

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

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.
NMNM09717

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
FLORANCE H 3

9. API Well No.
30-045-27330

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

11. County or Parish, State
SAN JUAN, NEW MEXICO

SUBMIT IN TRIPLICATE- Other instructions on reverse side

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

2. Name of Operator
BP AMERICA PRODUCTION COMPANY

3a. Address
200 ENERGY COURT, FARMINGTON, NM 87401

3b. Phone No. (include area code)
**Bureau of Land Management
505 326 9425
Farmington Field Office**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**UNIT H, SECTION 6, TOWNSHIP 30N, RANGE 8W, 1480 FNL, 1025 FEL
LATITUDE - 36.84326 LONGITUDE - 107.71054**

12. CHECK 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"/> 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 checked="" type="checkbox"/> Other SEASONAL
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	RESTRICTION
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	EXCEPTION

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 AMERICA RESPECTFULLY REQUESTS CONSIDERATION TO ALLOW EXCEPTION TO THE SEASONAL RESTRICTION FOR DEER & ELK WINTERING FOR THE CAPTIONED WELL LOCATION FOR NO MORE THAN TWO (2) WEEKS:

(PLEASE SEE ATTACHED WORKOVER PROCEDURE - LINER REPLACEMENT)

WORK IS SCHEDULED TO START ON NOVEMBER 19 AND BE COMPLETED NO LATER THAN DECEMBER 14. IF WORK GOES AS PLANNED, THE WELL SHOULD BE COMPLETED BY THE WEEK OF DECEMBER 3.

IF YOU HAVE ANY QUESTIONS, PLEASE CALL LARRY SCHLOTTERBACK @ 505 326 9425.

RCVD NOV 19 '07

OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

LARRY SCHLOTTERBACK

Title **ENVIRONMENTAL COORDINATOR**

Signature

Date

11/15/07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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.

(Instructions on page 2)

NMOCD

Florance H 3
API # **3004527330**
Sec 6 - T30N - R8W "H"
San Juan County, NM

Contact:
Tom Boyce
505-326-9453 office
505-326-9262 fax
970-420-4150 cell

SAP project no: X4-00HRH

November 13, 2007
Version 2

Objectives:

Pull liner
Clean out and deepen well
Cavitate to improve inflow
Run new liner and perforate

Relevant Data:

WI: 50%	NI: 34.75%	Casing: 7" 23# @ 2683'
Current production rate:	200 mcf/d	Liner: 5.5" 15.5# 2610'-2905'
Anticipated Rate:	750 mcf/d	Tubing: 2.375 4.6# @ 2880'
Gas BTU:	846 btu/cf	Perfs: 2732'-2897'
Gas CO ₂ :	21%	Note: All depths from KB 13' AGL
Liner Hanger: Baker 5.5"x 7" SLP-R		Formation: Fruitland Coal

Procedure:

1. Check location, verify rig anchors are in place & tested. Contact One Call 48 hrs prior to digging cavitation pit. Move pumping unit and base away from wellhead.
2. MIRU pulling unit. LOTO meter run, separator, water line, and automation. POH, lay down rods & pump. RU slick line unit, set blanking plug in F nipple @ 2860'. RD slick line unit, install 2 way check in tubing hanger.
3. ND wellhead, NU cavitation stack as follows: 3" flow cross, double BOP with blind and 2.375" pipe rams, cavitation spool w/ 2-4" outlets, annular BOP, and stripping head. Blind off one 4" outlet; install 4" manual valve on remaining outlet of cavitation spool. Install 4" HCR valve outside manual valve, and add piping supports to stabilize stack. Run and secure one 6" vent line with muffler to cavitation pit. Rig up venturi evacuation device to pull all gas away from floor when pulling liner. Pressure test BOP stack to 200 PSI low and 1500 PSI high.

