Form 3160-5
(June 2015)

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

5. Lease Serial No.
NMSF079001

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
8920009290

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

8. Well Name and No.
NEBU 16

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

9. API Well No.
30-039-07925-00-S1

3a. Address
501 WESTLAKE PARK BLVD. THREE ELDRIGE PLACE
HOUSTON, TX 77079

3b. Phone No. (include area code)
Ph: 281.892.5369

10. Field and Pool or Exploratory Area
BLANCO MESAVERDE

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 3 T30N R7W NENE 990FNL 990FEL
36.846008 N Lat, 107.551880 W Lon

11. County or Parish, State
RIO ARRIBA COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF 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	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☒ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

BP

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 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 would like to P&A the subject well. Please see the attached P&A procedure 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.

OIL CONS. DIV DIST. 3
APR 17 2017

SEE ATTACHED FOR CONDITIONS OF APPROVAL

Notify NMOCD 24 hrs prior to beginning operations

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

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

Electronic Submission #371753 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 04/13/2017 (17JWS0089SE)

Name *(Printed/Typed)* TOYA COLVIN — Title REGULATORY ANALYST

Signature (Electronic Submission) — Date 03/30/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JACK SAVAGE — Title PETROLEUM ENGINEER — Date 04/13/2017

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

7

January 18, 2017

NMOCD

BP would like to permanently plug and abandon well **NEBU 16** as per the attached procedure and wellbore schematics.

BP America

Plug And Abandonment Procedure

NEBU 16 MV

990 FNL & 990 FEL, Section 03, T30N, R07W

Rio Arriba, NM / API 30-039-07925

1. Hold pre-job safety meeting. Comply with all NMOCD, BLM safety and environmental regulations. Test rig anchors prior to moving in rig if not rigged to base beam.

2. Check casing, tubing, and bradenhead pressures.

3. Remove existing piping on casing valve. RU blow lines from casing valves and begin blowing down casing pressure. Kill well as necessary. Ensure well is dead or on a vacuum.

4. ND wellhead and NU BOP. Function test BOP.

5. P/U 2-3/8" work string and packer assembly to TIH and pressure test composite plug integrity to verify Mesa Verde formation top and perforations are isolated. If MV formation tops and perforations are confirmed to be isolated then spot Plug #1 on top of existing composite plugs. If composite plugs integrity is compromised then composite plugs will be drilled out and a 4" CR will be set and the necessary cement volume will be squeezed to isolate MV perforations, formation top and fish in wellbore.

6. In the case that composite plugs integrity is compromised, P/U 4" bit or casing scraper on 2-3/8" work string and round trip as deep as possible above top fish at 4860'.

7. P/U 4" CR, TIH and set CR at +/- 4810'. Pressure test tubing to 1000 psi. Sting out of CR. Load hole, and pressure test casing to 800 psi. If casing does not test, then spot or tag subsequent plugs as appropriate. POOH w/ tubing.

8. Rig up to pump cement down tubing. Pump water to establish rate down tubing.

   NOTE: All Plugs Include 100% excess outside casing and 50% Excess inside casing

9. Plug 1 (**Mesa Verde Perforations and Formation Top 4844'-4794', 5 Sacks Class G Cement)**

   Mix 5 sx Class G cement and spot a balanced plug inside casing to cover Mesa Verde Perforations and formation top.

10. Plug 2 (**Pictured Cliffs and Fruitland Formation Tops 3200'-2720', 32 Sacks Class G Cement)**

    Mix 32 sx Class G cement and spot a balanced plug inside casing to cover Pictured Cliffs and Fruitland formation tops.

11. Plug 3 (**Kirtland Formation Top 2055'-1905', 20 Sacks Class G Cement)**

    RIH and perforate 3 squeeze holes at 2005'. Establish injection rate into squeeze holes. RIH with 4" CR and set at 1955'. Mix 20 sx Class G cement. Squeeze 10 sx outside casing leaving 10 sx inside casing to cover Kirtland formation top.

