

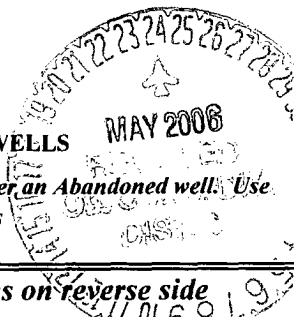
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135

Expires November 30, 2000

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 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 078903
2. Name of Operator BP America Production Company Attn: Cherry Hlava		6. If Indian, Allottee or tribe Name
3a. Address P.O. Box 3092 Houston, TX 77253	3b. Phone No. (include area code) 281-366-4081	7. Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R. M., or Survey Description) 990' FSL & 990' FWL Sec 35 T28N R12W		8. Well Name and No. Gallegos Canyon Unit 57
		9. API Well No. 30-045-06976
		10. Field and Pool, or Exploratory Area Basin Fruitland Coal & PC
		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 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 checked="" 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 recomple 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 recomple 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.

It is BP's intent to restore the Fruitland Coal to production but if this isn't possible our intent is to re-enter the Pictured Cliffs formation.

Please see the attached procedure to abandon the FC and re-enter the Pictured Cliffs..

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

2006 MAY 11 AM 6 28
RECEIVED
070 FARMINGTON NM

14. I hereby certify that the foregoing is true and correct	
Name (Printed/typed) Cherry Hlava	Title Regulatory Analyst
Signature <i>Cherry Hlava</i>	Date 5/8/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Matt Hildner</i>	Title <i>PETE ENG</i>	Date <i>5-22-06</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 <i>BLM-FFO</i>

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

Q

SJ Basin Abandon FC & Recomplete to PC Procedure

Well Name: GCU 57
Date: May 4, 2006
Repair Type: Abandon the FC and recomplete to PC
Location: T28N-R12W-Sec35 **API #:** 30-045-06976
County: San Juan
State: New Mexico
Horizon: FC

Objective: Abandon the FC and recomplete to PC.

1. Pull completion.
 2. Squeeze-off the FC.
 3. Drill out CIBP to re-enter the PC.
 4. TIH w/ completion.
 5. Return to production.
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Procedures:

1. Perform pre-rig site inspection. Check for size of location, gas taps, other wells, other operators, running equipment, wetlands, wash (dikes required), H₂S, barriers needed for equipment, landowner issues, location of pits (buried lines in pits), raptor nesting, critical location.
2. Check ID wellhead, if earth pit is required have One Call made 48 hours prior to digging.
3. Have P&S strip location and set barriers as necessary. Lock out/tag out any remaining production equipment.
4. Contact BLM and NMOCD 24 hrs prior to beginning operations.
5. MIRU workover rig. Hold safety meeting and perform JSA. Complete necessary paperwork and risk assessment.
6. Check and record tubing, casing, and bradenhead pressures. Ensure production casing has double casing valves installed. Double valve all casing strings. Check hold down pins on hanger.
7. Blow down well to flow back tank. Kill with 2% KCl water ONLY if necessary. Check all casing strings to ensure no pressure exist on any annulus.
8. Hold JHA and fill out permit for BOP critical lift. ND wellhead. Install TIW valve on lifting pup in hanger. Strip on and NU BOP. Test BOP.
9. Strip on and NU diversion spool, stripper head and other under balanced well control equipment.
10. PU and TIH tubing until tag fill. Tally out of hole, calculate depth of tag and/or hole, check tubing for wear or scale.
11. TIH w/ bit & scraper to top of CIBP at 1625' and clean out if necessary.

12. RIH with tubing open ended to top of CIBP at 1625'. Spot 20 sxs cement plug to fill from 1625' – 1575' to squeeze the Fruitland Coal perforations from 1603' – 1617'. Squeeze 14 sxs (3 bbl) into the Fruitland Coal, leaving remaining 6 sxs in casing. Do not exceed frac gradient. Test casing to 500 psi.
13. POOH with tubing. PU bit x DC's. WOC.
14. RU air package. D/O cmt and CIBP at 1625'. C/O well to TD at 1692'.
15. PU above PC perfs. Flow well 30 minutes. RIH to TD at 1692', cleaning out again if necessary. Repeat until sand feed-in stabilizes.
16. MU BHA with F profile nipple. TIH tubing to 1640'. MU redressed tubing hanger and TIW valve on lifting pup. Land tubing.
17. Hold JHA and fill out permit for BOP critical lift. ND and strip off diversion spool, stripper head and other under balanced well control equipment. ND and strip off BOP. Remove TIW valve and lifting sub. NU wellhead.
18. PU and TIH pump, rods, polish rod. MU stuffing box and hang off rods.
19. Load tubing with 2% KCl water. Test stroke pump to 500 psi.
20. Install horses head, hang on polish rod and space out pump. RDMO workover rig.
21. Follow log out/tag out procedures to power up, pressure up, purge and return to service all surface equipment. Start pump jack, run to check for proper tag of pump.
22. Return well to production.

