

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-045-22223

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Usselman Gas Com C

8. Well Number

1

9. OGRID Number

000778

10. Pool name or Wildcat

Basin Fruitland Coal

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator

BP America Production Company - Attn: Mary Corley

3. Address of Operator

P.O. Box 3092 Houston, TX 77253

4. Well Location

Unit Letter E : 2340 feet from the North line and 875 feet from the West line
Section 04 Township 31N Range 10W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

5845' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: **P&A PC & Recomplete into FC**

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

BP America Production Company request permission to plug and abandon the Pictured Cliffs Pool and recomplete the subject well into the Basin Fruitland Coal Pool as per the attached procedure.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Mary Corley TITLE Sr. Regulatory Analyst DATE 05/16/2005

Type or print name Mary Corley E-mail address: corleyml@bp.com Telephone No. 281-366-4491

For State Use Only

APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 58 DATE MAY 23 2005

Conditions of Approval (if any):

District I
1625 N. French Dr., Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-22223	² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 001182	⁵ Property Name Usselman Gas Com C	⁶ Well Number 1
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation 5845' GR

¹⁰ Surface Location

UL or lot no. E	Section 4	Township 31N	Range 10W	Lot Idn	Feet from 2340	North/South North	Feet from 875	East/West West	County San Juan
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet	East/West	County
¹² Dedicated Acres 319.8		¹³ Joint or Infill		¹⁴ Consolidation Code			¹⁵ Order No.		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A
NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>2340</p> <p>875'</p>	WOOD GAS COM A #001 API # 30-45-25820 1155' FNL & 1745' FEL		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Mary Cotley Printed Name Sr. Regulatory Analyst Title 5/16/2005 Date
			¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. 10/20/1977 Date of Survey Signature and Seal of Professional Surveyor: Fred B Kerr 3950 Certificate Number

Usselman GC C-1 API #: 30-045-22223
Procedure to Plug Pictured Cliffs and Recomplete to Fruitland Coal
May 12, 2005

Procedure:

1. Check anchors. MIRU workover rig.
2. Check and record tubing, casing, and bradenhead pressures.
3. Blow down well. Kill with 2% KCL water ONLY if necessary.
4. 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.
5. Pull tubing hanger and shut pipe rams for 2 3/8" tubing and install stripping rubber.
6. RIH and tag bottom. TOH (measure pipe) using approved "Under Balance Well Control Tripping Procedure".
Contingency: If the tubing is in poor condition, replace entire tubing string.
7. Pick up bit for 4 1/2" 10.5#/ft casing and clean well to solid bottom = +/- 2852'. POOH
8. Rig up Schlumberger and test lubricator 200 psi low and 1500 psi high.
9. Attempt to load hole. Fluid level must be at least 2000' for interpretive results from the log. Run Coal Identification Log from PBTB to 2000'. Send results to Richard Pomrenke 281 366 7836 fax or email Richard.pomrenke@bp.com

Note: From the results of the Coal Identification log the exact perforations will be picked.

10. Set a drillable electric wireline set bridge plug in 4 1/2" 10.5#/ft casing at 2642' correlated to 2/27/78 Compensated Density Log. (Do not set within 5 ft of a collar). Load well with 2% KCl water and test casing to 3800 psi. Note: The maximum fracture treating pressure will be 3000 psi.
11. Note: There will be no cement on top of bridge plug because the bottom of the Fruitland Coal is less than 10' above the top of the Pictured Cliffs.
12. If casing holds pressure, then, ND BOP's and install frac valve on 4 1/2" casing. Move off rig.
13. Well will be scheduled for perforating and rig less fracture treatment.
14. Rig up Schlumberger mast truck and lubricator and test 250 psi low and 1500 psi high. Note: Schedule perforating no longer than 2 days prior to the fracture treatment
15. Perforate Fruitland Coal @ 2590'-2640' using 3 3/8" HSD-WC-DP 3406 PJ, HMX 6 SPF. The exact depth intervals may be adjusted based on previously run Coal ID Log.
16. Rig down Schlumberger lubricator and release.
17. Rig up frac tanks as per Schlumberger Stimulation Proposal dated 5/16/05

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Procedure to Plug Pictured Cliffs and Recomplete to Fruitland Coal
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18. Establish injection rate, and proceed with fracture stimulation according to Schlumberger schedule. Maintain surface pressures ≤ 3000 psi during frac job.
19. Flowback frac immediately.
20. Move back in with Key Rig 66 and ND Frac valve and nipple up BOP's.
21. TIH with Tubing and bit and cleanout fill to CIBP. Blow well dry.
22. RIH with 2 3/8" tubing with following configuration:

