

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.*

FORM APPROVED
OMB No 1004-0135
Expires July 31, 2010

5 Lease Serial No
I - 149-IND-8471

6 If Indian, Allottee or tribe Name
Allotted

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

SUBMIT IN TRIPLICATE - Other instructions on reverse **RECEIVED**

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

DEC 11 2007

8 Well Name and No
VCU 175

2. Name of Operator
BP America Production Company Attn: Cherry Hlava

Bureau of Land Management
Farmington Field Office **30-045-07158**

3a Address
P.O. Box 3092 Houston, TX 77253

3b Phone No (include area code)
281-366-4081

9 API Well No
30-045-07158

4. Location of Well (Footage, Sec., T, R, M., or Survey Description)
1825' FSL & 840' FEL Sec. 25 T28N, R13W NESE

10 Field and Pool, or Exploratory Area
Basin Dakota

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

☒ Notice of Intent

Subsequent Report

Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☒ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Water Disposal

☐ Water shut-Off

☐ Well Integrity

☐ 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 recompleat 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 recompleat 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.

RCVD DEC 17 '07

Compliance Well

OIL CONS. DIV.

DIST. 3

BP America has reviewed the above mentioned well and finds no further reserves potential remaining

BP respectfully requests permission to plug and abandon said well.

Please find attached the P&A procedure. Should you have any questions please call Nona Morgan @281-366-6207

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

Cherry Hlava

Title **Regulatory Analyst**

Signature *Cherry Hlava*

Date **12/10/2007**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Original Signed: Stephen Mason

Approved by

Title

Date

DEC 14 2007

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.

NMOC *86*

San Juan Basin P&A Procedure

Well Name: GCU 175
API #: 30-045-07158
Date: December 2, 2007
Location: T28N-R13W-Sec 25
County: San Juan
State: New Mexico
Pipeline: Enterprise
Horizon: DK
H2S = None Expected
CO2 = 0.6470%

Gathering System: CHACO
Engr: Nona Morgan
ph (281) 366-6207
fax (281) 366-7099
cell(713) 890-2002

Objectives: P&A Wellbore. Locate TOC on 4 -1/2" casing. Ensure interval isolation throughout the wellbore. Restore location

1. TIH and pull out completion
2. Cleanout wellbore
3. Set CIBP and Pressure test
4. Run CBL inside 4-1/2" casing
5. Set cement plugs to isolate intervals.
6. Rig down move out.
7. Restore location.

Well History: Spud date: 8/1964: Broached tubing and plunger installed: 12-8-1981: Tubing replacement 9-6-1996. Retrieved stuck plunger in 2006, fluid level at 1014'.

Bradenhead tests chronology:

7/06/06	BH flowed	No flow	Tbg = 9 psi; Csg = 10 psi; BH = 0 psi
5/08/03	BH flowed	No flow	Tbg = 183 psi; Csg = 185 psi; BH = 0 psi
2/15/00	BH flowed	blew down in 2 s	Tbg = 165 psi; Csg = 323 psi; BH = TSTM
7/28/97	BH flowed	down to whisp. In 1	Tbg = 269 psi; Csg = 273 psi; BH = TSTM
4/15/94	BH flowed	No flow	Tbg = 157 psi; Csg = 235 psi; BH = 0 psi
6/03/92	BH flowed	No flow	Tbg = 210 psi; Csg = 430 psi; BH = 0 psi
7/31/91	BH flowed	Steady flow - 5min	Tbg = 432 psi; Csg = 440 psi; BH = 162 psi

(last condition in 1991, pressure showed "shut in")

Current Status: The well is currently shut in, it will not flow on its own. All attempts to flow well have been unsuccessful. The well is on the **compliance well** list for November 2006. Wireline tag on 9/19/2007 has shown that there is approximately 1633' of fluid in this well. Swabbing attempts were unsuccessful as swab cups were destroyed by sand and debris in the bottom of the wellbore. Bailed out samples show mud and rocks are present in the well and indicate a casing breach has likely occurred. Reservoir Engineering has indicated no uphole potential exists, thus making it uneconomic to repair.

