmt
   4550' - 5550' fair/good cmt

updated: 7/17/06 ADB

BLM CONDITIONS OF APPROVAL

WORKOVER AND RECOMPLETION OPERATIONS:

A properly functioning BOP and related equipment must be installed prior to commencing workover and/or recompletion operations.

SURFACE USE OPERATIONS:

The following Stipulations will apply to this well unless a particular Surface Managing Agency or private surface owner has supplied to BLM and operator a contradictory environmental stipulation. The failure of operator to comply with these requirements may result in assessments or penalties pursuant to 43 CFR 3163.1 or 3163.2. A copy of these conditions of approval shall be present on location during construction, drilling and reclamation activity.

An agreement between operator and fee landowner will take precedence over BLM surface stipulations unless (in reference to 43 CFR Part 3160) 1) BLM determines that operator's actions will affect adjacent Federal or Indian surface, or 2) operator does not maintain well area and lease premises in a workmanlike manner with due regard for safety, conservation and appearance, or 3) no such agreement exists, or 4) in the event of well abandonment, minimal Federal restoration requirements will be required.

STANDARD STIPULATIONS: All surface areas disturbed during work-over activities and not in use for production activities will be reseeded. This should occur in the first 90 days after completion of work-over activities.

SPECIAL STIPULATIONS:

1. **Pits will be fenced during work-over operation.**
2. **All disturbance will be kept on existing pad.**
3. **All pits will be pulled and closed immediately upon completion of the work-over activities.**
4. **Pits will be lined with an impervious material at least 12 mils thick.**