

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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMSF078106 |
| 2. Name of Operator BP AMERICA PRODUCTION CO | | 6. If Indian, Allottee or Tribe Name EASTERN NAVAJO |
| 3a. Address 200 ENERGY COURT FARMINGTON, NM 87401 | | 7. If Unit or CA/Agreement, Name and/or No. 892000844E |
| 3b. Phone No. (include area code) Ph: 281.366.7148 | | 8. Well Name and No. GALLEGOS CANYON UNIT 296 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 15 T28N R12W SWSW 0800FSL 0950FWL 36.657059 N Lat, 108.104202 W Lon | | 9. API Well No. 30-045-23997-00-S1 |
| | | 10. Field and Pool or Exploratory Area KUTZ PICTURED CLIFFS WEST |
| | | 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 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 requests to P&A the subject well.

Please see the attached procedure, wellbore diagram, and 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
MAY 10 2018
DISTRICT III
SEE ATTACHED FOR III
CONDITIONS OF APPROVAL

Notify NMOCD 24 hrs prior to beginning operations **CONDITIONS OF APPROVAL**
Adhere to previously issued stipulations.

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

**Electronic Submission #411135 verified by the BLM Well Information System
For BP AMERICA PRODUCTION CO, sent to the Farmington
Committed to AFMSS for processing by ABDELGADIR ELMADANI on 05/07/2018 (18AE0016SE)**

| | | | |
|----------------------|-------------------------|-------|--------------------|
| Name (Printed/Typed) | TOYA COLVIN | Title | REGULATORY ANALYST |
| Signature | (Electronic Submission) | Date | 04/11/2018 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | | | | |
|---|---------------------|-------|--------------------|------|------------|
| Approved By | ABDELGADIR ELMADANI | Title | PETROLEUM ENGINEER | Date | 05/07/2018 |
| 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

PLUG AND ABANDONMENT PROCEDURE

January 24, 2018

Gallegos Canyon Unit #296

West Kutz Pictured Cliffs

800' FSL and 950' FWL, Section 15, T28N, R12W

San Juan County, New Mexico / API 30-045-23997

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
2. Rods: Yes , No , Unknown .
Tubing: Yes , No , Unknown , Size 2-3/8", Length 1453'.
Packer: Yes , No , Unknown , Type .
3. **Plug #1 (Pictured Cliffs perforations and top, Fruitland top, 1368' – 1070')**: Round trip 4.5" gauge ring or mill to 1368' or as deep as possible. RIH and set 4.5" CR at 1368'. Pressure test tubing to 1000#. Circulate well clean. Pressure test casing to 800#. If casing does not test then spot or tag subsequent plugs as appropriate. Mix 27 sxs Class B cement inside casing from 1368' to cover through the Fruitland top. PUH.
4. **Plug #2 (Kirtland and Ojo Alamo tops and 8-5/8" casing shoe, 303' – 0')**: Attempt to pressure test the bradenhead annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 28 sxs cement and spot a balanced plug from 303' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing and annulus from the squeeze holes to surface. Shut in well and WOC.
5. 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 cut off anchors. Restore location per BLM stipulations

Gallegos Canyon Unit #296

Proposed P&A West Kutz Pictured Cliffs

800' FSL, 950' FWL, Section 15, T-28-N, R-12-W
San Juan County, NM, API #30-045-23997

Today's Date: 1/24/18
Spud: 12/30/79
Completed: 3/22/80
Elevation: 5581' GL
5591' KB

Ojo Alamo @ 171'

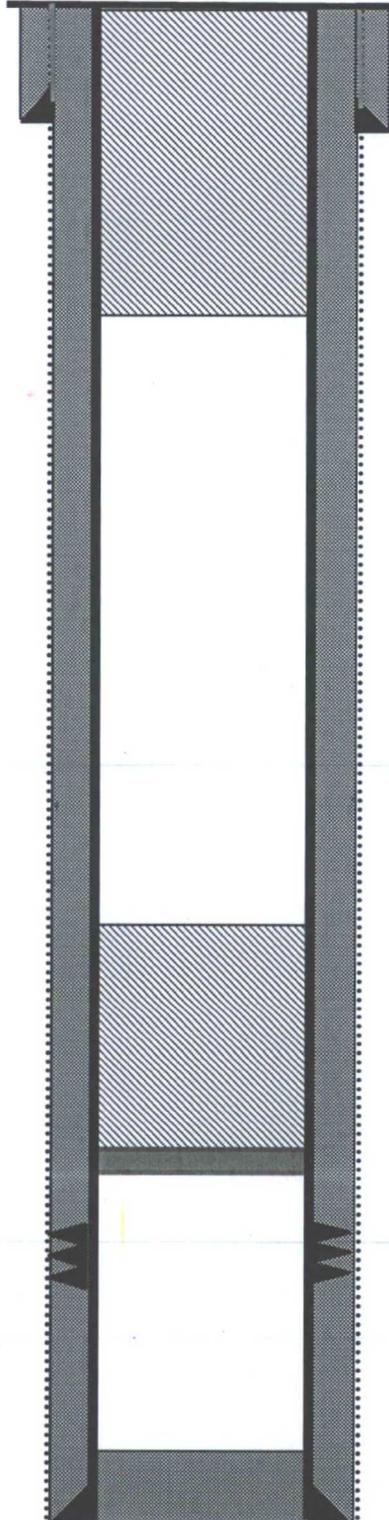
Kirtland @ 253'

Fruitland @ 1120'

Pictured Cliffs @ 1416'

12.25" hole

6.75" hole



Circulated cement to surface

8-5/8" , 20# Casing set @ 131'
Cement with 100 sxs, circulated

Plug #2: 303' - 0'
Class B cement, 28 sxs

Set CR @ 1368'

Plug #1: 1368' - 1070'
Class B cement, 27 sxs

Pictured Cliffs Perforations:
1418' - 1432'

4.5", 9.5#, Casing set @ 1640'
Cement with 300 sxs, circulated to surface

TD 1675'
PBD 1607'

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: Gallegos Canyon Unit 296

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 #2 (322 – 0) ft. to cover the Kirtland top and the entire Ojo Alamo interval. BLM picks top of Kirtland at 272 ft. BLM picks top of Ojo Alamo at 170 ft.

Low concentrations of H₂S (<100 ppm GSV) have been reported in wells within a 1 mile radius of this location.

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.