12. Plug 4 (**Ojo Alamo Formation Top 1850'-1700', 20 Sacks Class G Cement)**

    RIH and perforate 3 squeeze holes at 1800'. Establish injection rate into squeeze holes. RIH with 4" CR and set at 1750'. Mix 20 sx Class G cement. Squeeze 10 sx outside casing leaving 10 sx inside casing to cover Ojo Alamo formation top.

13. Plug 5 (**Nacimiento Formation Top 1250'-1100', 20 Sacks Class G Cement)**

    RIH and perforate 3 squeeze holes at 1200'. Establish injection rate into squeeze holes. RIH with 4" CR and set at 1150'. Mix 20 sx Class G cement. Squeeze 10 sx outside casing leaving 10 sx inside casing to cover Nacimiento formation top.

14. Plug 6 (**Surface Shoe and Surface 229'-surface, 90 Sacks Class G Cement)**

    Attempt to pressure test the bradenhead annulus to 300 psi; note the volume to load. If BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 90 sx cement and spot a balanced plug from 229' to surface, circulate good cement out of casing valve. TOH and LD tubing. Shut well in and WOC. If BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing from 229' and the annulus from the squeeze holes to surface. Shut in well and WOC.

15. 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 restore location per BLM stipulations.

Current WBD

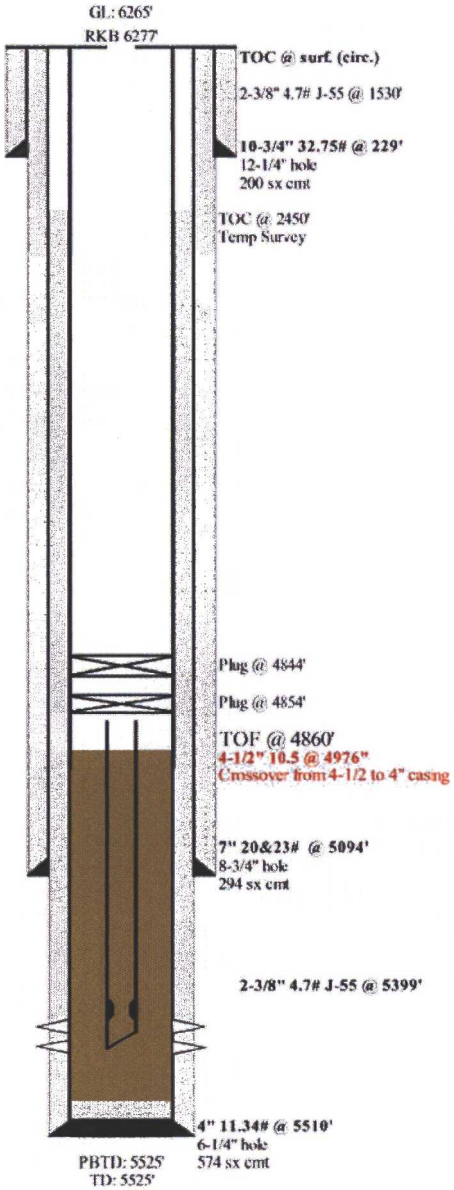
NEBU 16
MV
API #: 30-039-07925
A-03-30N-07W
Rio Arriba, NM

Formation Tops

Kirtland Formation	2005
Fruitland Formation	2820
Pictured Cliffs Formation	3150
Cliff House Formation	5095
Menefee Formation	5125
Point Lookout Formation	5425
Mancos Formation	5520

Mesaverde Perforations 2spf

5100' to 5120'
5136 to 5174'
5216 to 5236'
5270' to 5288'
5354' to 5390'
5424' to 5500'
Frac'd w/ 75k# Sand & 89,180 gals of water
175 rubber balls



History

6/11/1954 Spudded well.

11/15/2008 TOP OF FISH IN HOLE IS 1642'. TUBING STUCK ON BOTTOM OF WELL, TUBING WEIGHT OF 5,439' 2 3/8 TUBING. 26000#. 24,000 OVER PULL DIDN'T MOVE TUBING.