Pertinent Information: Gas BTU content for this well = 1289; SG = 0.7467 Venting and Flaring document needs to be followed with the assumption that BTU content is above 950.

Work Guidelines: NOTICE: *Perform all work per these guidelines and considerations.* Health, safety, and the environment are a top priority within BP San Juan South Asset and all work shall be done in accordance with Company established rules and policies.

Procedure

Wellsite Preparations and Agency Notifications:

1. Contact BLM and NMOCD 24 hrs before beginning P&A process to ensure scheduling of personnel to witness casing pressure testing, CBL results and cement placement.
2. Perform pre-rig site inspection. Per Applicable documents, check for:
(1) size of location, (2) gas taps, (3) other wells, (4) other operators, (5) production equipment, (6) wetlands, (7) wash (dikes requirements), (8) H2S, (9) barriers needed to protect equipment, (10) landowner issues, (11) location of pits (buried or lines in pits), (12) raptor nesting, (13) critical location, (14) check anchors, (15) ID wellhead, etc. Allow 48 hours for One Call if earth pit is required.
3. Have location stripped prior to rig move as this is a final wellbore PXA.
4. Perform second site visit after lines are marked to ensure all lines locations are clearly marked and that Planning & Scheduling has stripped equipment and set surface barricades as needed.
5. Notify land owners with gas taps on well.
6. Lock out/tag out any remaining production equipment.

Initial Well Checks & Preparations:

7. Check gas H2S content and treat if the concentration is > or equal to 10 ppm/Treat for H2S, if necessary per H2S Wells NOTICE. *Note: No H2S is expected at this wellsite location.*
8. Nipple up second master valve on well. Reference dispensation to rig up on well with single barrier (to be provided by wellwork team).
9. RU slickline unit. RIH with sinker bar through tubing tail to ensure all plunger lift equipment is out of the tubing and there are no obstructions. RIH and set tubing stop and "G" packoff with pump through plug for isolation. *Note: if "fish" is in the hole, tag location and set tubing stop and G-packoff above obstruction.*
10. Set two way check in BPV profile. If BPV profile is not present, set second tubing stop and "G" packoff with positive plug at +/- 100'.
11. MIRU workover rig. Hold safety meeting and perform JSA. Complete necessary paperwork and risk assessment. Ensure all necessary production equipment is isolated (LOTO) including, but not limited to the meter run, automation, and separator, etc.

12. Check and record tubing, casing and bradenhead pressures daily. Ensure production casing and bradenhead valves are double valved. Double valve all casing strings. Check hold down pins on hanger.
13. Pressure test tree and hanger to 200 psi above SITP. Make up 3" flowback line, if necessary and blow down well. Kill with 2% KCL water or fresh water, as necessary. Check all casing strings to ensure no pressure exist on any annulus.
14. Nipple down Wellhead. Reference "No Dual Barrier in Annulus During All Well Servicing" dispensation. NU BOPs and diversion spool with 3" outlets and 3" pipe to the blow tank. Pressure test BOPs to 200 psi on the low end and on the high range at 1000 psi. Monitor flowing casing pressure with gauge (with casing flowing to blow tank), if available, throughout workover.
15. Install stripping rubber. Pull tubing hanger up to rubber and shut pipe rams. Bleed pressure above rams. Pull stripping rubber and hanger up to floor. Remove hanger and replace stripping rubber.

Remove Completion & Cleanout Wellbore & Pressure Test Casing:

16. Open rams and TOOH w/ 2-3/8 production tubing currently set at 6004'. Use approved "Under Balance Well Control Tripping Procedure". Visually inspect tubing while POOH. *(It is acceptable to use the existing tubing as workstring, if it appears to be good. - WSL's discretion.)*
17. TIH w/ bit & scraper for 4-1/2" casing to the top of the Dakota perms at 6012' and clean out to 6092'.
18. RIH with 4- 1/2" CIBP on workstring and set at 5972'.
19. Load hole and circulate out any produced fluids. Pressure test wellbore to 500 psi for 15 minutes. Monitor bradenhead for indications of communication while this is done.
20. RU wireline and run Schlumberger USIT/CBL for 4-1/2" casing from 5972' to surface. Report casing load, cement quality, and pressure test results, bradenhead pressure and bleed details, and TOC to the BLM, NMOCD, and Production Engineer.

