

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. SF - 080101
2. Name of Operator BP America Production Company Attn: Mary Corley		6. If Indian, Allottee or tribe Name
3a. Address P.O. Box 3092 Houston, TX 77253	3b. Phone No. (include area code) 281-366-4491	7. Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 790' FSL & 2045' FEL Sec 20 T28N R08W		8. Well Name and No. Bolack 3E
		9. API Well No. 30-045-25552
		10. Field and Pool, or Exploratory Area Basin Fruitland Coal
		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			
<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"/> Fracture Treat	<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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Abandon
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Water Disposal	
	<input type="checkbox"/> Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Other	

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 recompleate 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 recompleation 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 Production Company request permission to plug and abandon the Dakota formation and recompleate the subject well into the Basin Fruitland Coal Pool as per the attached procedure.

PLEASE NOTE: The subject well is located within the same Unit as the Florance Gas Com L 1S API # 30-045-32497. It is our intent to recompleate the subject well in lieu of drilling the Florance Gas Com L 1S.

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct	
Name (Printed/typed) Mary Corley	Title Senior Regulatory Analyst
Signature <i>Mary Corley</i>	Date 6/6/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Jim Lobb</i>	Title <i>Petr. Eng.</i>	Date <i>6/30/05</i>
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		

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.

NMOC

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 DepartmentForm C-102
Revised August 15, 2000OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-25552	² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 000323	⁵ Property Name Bolack	
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	
		⁶ Well Number 3E
		⁹ Elevation 5749'


¹⁰ Surface Location

UL or lot no. O	Section 20	Township 28N	Range 09W	Lot Idn	Feet from 790	North/South South	Feet from 2045	East/West East	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 320		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

				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>
				 Signature
				Mary Corley Printed Name
				Sr. Regulatory Analyst Title
				6/6/2005 Date
				¹⁸ SURVEYOR CERTIFICATION <i>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.</i>
				On File Date of Survey
				Signature and Seal of Professional Surveyor:
				On File
				Certificate Number

		Florance Gas Com L 1S 30-045-29336 Staked - will not drill	
	Florance Gas Com L 1 30-045-29336	790'	2045'

Bolack 3E
Abandon Dakota & Recomplete into the Basin Fruitland Coal
June 1, 2005

Procedure:

1. Check anchors. Dig flare pit if one is not already on location.
2. MIRU Key Well Service Rig 66.
3. Check and record casing, and bradenhead pressures.
4. Blow well down. Kill with 2% KCL water if necessary.
5. Nipple down WH, nipple up BOP and diversion spool with 3" outlets and 3" pipe to the flare pit. Pressure test BOP 200 psi low and 1500 PSI high.
6. Remove tubing hanger. TOH with tubing.
7. Rig up Schlumberger electric line and lubricator and test to 200 psi low and 1500 psi high and run Gamma Ray -CBL from 6595' to surface. If cement bonding is good proceed. Set wireline bridge plug at 6400' and rig down Schlumberger electric line. **Fax log to Richard Pomrenke 281 366 7836.**
8. TIH with 2 3/8" tubing and spot 100' cement plug (9 ft3) above CIBP currently set at 6400'. Pull out of cement plug 5 stands (300') and reverse out tubing. POH to 5600'.
9. Spot 200' (18 CUFT) cement plug across Gallup formation from 5400' to 5600'. Pull out of cement plug 5 stands and reverse out tubing. POH to 3800'.
10. Spot 200' cement plug (18CUFT) across ^{CLIFF HOUSE} ~~Menefee~~ formation from 3600' -3800'. Pull out of cement plug 5 stands and reverse out tubing. POH to 2800'.
11. Spot 300' cement plug across Chacra formation from 2500' to 2800'. Pull out of cement plug and reverse out tubing. POH.
12. Rig up Schlumberger lubricator and test 200 psi low and 1500 psi high and run gauge ring and junk basket for 7"-23# CIBP. RIH with 7" CIBP and set at 2400'.
13. RU Schlumberger Electric line unit and lubricator and test 200 psi low and 1500 psi high.
14. ND BOPS and NU frac valve on 7".
15. Move off Key Rig 66.
16. Rig up Schlumberger lubricator and test 200 psi low and 1500 psi high
17. RIH with 3 3/8" HSD carrier loaded with 6 SPF Powerjet charges.

Depth GR-CBL	Gun and SPF
2075'-2095'	3 3/8" HSD with 3406 Power Jet HMX charge loaded at 4 SPF.