12/9/2016 RIH TAG TOP OF FISH AT 1589', TOH WITH O/S AND 623' TUBING, RIH WITH WL, CUT TUBING AT 4863', TOH W/APPROXIMATELY 2600' TUBING. After several attent to fish the decision was made to T&A the well. Set plug @ 4854' and the casing test failed. Set another plug @ 4844' and test fail again

Proposed WBD

Wellbore Diagram

NEBU 16 MV
API #: 3003907925
San Juan, New Mexico

Plug 6
229 ft - Surface
90 sks of Class G

Plug 5
1250 ft - 1100 ft
150 feet
20 sks of Class G
10 sks Squeeze

Plug 4
1850 ft - 1700 ft
150 feet
20 sks of Class G

Plug 3
2055 ft - 1905 ft
150 feet
20 sks of Class G

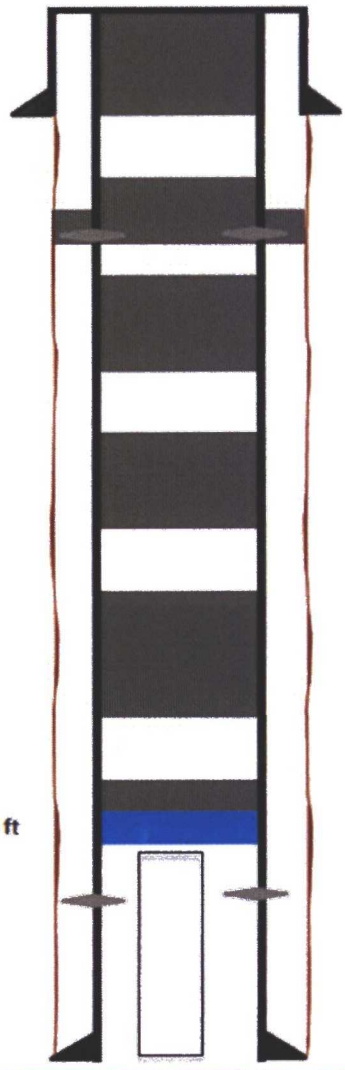
Plug 2
3200 ft - 2720 ft
480 feet
32 sks of Class G

Plug 1
4844 ft - 4794 ft
50 feet
5 sks of Class G

Perforations
5100 ft - 5500 ft 2 SPF

10 3/4" 32.75# @ 229 ft

Nacimiento - 1200 feet
Ojo Alamo - 1800 feet
Kirtland - 2005 feet
Fruitland Coal - 2820 feet
Pictured Cliffs - 3150 feet
Lewis Shale- 3400 feet
Cliffhouse - 5095 feet
Menefee - 5125 feet
Point Look Out - 5425 feet
Mancos - 5520 feet



Retainer Set at 4810 ft

7" 23+24# J-55 @ 5094 ft

TOF 4860'

2-3/8" Tubing

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: NEBU #16

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 (3934-3834) ft. to cover the Mesaverde top. BLM picks top of Mesaverde at 3884 ft.

b) Set Plug #2 (3220-2850) ft. to cover the Pictured Cliffs and Fruitland tops. BLM picks top of Pictured Cliffs at 3170. BLM picks top of Fruitland at 2900 ft.

c) Combine Plugs #3 & #4 (2337-2092) ft. inside/outside to cover the entire Ojo Alamo interval. BLM picks top of Kirtland at 2287 ft. BLM picks top of Ojo Alamo at 2142 ft.

d) Set Plug #5 (902-802) ft. inside/outside to cover the Nacimiento top. BLM picks top of Nacimiento at 852 ft.

Low concentrations of H2S (>50 ppm GSV) have been reported in the SENE/4 Sec. 9, 30N, 7W

Operator must run a CBL to verify cement top. Submit the electronic copy of the log for verification to the following addresses: jwsavage@blm.gov Brandon.Powell@state.nm.us

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.