Spot Plug Locations and Pump Cement:

21. RIH with 2-3/8" open-ended workstring to 5962'. Spot 300' or ~33 sacks - (43 cu. Ft.) of G-Class cement on top of CIBP from 5962'-5662'. This will isolate the entire Dakota productive intervals. WOC.
 → Gallup plus 5098-4998' Mosavride 2993'-2893'
23. Based on 4-1/2" USIT/CBL results it will be determined if and where cement will be required behind casing to cover PC/FT intervals and to repair any type of casing leak found.

The next steps listed below assume the TOC behind the 4-1/2" casing is at the estimated depth of 2015'. The order and detail of the next six steps could change based on the casing pressure test and USIT/CBL results. The engineer will be consulted throughout the procedure to plug and abandon the well.

24. RU wireline w/ perforating gun to depth 100' above TOC from CBL report (Expect ~2015'). Perforate 4-1/2" casing and POOH with guns. RD wireline.
1472'
25. RIH w/ 2-3/8" workstring and 4-1/2" cement retainer and set @ 1865'.
1422'
26. Stab into retainer and squeeze 202 cu. ft of G-Class cement to spot cement behind 4-1/2" casing to isolate PC and FT interval.
27. Un-stab from retainer and spot 605' (68 cu. ft.) G-Class cement on top of retainer. POOH w/ workstring. This will put cement across the PC and FT intervals inside the 4-1/2" casing from 1865'-1250'.
1472' - 1049' + 50' excess

Note that additional cement squeezes will/may be required to isolate any areas outside of the productive zones currently being plugged off should the USIT results show a possible leak in a different area of the casing from those already identified by regulatory requirements to be plugged off. The WSL and PE will review and consult with appropriate personnel and Regulatory agencies for guidance, if necessary.

Set Cement Plugs to Isolate & Plug off Shallow Productive Zones

28. RU wireline w/ perforating gun to 450' and perforate 4-1/2" casing. POOH with guns. RD wireline.
29. RIH w/ 2-3/8" workstring and 4-1/2" cement retainer and set @ 400'.
30. Stab into retainer and squeeze 35 cu ft. of G-Class cement to spot cement behind 4-1/2" casing to isolate the Ojo Alamo interval.
31. Un-sting from retainer and spot 400' (45 cu. ft.) G-Class cement on top of retainer. POOH w/ workstring. This will put cement across the Ojo Alamo aquifer intervals inside the 4-1/2" casing from 400 to surface'.

Well Head Removal - Well Marker Installation - Rig Release

32. If cement cannot be seen on all annulus and casing strings after removing wellhead, remedial cementing at the surface will be required.
33. Install 4' well marker and identification plate per NMOCD requirements.
34. RD and release all equipment. Remove all Wells Team LOTO equipment.
35. Ensure all well work details and well bore equipment report are entered in DIMS. Print DIMS summary of work and wellbore diagram and put in well file. Notify Sherri Bradshaw and Cherry Hlava of completed P&A for final regulatory agency reporting and database clearing.
36. Submit work request to Planning and Scheduling to prepare location for reclamation and reseeding.

Current Wellbore



Gallegos Canyon Unit 175
Dakota
API # 30-045-01758
T-28N, R-13-W, Sec. 25
San Juan County, New Mexico

