

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: 4/11/2018 Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-26290-00-00	GALLEGOS CANYON UNIT	245E	BP AMERICA PRODUCTION COMPANY	G	A	San Juan	F	G	36	28	N	12	W

Application Type:

P&A Drilling/Casing Change Location Change

Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84; Submit Gas Capture Plan form prior to spudding or initiating recompletion operations)

Other:

Conditions of Approval:

- Notify NMOCD 24hrs prior to beginning operations.
- Add a plug from 1770' -1870' to cover the P.C. top. OCD picks the P.C. top at 1770'.



NMOCD Approved by Signature

6/26/18

Date

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.

5. Lease Serial No.
NMSF078903

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

8. Well Name and No.
GALLEGOS CANYON UNIT 245E

9. API Well No.
30-045-26290-00-S1

10. Field and Pool or Exploratory Area
BASIN DAKOTA
BASIN FRUITLAND COAL

11. County or Parish, State
SAN JUAN COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other

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

3a. Address
200 ENERGY COURT
FARMINGTON, NM 87401

3b. Phone No. (include area code)
Ph: 281.366.7148

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 36 T28N R12W SWNE 1660FNL 1680FEL
36.621380 N Lat, 108.059220 W Lon

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 checked="" 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.

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

Notify NMOCD 24 hrs
prior to beginning
operations

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

NMOCD
MAY 10 2018
DISTRICT III

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

Electronic Submission #411136 verified by the BLM Well Information System
For BP AMERICA PRODUCTION CO, sent to the Farmington
Committed to AFMS for processing by ABDELGADIR ELMADANI on 05/07/2018 (18AE0014SE)

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 ****

bp
NMOCD

PLUG AND ABANDONMENT PROCEDURE

January 30, 2018

GCU #245E

Basin Dakota / Basin Fruitland Coal

1660' FNL, 1680' FEL, Section 36, T28N, R12W, San Juan County, New Mexico

API 30-045-26290

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. This project will use an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
2. 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.

3. Rods: Yes , No , Unknown
Tubing: Yes , No , Unknown , Size 2-3/8", Length 1787'
Packer: Yes , No , Unknown , Type

If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

NOTE: Will need to pick up approx. 5500' tubing workstring.

Drill-out existing CIBP at 1900'.

NOTE: BLM requires a CBL log to be run on all wells where the cement did not circulate to surface or a CBL log was not previously run. This procedure is prepared with the understanding that it may be modified based on the TOC from the CBL.

4. **Plug #1 (Gallup top, 5442' – 5342')**: TIH with open ended tubing. Mix and pump 33 sxs Class B cement (excess cement due to open FC perfs) and spot a plug inside casing to cover the Gallup top. PUH and WOC. TIH and tag cement; top off if necessary. PUH.
5. **Plug #2 (Mesaverde top, 3092' – 2992')**: Mix and pump 33 sxs Class B cement (excess cement due to open FC perfs) and spot a plug inside casing to cover the Mesaverde top. PUH and WOC. TIH and tag cement; top off if necessary. PUH.
6. **Plug #3 (Chacra top, 2538' – 2438')**: Mix and pump 33 sxs Class B cement (excess cement due to open FC perfs) and spot a plug inside casing to cover the Chacra top. PUH and WOC. TIH and tag cement; top off if necessary. TOH.

GCU #245E
Proposed P&A
Basin Dakota / Basin Fruitland Coal

Today's Date: 2/1/18

1660' FNL, 1680' FEL, Section 36, T-28-N, R-12-W, San Juan County, NM

Spud: 4/23/85

Completion: 5/10/85

Re-Completion: 12/28/99

Elevation: 5978' GI
 5991' KB

API #30-045-26290

Ojo Alamo @ 598'

Kirtland @ 680'

Fruitland @ 1053'

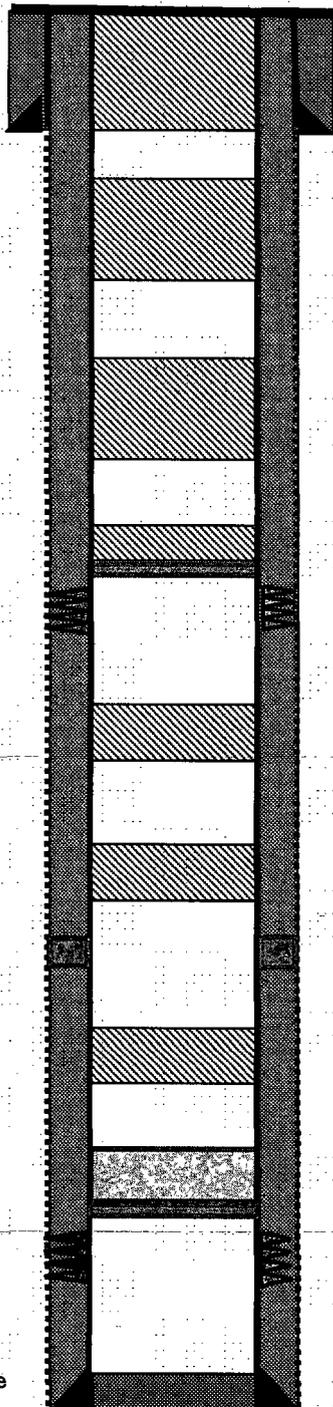
Pictured Cliffs @ 1358'

Chacra @ 2488'

Mesaverde @ 3042'

Gallup @ 5392'

Dakota @ 6212'



Plug #7: 400' - 0'
 Class B cement, 80 sxs

9.625", 36#, K-55 casing set @ 350'
 Cement with 325 cf, circulate to surface

Plug #6: 730' - 548'
 Class B cement, 44 sxs

TOC @ 770' (CBL '94)

Plug #5: 1408' - 1003'
 Class B cement, 85 sxs

Set CR @ 1700'

Fruitland Coal perforations:
 1750' - 1769'

Plug #4: 1700' - 1600'
 Class B cement, 29 sxs

Plug #3: 2538' - 2438'
 Class B cement, 33 sxs
 (excess due to open FC perms)

Plug #2: 3092' - 2992'
 Class B cement, 33 sxs
 (excess due to open FC perms)

DV Tool @ 3271'
 Stage 2: 1694 cf

Plug #1: 5442' - 5342'
 Class B cement, 33 sxs
 (excess due to open FC perms)

Set CIBP @ 6264' ('99) and
 spot 150' cement to 6114'

Dakota Perforations:
 6314' - 6434'

7" 23#, K-55 casing set @ 6519'
 Stage 1: Cemented 894 cf

7-7/8" Hole

TD 6519'
 PBTD 6472'

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 245E.

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 (3407-3307) ft. to cover the Mesaverde top. BLM picks top of Mesaverde at 3357 ft.
 - b. Set Plug #5 (1552-1452) ft. to cover the Fruitland top. BLM picks top of the Fruitland at 1502 ft.
 - c. Set Plug #6 (713-514) ft. to cover the Kirtland top and entire Ojo Alamo interval. BLM picks top of Kirtland at 663 ft. BLM picks top of Ojo Alamo at 564 ft.
 - d. **Add Plug from (4581-4481) ft. to cover the Mancos top. BLM picks Mancos top at 4531 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.