18. Conduct Risk Assessment (JHA/JSA) prior to perforating operations.
19. **NOTE:** Follow Schlumberger Explosive SOP. Any electronic device that transmits a signal should be shut off or prohibited from within 300' of location. Also, ensure all vehicle data recorder (VDR) systems and are disabled prior to driving on location. Contact control center at 505-326-9475 for verification. **Make sure "On-Star" systems are disabled or disallowed on site.**
20. TOH with perforating guns and rig down Schlumberger perforators.
21. Prepare the location for fracture treatment. Check location for hazards and location safe prior to entry. Meet with Schlumberger to determine location of fracture treatment equipment required and the layout of the site. Location and final spotting of equipment should not cause any hazards on site.
22. Rig up tree Saver.
23. Perform frac according to BJ design attached and summarized in the attached program.
24. Rig down frac equipment. Open well up and flow back and clean up the Fruitland Coal fracture treatment **Stage 1** (See BJ Fracture Treatment Proposal)
25. Move in Key Rig 66 to run 2 3/8" tubing cleanout string.
26. Remove frac "Y". Blow well down according to "Under-Balanced Tripping Procedure". Place bit/mill on tubing work string and TIH until tubing heavy. Install donut with BPV and land into wellhead. Set lockdown nuts on donut. Leave 6' landing sub with the TIW in place. Strip frac valve over sub. Install BOP/cross and test. NU lines to cross. Back off lock downs and remove donut.
27. Continue in hole with tubing work string. Clean out wellbore to PBTD 2400' with air package.
28. Rig up Schlumberger and test lubricator 200 psi low and 1500 psi high.
29. Run gage ring and junk basket prior to running wire line set tubing retrievable bridge plug at 2050' inside the 7"-23# liner.
30. Perforate 1980'-2000' using 3 3/8" HSD with 3406 Power Jet HMX charge loaded at 4 SPF.
31. Prepare the location for fracture treatment. Check location for hazards and location safe prior to entry. Meet with Schlumberger to determine location of fracture treatment equipment required and the layout of the site. Location and final spotting of equipment should not cause any hazards on site.
32. Rig up tree Saver.
33. Perform frac according to BJ design and summarized in the attached program.
34. Rig down frac equipment. Open well up and flow back and clean up the Fruitland Coal fracture treatment **Stage 2** (See BJ Fracture Treatment Proposal)

35. TIH with tubing work string and bridge plug retrieving tool and clean out sand to bridge plug and recover same. POH
36. TIH with tubing and cleanout to CIBP at 2400'. Flow well to cleanup.
37. Prepare final tubing string with profile nipple on bottom and run in hole and hang off at 2070'. Flow well for final cleanup.
38. Pressure test tubing to 500 psi with air unit. Care should be taken during pressure testing of the tubing due to potential of tubing parting close to the surface or above the hanger. ND BOPS and frac valve and NU Wellhead.
39. Check pressures on all casing strings.
40. **RDMO** Key Rig 66 Service Unit.
41. Turn well over to production department for installation of compressor.

Current Wellbore Schematic

Bolack 3 E

Sec 20, T28N, R8W

API # 30-045-23258

GL: 5749'

KB 5761'

History:

Completed as DK in 1983

IGNA

1916'-1926' 10' coal

1950'-1957' 7' coal

CTWD

1983'-2002' 10' coal

2010'-2020' 10' coal

2040'-2045' 5' coal

CAHN

2059'-2075' 16' coal

2096'-2103' 7' coal

Total Coal = 65'

TOC @ surface (circ)

9-5/8" 36# @ 234'

225 sxs cmt (circulated)

Formations	Depth
OJO Alamo	1180'-1250'
Kickland	1250'-1700'
Fruitland Coal	1700'-2100'
Pictured Cliffs	2100'-2150'
Lewis	2150'-2700'

4-1/2" liner hanger @ 2500'

7" 23# K55 @ 2638' Burst 4360 psi

223 ft3 + 6% gel + 1/4 #/sx Perlite + 2% CaCl2.