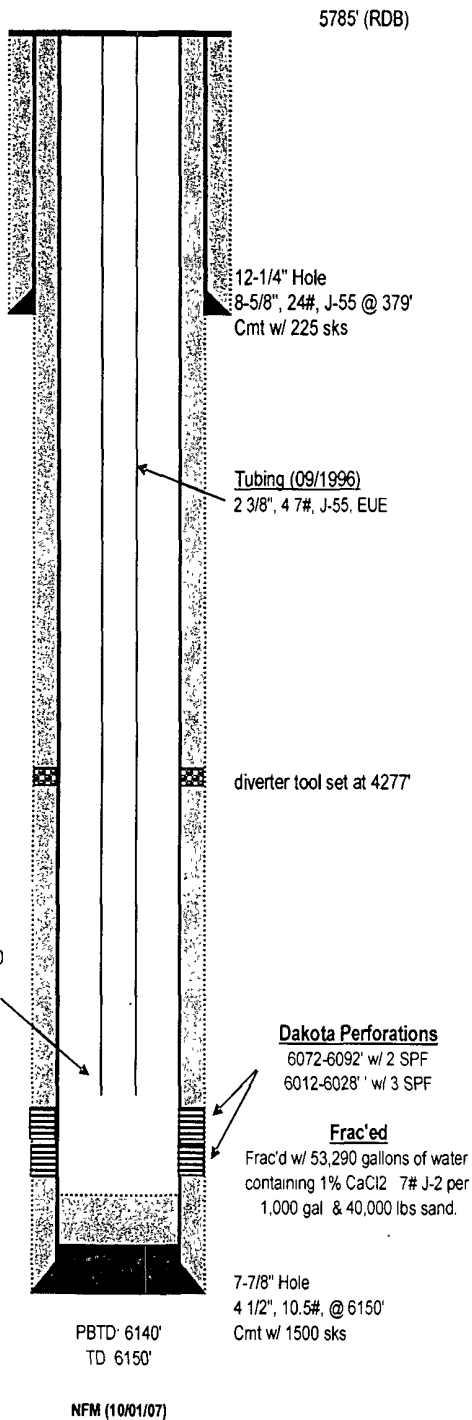
Well History

Spud Date 08/1964
Regulatory required Bradenhead Tests, No problems
Workover: 12/1981 - Broached tubing, Plunger install
Workover: 9/1996 - Tubing replacement
Well Servicing 10/2006 Retrieve stuck plunger
Well Servicing 9/2007 Tag Fill & Check Fluid Level

Formation Tops: (per Geologist review)

Ojo Alamo	120'	GRRS	5945'
Kirkland	220'	TWLS	6007'
FT Coal	1250'	PGTE	6058'
PCCF	1419'	CBRO	6118'
Lewis	1599'	L CBRO	NR
Chacra	2310'	ENCN	NA
CLF E	NR	BRCN	NA
CLF H	2943'	MRSN	NA
Menefee	3005'		
PNLK	3885'		
Mancos	4189'		
Gallop	5050'		
GRNR	5885'		

located EOT 6/19/2000
EOT @ 6,004'



Proposed PXA Wellbore



Gallegos Canyon Unit 175
Dakota
API # 30-045-01758
T-28N, R-13-W, Sec. 25
San Juan County, New Mexico

Well History

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Regulatory required Bradenhead Tests, No problems
Workover 12/1981 - Broached tubing, Plunger install
Workover 9/1996 Tubing replacement
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Chacra	2310'	ENCN	NA'
CLF E	NR'	BRCN	NA'
CLF H	2943'	MRSN	NA'
Menefee	3005'		
PNLK	3885'		
Mancos	4189'		
Gallup	5050'		
GRNR	5885'		

cement retainer set @ 400'

original completion

12-1/4" Hole
8-5/8", 24#, J-55 @ 379'
Cmt w/ 225 sks

TOC @ 1250'

cement retainer @ 1865'

TOC est by volumetrics = 2015'

diverter tool set at 4277'

TOC @ 5662'

CIBP set @ 5972'

Dakota Perforations

6072-6092' w/ 2 SPF
6012-6028' w/ 3 SPF

Frac'd

Frac'd w/ 53,290 gallons of water
containing 1% CaCl₂ 7# J-2 per
1,000 gal & 40,000 lbs sand

original completion

7-7/8" Hole
4 1/2", 10 5#, @ 6150'
Cmt w/ 1500 sks

PBTD 6140'
TD 6150'

NFM (10/01/07)

5785' (RDB)

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 175 Gallegos Canyon Unit

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) 599-8907.

3. The following modifications to your plugging program are to be made:

- a) Place a cement plug from 5098' – 4998' to cover the Gallup top.
- b) Place a cement plug from 2993' – 2893' to cover the Mesaverde top.
- c) Place the Pictured Cliffs/Fruitland plug from 1472' - 1049'.

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.