4. Build manifold from flow cross providing 2" flow test line to pit equipped with choke nipple and pressure recorder to evaluate gas flow rates. Configure manifold to include 2" kill line from rig pump to allow pumping water through casing valve.
5. Unseat tubing hanger, strip above BOP and remove hanger. POH, laying down 2 3/8" tubing. Send tubing and rods to yard for inspection. Install 2.875" pipe rams in BOP and test.
6. Make up fishing string to retrieve liner and trip in hole on 3.5" collars and 2.875" American Open Hole work string. Engage liner and work free. Strip liner out of hole and lay down, operating venturi to pull gas away from floor when laying down liner. If necessary to kill well, use 2 gal/1000 gal L-64 in fresh water.
7. TIH with 6.125" bit, 3.5" collars, and 2.875" work string. Clean out to 2905' using foam. When wellbore is clean and stable, POH with work string. Run production flow test through choke to pit, flaring gas. Continue test for several hours to establish stable rate. Compare test rate to prior production rate of 700-800 mcf/d. If prior rate has been reestablished, or is expected to be reestablished with additional flow time, plan to run liner after deepening. If rate has not been restored, plan to cavitate well before running liner.
8. TIH with 6.125" bit, 9.5" reamer, 3.5" collars, and 2.875" work string. Rig up mud logger with hot wire and chromatograph. Mud Logger: Peter Faulk, Laramide services, (505) 320-3432. Deepen well $\pm 100'$, monitoring mud logger to detect any productive gas intervals which be present. Discuss mud log results with BLM to obtain approval to leave deepened wellbore behind uncemented liner. BLM Geol: Chip Harraden (505) 599-8900, Fax (505) 599-8997.
9. Continue circulating and cleaning well bore until stable. If decision was made to not cavitate, proceed to step 11, run liner. If decision was made to cavitate, proceed to step 10.
10. POH with work string. Cavitate well by injecting air mist down casing and surging back to cavitation pit. Continue cavitation operations on a 24 hr basis, surging well during evening hours, then running workstring and cleaning out during daylight hours. Continue cavitation operations over a 4 day period, attempting to make the coal "run". After this cavitation period, cease injecting air directly into the coal and continue cleaning out well with foam. When wellbore stabilizes and fill is cleaned out, go to step 11, run liner.
11. POH, LD work string. Run 350' (50'-80' lap) 5.5" 15.5# hydril 511 liner with bit sub and bit on bottom. Run Baker SLPR hanger on top. Land liner shoe at

deepened TD. Rotate liner down if necessary. Set liner hanger and POH, laying down work string.

12. ND stripping head, install companion flange and lubricator. Fill liner with 2% KCl water, rig up Schlumberger and run GR/CCL log. Perforate the following intervals using 4" HEGS casing guns 4 SPF with "big hole" (.60") charges:

2732'-2744'	12'
2752'-2726'	14'
2820'-2838'	18'
2868'-2902'	34'

Perforate liner from top down, add water as necessary to keep guns covered with water.

13. Run production string as follows: 20' x 2.375" vented muleshoe joint, 1.78" "F" nipple, 2.375" tubing to surface. Land tubing 20' off bottom at $\pm 2980'$. Run tubing with blanking in place in "F" nipple, and test plug in hanger.
14. ND BOP and cavitation stack. Nipple up composite pumping "T" on well head. Remove test plug, RU slick line and pull blanking plug from "F" nipple. Run pump, 3-1.25" weight bars, and .75" grade D rods, space out as required. Load tubing and long stroke pump to pressure test. RDMO pulling unit.
15. Reset pumping unit. Purge well and run O₂ test. Return to production.

Country:	UNITED STATES	County:	SAN JUAN	Event:	WELL SERVICING	Wellbore:	OH	Casing KB Elev:	0.00 ft
Region:	NORTH AMERICA	State:	NEW MEXICO	Event Start:	6/27/2007	Top TMD:	13.0 ft	Ground Elev:	0.00 ft
Bull Unit:	NAG SPU	District:	FARMINGTON	Event End:	7/6/2007	Bottom TMD:	2,985.0 ft	KB to GL	0.0 ft
Pert Unit Asset:	SAN JUAN SAN JUAN SOUTH			Objective:	WELLBORE CLEAN OUT	Spud:	6/22/1989	Mud Line Elev	0.00 ft
Field:	BASIN-FRUITLAND COAL GAS POOL			Contractor:	AZTEC WELL SERVICING				