Tail in with 177 ft3 Clas B + 2% CaCl2

2 stage job with surface returns

Formations	Depth
Chacra	2700'-3720'
Clifhouse	3720'-3776'
Menefee	3776'-4343'
Pt Lookout	4343'-4728'
Mancos	4728'-5537'
Gallop	5537'-6285'
Graneros	6350'-6388'
Dakota	6388'

Tubing: 2-3/8" @ 6440'

Dakota Perforations

6480'-6501'; 6529'-6532'; 6548'-6551'

Stimulated with 1350 gal 15% HCl + 59,000 gal

30# X-L Gel + 122,000# 20/40 sand

IP 2104 MCFD FTP 142 psi on 3/4" Choke

4-1/2" liner 11.6#/10.5# @ 6608'

450 sx Circ cmt to top of liner

PBTD: 65

TD:

Cumulative production 831 MMCF

Current May, 2005 production 35 MCFD

Drawn: 5/24/05 RWP

Proposed Wellbore Schematic

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Sec 20, T28N, R8W

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Total Coal = 65'

Stage 1:

Proposed Perforations
2075'-2095'

Stage 2:

Proposed Perforations
1980'-2000'

Stage 1 Frac.

125,000# 16/30 (5434#/ft Coal)

65Q Foam

70 BPM

Stage 2 Frac.

150,000# 16/30 (3571#/ft Coal)

65Q Foam

70 BPM

Dakota Perforations

6480'-6501'; 6529'-6532'; 6548'-6551'

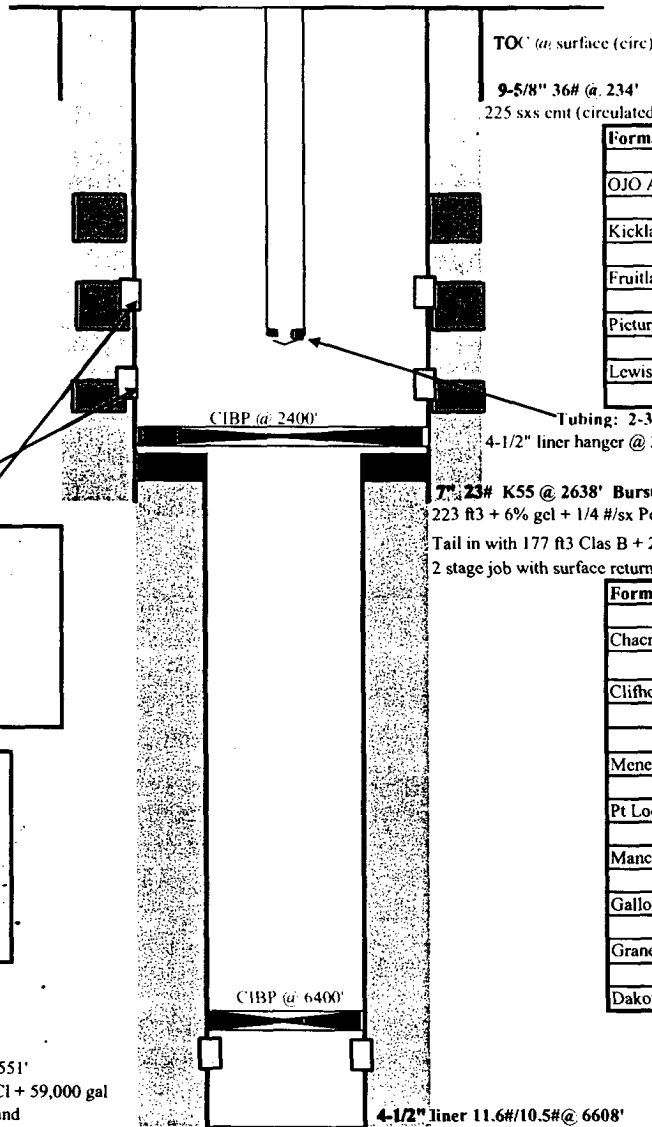
Stimulated with 1350 gal 15% HCl + 59,000 gal

30# X-L Gel + 122,000# 20/40 sand

IP 2104 MCFD FTP 142 psi on 3/4" Choke

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Current May, 2005 production 35 MCFD



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Dakota	6388'

PBTD: 6595'

TD: 6610'

4-1/2" liner 11.6#/10.5# @ 6608'

450 sx Circ cmt to top of liner

Drawn: 6/1/05 RWP

Bureau of Land Management Conditions of Approval:

- 1) If cement squeeze work is necessary, contact Matt Halbert of the BLM Farmington Field Office @ (505) 599-6350.**
- 2) If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.**
- 3) Pits must be lined with an impervious material at least 12 mils thick. The pit must be fenced on three (3) sides during workover operations and on the 4th side after the rig moves off location. Pits must be closed within 90 days of completion of the workover operations. Prior to closing the pit the liner must be cut off at mud level.**
- 4) Per the BLM Geologist recommendations set the plug across the Chacra formation from 2746' to 3046'.**