Gas Separator Configuration
Top Hold Down pump

1. Assemble following downhole gas separator (shown top to bottom).
 - PROFILE TOOL, X nipple, 1.875" ID (plug in place if necessary)
 - TUBING SUB, 2.375" X 4 FT
 - PROFILE TOOL, F nipple, 1.78" ID (plug in place if necessary)
 - XOVER NIPPLE, 2.375"x 2.875" EUE 8 RD
 - PERF SUB, 2.875" EUE 8 RD X 3 FT (3/8" holes)
 - TUBING SUB, 2.875" EUE X 4 FT
 - TUBING SUB, 2.875" EUE X 10 FT
 - PERF SUB, 2.875" EUE X 4 FT (3/8" holes)
 - TUBING SUB, 2.875" EUE X 10 FT
 - TUBING SUB, 2.875" EUE X 6 FT
 - TAPPED BULL PLUG, 2.875" EUE x .5" NPT
2. Pick up gas separator and RIH, using approved "Under Balance Well Control Tripping Procedure". Run balance of 2.375" tubing to land bottom of separator 10' above bottom at \pm TBD'. Use slim hole couplings on gas separator and bottom 300' of tubing (minimum) to increase clearance in liner. Pressure test tubing to 500 PSI periodically as running in hole to verify integrity.
3. Check all casing strings for pressure. ***Removal of BOP and installation wellhead will be performed under a dispensation for one (1) barrier on the backside.*** NDBOP, NUWH.
4. Retrieve tubing plugs with slick line. RDMO slick line unit.
5. Swab well in and flow to determine need to run down hole pump and rods at this time.
6. To be done at later date with small pulling unit. Install 1" ID x 12' dip tube on inlet of 2.0 X 1.5 X 16 RHAC pump. Run pump on .75" grade D rods, space out as required. Load tubing and long stroke pump to pressure test. Hang well on pumping unit and RDMO pulling unit.
28. Rig down workover unit and turn well over to production department for installation of compressor.

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May 12, 2005

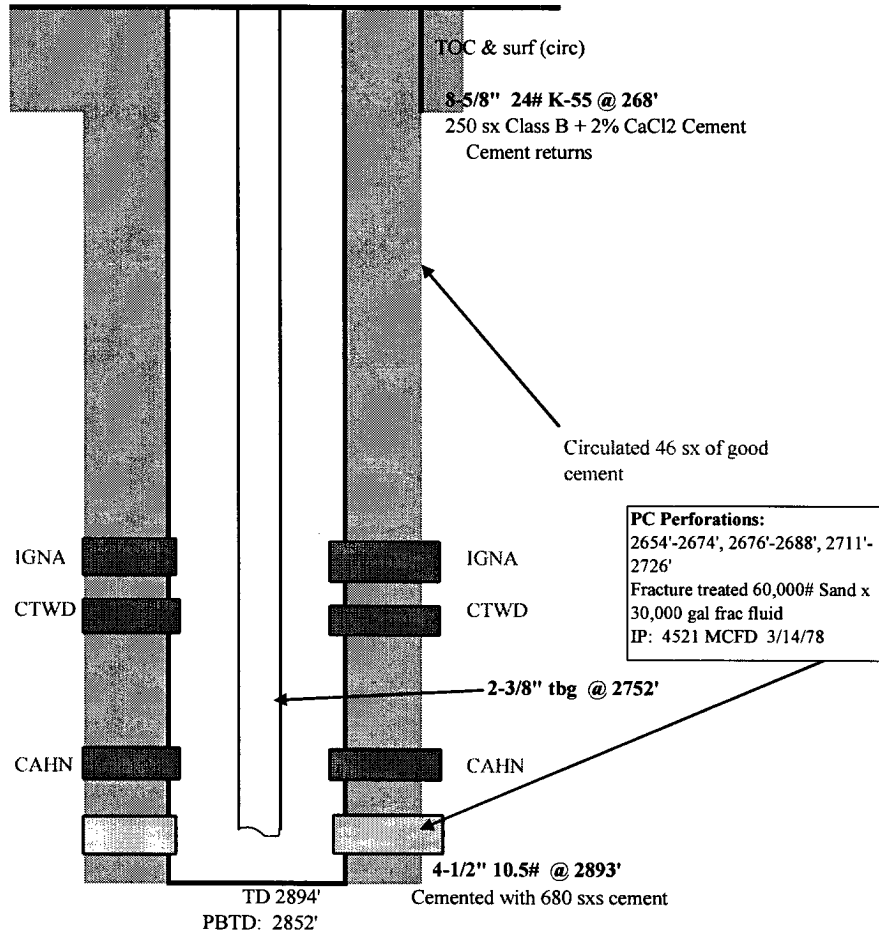
Current Diagram 5-12-05

Usselman GC C1 (Cedar Hill)

Sec 4, T31N, R10W

API: 30-045-2222300

5845' Ground Level Elevation



NOTES: 2/05 PC production

Updated: 5/12/2005 Richard Pomrenke