Tubing/CJ/SS Components	Min ID	Top	Well sketch	Perf Interval / SPF / Phasing
1 - ROD, POLISHED: 1.25 X 16 FT 25	2.441 in	0.0 ft		
1 - TUBING, 2.375, 4.7#, J-55, BJET+C	1.995 in	1.0 ft		
1 - RODS, PONY: 0.75 GRD . D		16.0 ft		
2 - RODS, PONY 0.75 GRD . D		22.0 ft		
110 - RODS: 0.75 X 25 GRD . D		30.0 ft		
1 - TUBING SUB, 2.375 X 10FT	1.995 in	32.0 ft		
89 - TUBING, 2.375, 4.7#, J-55, EUE T+C	1.995 in	42.0 ft		
				2,752.0 ft - 2,765.0 ft - 4 /ft - 90.0 °
3 - RODS, SINKER: 1.25 GRD D		2,772.0 ft		2,805.0 ft - 2,820.0 ft - 4 /ft - 90.0 °
1 - NIPPLE, PROFILE, "F", 2.375 OD, 1.780 ID	1.780 in	2,846.0 ft		
1 - PUMP, RHAC, 2.0 X 1.25 X 12	2.041 in	2,847.0 ft		
1 - 1" X 8' WIRE SCREEN		2,859.0 ft		
				2,882.0 ft - 2,897.0 ft - 4 /ft - 90.0 °

Strings/Assemblies in the Hole on 7/6/2007

FLORANCE H 3

Event: WELL SERVICING

Wellbore: OH

Event Dates 6/27/2007 to 7/6/2007

SURFACE CASING Top: 13.00 ft Status: INSTALLED Install Date: 6/23/1989 Bottom: 13.0 ft Pull Date: <no data>									
Component Details	Size	Jts	Length	Weight	Grade	Threads	Min ID	Cond.	Comments
CASING, 9-5/8", 36#, K-55, 8 RND	9.625 in	12	263.00 ft	36.00 lb/ft	K-55	8R LT+C	8.921 in		
PRODUCTION CASING 1 Top: 13.00 ft Status: INSTALLED Install Date: 6/25/1989 Bottom: 2,683.0 ft Pull Date: <no data>									
Component Details	Size	Jts	Length	Weight	Grade	Threads	Min ID	Cond.	Comments
CASING, 7", 23#, K-55, 8 RND LT	7.000 in	125	2,670.00 ft	23.00 lb/ft	K-55	8R LT+C	6.366 in		
PRODUCTION LINER 1 Top: 2,610.03 ft Status: INSTALLED Install Date: 1/18/2003 Bottom: 2,905.0 ft Pull Date: <no data>									
Component Details	Size	Jts	Length	Weight	Grade	Threads	Min ID	Cond.	Comments
LINER HANGER, SLIP SET	5.500 in	1	3.15 ft	15.50 lb/ft	P-110	8 RND	4.950 in	N	
X-OVER HYD 511 X API 8 RND	5.500 in	1	1.35 ft	15.50 lb/ft	N-80	8 RND	4.950 in	N	
CASING 5.5" 15.5# FJ W/HYD 511	5.500 in	6	287.12 ft	15.50 lb/ft	J-55	HYD 511	4.950 in	I	
X-OVER HYD 511 X API 8 RND	5.500 in	1	1.20 ft	15.50 lb/ft	N-80	HYD 511	4.950 in	N	
X-OVER BIT SUB W/FLOAT	5.500 in	1	1.40 ft	15.50 lb/ft	J-55	8 RND	4.950 in	N	
6 1/4" BIT	6.250 in	1	0.75 ft	0.00 lb/ft		REG	0.000 in	U	
TUBING Top: 0.00 ft Status: INSTALLED Install Date: 7/5/2007 Bottom: 2,880.0 ft Pull Date: <no data>									
Component Details	Size	Jts	Length	Weight	Grade	Threads	Min ID	Cond.	Comments
TUBING HANGER, 2.375 X 7.0625	7.027 in	1	1.00 ft	0.00 lb/ft	J-55	EUE 8RD	2.441 in	NT	
TUBING, 2.375, 4.7#, J-55, EUE T+	2.375 in	1	31.00 ft	4.70 lb/ft	J-55	EUE T+C	1.995 in	ST	
TUBING SUB, 2.375 X 10 FT	2.375 in	1	10.00 ft	4.70 lb/ft	J-55	EUE T+C	1.995 in	ST	
TUBING, 2.375, 4.7#, J-55, EUE T+	2.375 in	89	2,804.00 ft	4.70 lb/ft	J-55	EUE T+C	1.995 in	ST	
NIPPLE, PROFILE, "F", 2.375 OD,	2.375 in	1	1.00 ft	4.70 lb/ft	J-55	EUE 8RD	1.780 in	ST	
MULE SHOE, 2.375	2.375 in	1	20.00 ft	4.70 lb/ft	J-55	EUE 8RD	2.041 in	N	
SUCKER RODS Top: 0.00 ft Status: INSTALLED Install Date: 7/5/2007 Bottom: 2,880.0 ft Pull Date: <no data>									
Component Details	Size	Jts	Length	Weight	Grade	Threads	Min ID	Cond.	Comments
ROD, POLISHED, 1.25 X 16 FT	1.250 in	1	16.00 ft	0.00 lb/ft	D		0.000 in	SU	
RODS, PONY, 0.75 GRD, D	0.750 in	1	6.00 ft	0.00 lb/ft	D		0.000 in	SU	
RODS, PONY, 0.75 GRD, D	0.750 in	2	8.00 ft	0.00 lb/ft	D		0.000 in	SU	
RODS, 0.75 X 25 GRD, D	0.750 in	110	2,742.00 ft	0.00 lb/ft	D		0.000 in	SU	
RODS, SINKER, 1.25 GRD D	1.250 in	3	75.00 ft	0.00 lb/ft	D		0.000 in	N	
PUMP, RHAC, 2.0 X 1.25 X 12	2.000 in	1	12.00 ft	0.00 lb/ft			1.250 in	N	
1" X 8" WIRE SCREEN	1.000 in	1	8.00 ft	0.00 lb/ft			0.000 in	SU	