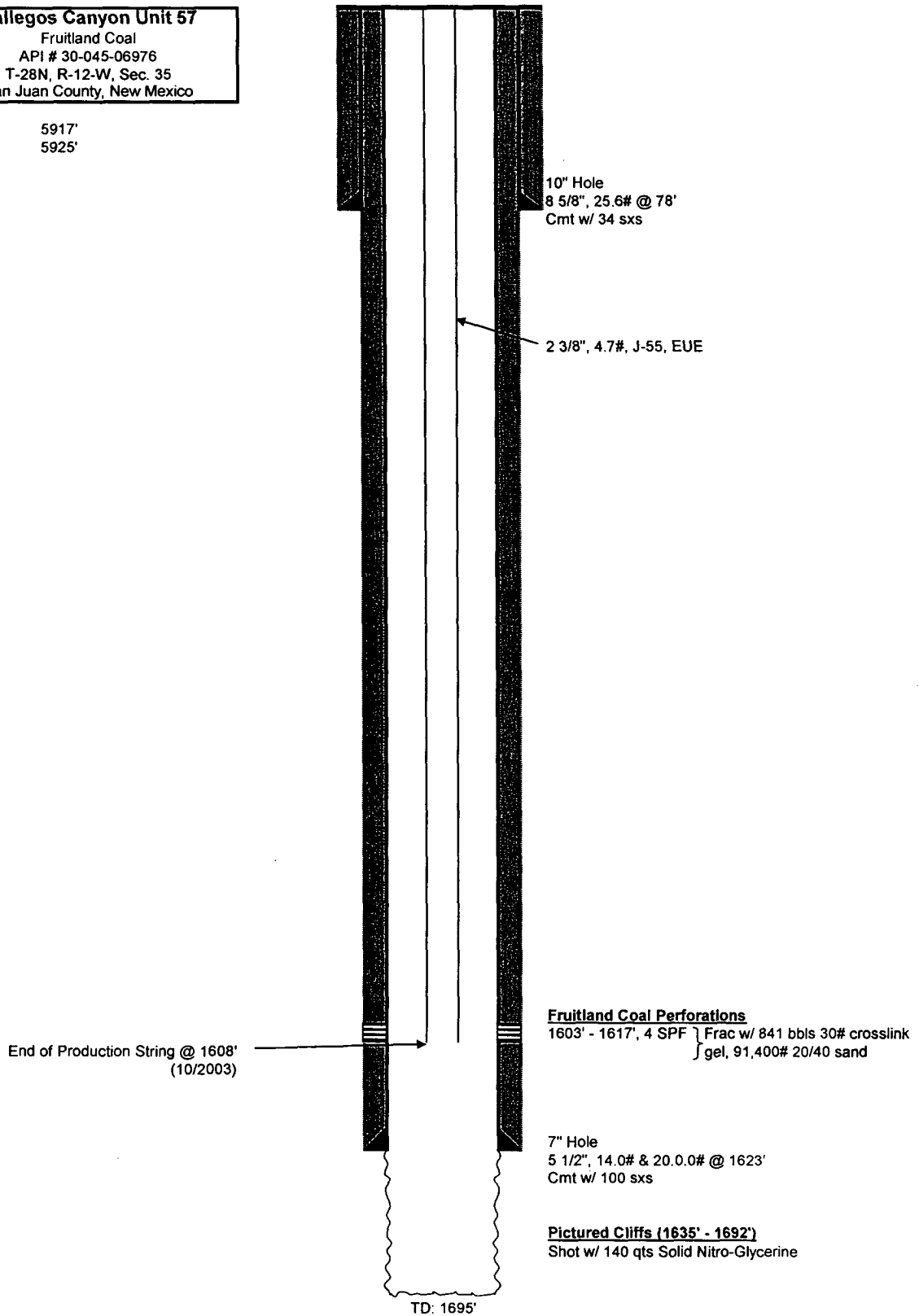
bp



Gallegos Canyon Unit 57

Fruitland Coal
API # 30-045-06976
T-28N, R-12-W, Sec. 35
San Juan County, New Mexico

G.L. 5917'
K.B. 5925'



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) 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.**

BLM CONDITIONS OF APPROVAL FOR RECOMPLETION

The following conditions of approval will apply to this well unless a particular Surface Managing Agency or private surface owner has supplied to BLM and the operator a contradictory environmental stipulation. The failure of the operator to comply with these requirements may result in the assessment of liquidated damages or penalties pursuant to 43 CFR 3163.1 or 3163.2. A copy of these conditions of approval shall be present on the location during construction, drilling and reclamation activity.

An agreement between operator and fee land owner will take precedence over BLM surface stipulations unless (In reference to 43 CFR Part 3160) 1) BLM determines that the operator's actions will affect adjacent Federal or Indian surface, or 2) the operator does not maintain well area and lease premises in a workmanlike manner with due regard for safety, conservation and appearance, or 3) no such agreement exists, or 4) in the event of well abandonment, minimal Federal restoration requirements will be required.

Special Stipulations:

** The operator and his contractor will contact the BLM Farmington Field Office, Environmental Protection Staff (Bill Liess) to set up a pre-work meeting on any rehab or seeding done on this location at (505) 599-6321, approximately 48 hours **prior to any work being done.**

**** Reserve pits will be closed and rehabed 90 days after recompletion. All pits used in recompletion remaining open after the 90 days will need written authorization from the Authorized Officer. This requirement is addressed in the General Requirements of Onshore Order # 7.**

** Pits will be lined with an impervious material at least 12 mils thick. Prior to closing the pit, the liner will be cut off at mud level. The excess liner will be hauled to a licensed disposal area.

** Diversion ditch(es) will be reconstructed if damaged by recompletion work.

** If the cut and fill slopes of the well pad are used or damaged by completion work then the cut and fill slopes will be brought back to the original contour of the location before work was accomplished.

** All above ground structures shall be painted to blend with the natural color of the landscape and will remain the same color as was previously stipulated in the APD

** All disturbance will be seeded after the pit is closed with the appropriate seed mixture.

SEED MIX : SPECIAL: > 10 inches of precipitation

Fourwing Saltbush (<i>Atriplex canescens</i>).....	1.0 lbs.
Indian Ricegrass (<i>Oryzopsis hymenoides</i>).....	1.0 lbs.
Western Wheatgrass (<i>Agropyron smithii</i>).....	2.0 lbs.
Blue Grama (Hatcheta or Alma).....	0.25 lbs.