Perforating Information

FLORANCE H 3

Wellbore: OH

Event: WELL SERVICING

Event Dates: 6/27/2007 to 7/6/2007

REPERF	Date: 1/18/2003	Gross Interval: 2,732.0 ft to 2,897.0 ft					
Formation	Top Depth	Bottom Depth	SPF/SPM	Phasing	Gun Size	Gun Type	Charge
FRUITLAND COAL	2,732.0 ft	2,744.0 ft	4 /ft	90.0 °	4,000 in	RETRIEVABLE, HOLLOW	DEEP PENETR.
FRUITLAND COAL	2,752.0 ft	2,765.0 ft	4 /ft	90.0 °	4,000 in	RETRIEVABLE, HOLLOW	DEEP PENETR.
FRUITLAND COAL	2,805.0 ft	2,820.0 ft	4 /ft	90.0 °	4,000 in	RETRIEVABLE, HOLLOW	DEEP PENETR.
FRUITLAND COAL	2,868.0 ft	2,882.0 ft	4 /ft	90.0 °	4,000 in	RETRIEVABLE, HOLLOW	DEEP PENETR.
FRUITLAND COAL	2,882.0 ft	2,897.0 ft	4 /ft	90.0 °	4,000 in	RETRIEVABLE, HOLLOW	DEEP PENETR.

Cementing Information

PRIMARY								
Contractor: -no data-								
6/23/1989								
Stage	Slurry Type	Slurry Description	Class	Top	Bottom	Density	Yield	Total Vol
PRIMARY CEMENT	CEMENT			13.0 ft	276.0 ft	0.0 ppg	0.00 ft³/sk	0.0 bbl

PRIMARY								
Contractor: -no data-								
6/25/1989								
Stage	Slurry Type	Slurry Description	Class	Top	Bottom	Density	Yield	Total Vol
PRIMARY CEMENT	CEMENT			13.0 ft	2,683.0 ft	0.0 ppg	0.00 ft³/sk	0.0 bbl