

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.

NMSF 078132

6 If Indian, Allottee or tribe Name

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

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 Attn: Cherry Hlava

8 Well Name and No.

Shane Gas Com B 1

9 API Well No.

30-045-24338

3a Address

P.O. Box 3092 Houston, TX 77253

3b Phone No. (include area code)

281-366-4081

10 Field and Pool, or Exploratory Area

Blanco Pictured Cliffs

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)

1790' FSL & 800' FWL SEC 13 T29N R09W NWSW

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

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☒ Plug and Abandon

☐ Plug Back

TYPE OF ACTION

☐ 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 recompletable 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 recompletable 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.

COMPLIANCE WELL

After evaluation of the subject well BP America respectfully requests permission to abandon the entire wellbore.

Please see the attached procedure.

**RCVD APR 14 '08
OIL CONS. DIV.**

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

Cherry Hlava

Title **Regulatory Analyst**

Signature *Cherry Hlava*

Date **04/09/2008**

DIST. 3

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **Original Signed: Stephen Mason**

Title

Date

APR 11 2008

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.

NMOCD

SJ Basin Well Work P&A Procedure

Well Name: Shane GC B 001 - PC
Version: 1.0
Date: April 4th, 2008
Location: T29N-R9W-Sec13 **API #:** 30-045-24338
County: San Juan **State:** New Mexico
Horizon: PC **Engr:** Audrey Rasmussen
 Ph (505) 326-9485

Objective: P&A for wellbore.

1. Ensure wellbore is clean of obstructions.
2. Pump cement plugs and remove wellhead.

Well History: Well completed in the Picture Cliffs Formation in 1981 from perforations of 2990–3050'. Fracture Stimulated April, 1981 w/210k lbs 10/20 Sand. Total cumulative production from the PCCF is 0.28bcf gas, 1,194 bbls water from 1981-2007. Well suffered from Energen Coal well completion & compression in 2005. No uphole potential seen in the well.

Procedure:

1. Notify BLM and NMOCD 24 hours prior to beginning operations
Henry Villeneuve @ (505) 334-6178 Ext. 17 or Charlie Perrin (ext 16)
BLM contact (505) 599-8907
2. Perform pre-rig site inspection. Check for: size of location, Gas Taps, other wells, other operators, running equipment, wetlands, wash (dikes req.), H2S, barriers needed for equipment, Landowner issues, location of pits (buried lines in pits), Raptor nesting, critical location, check anchors. Check ID wellhead; if earth pit is required have One Call made 48 hours prior to digging.
3. Perform second site visit after lines are marked to ensure all lines clear marked pit locations. Planning and scheduling to ready location for rig.
4. RU slickline unit or wireline unit. Pressure test lubricator and equipment. RIH and set **two** barriers (CIBP, tbg collar stop w/plug, or plug set in nipple) for isolation in tubing string.
5. Check and record tubing, casing and bradenhead pressures. Ensure production casing has double casing valves installed. Double valve all casing strings.
6. MIRU workover rig. LOTO all necessary equipment including but not limited to: meter run, automation, separator, and water line.

7. Check all casing strings to ensure no pressure exist on any annulus. **The operations of removal of wellhead and installation of BOP's will be performed under a dispensation for one (1) barrier on the backside.**
8. Nipple down Wellhead. NU BOPs and diversion spool with 3" outlets and 3" pipe to the blow tank. Pressure test BOPs to 500psig – expected bottom hole pressure is 300 psig. This is a P&A so the well should be kept dead through-out the procedure.
9. Install stripping rubber, pull tubing hanger and shut pipe rams. Strip 2-3/8" tubing hanger out of hole.
10. TOOH w/ 2-3/8" production tubing currently set at 3055'
11. RIH with 2-3/8" workstring and set 4-1/2" CIBP just above PC perforations +/- 2940'. Load well with fluid and pressure test casing to 500 psig. Run CBL to confirm cement top behind 4-1/2" casing. Based on cement top it will be determined where perforations and cement placement behind casing will be required to properly P&A well. Estimated cement top is ~surface (circulated). Report CBL results to regulatory agencies and engineer.
12. RIH with 2-3/8" open ended work string and spot a 410' plug (37.4 cu. ft.) on top of CIBP (+/- 2940). This should P&A the PC and FT Coal formations from 2530'-2940'.
13. **NOTE: Before pumping next plug, check CBL report and ensure TOC is above 1660' behind 4-1/2" casing. Perforating may be required if TOC is below this depth before setting tubular cement plug. Expect TOC @ surface.** POOH with workstring to 2090'. Pump and displace a 380' plug (34.6 cu. ft.) from 1710' to 2090' inside 4-1/2" casing. This should put cement across the Ojo Alamo and Kirtland formations.
→ *Plug M.C. cement from 622' - 522'*
14. **NOTE: Before pumping next plug, check CBL report and ensure TOC @surface and cement is covering the 8-5/8" casing shoe. Perforating may be required if TOC is below this depth before setting tubular cement plug. Expect TOC @ surface.** TIH to 347'. Pump and displace a 347' (31.7 cu.ft.) cement plug inside the 4-1/2" casing annulus all the way to surface.
15. Perform underground disturbance and hot work permits. Cut off tree.
16. If cement cannot be seen on all annulus and casing strings remedial cementing will be required from surface.
17. Install well marker and identification plate per BLM requirements.
18. RD and release all equipment. Remove all LOTO equipment.
19. Ensure all reports are loaded into DIMS. Print out summary of work and place in Wellfile. Notify Sherri Bradshaw of completed P&A.

Current Wellbore**Shane GC B1**

Sec 13, T29N, R09W

API # 30-045-24338

History

Completed in PC 3/1981

Formation Tops

1860'-1953' - Ojo Alamo

2040'-2680' - Kirtland

2680'-2990' - Fruitland coal

2990'-3050' - Pictured Cliffs

PC Perforations

2990'-3016'

3034'-3050'

PC Fracture Stimulation

112 5 Kgal foam + 210 K# 10/20 sand

TOC @ surface (circulated)

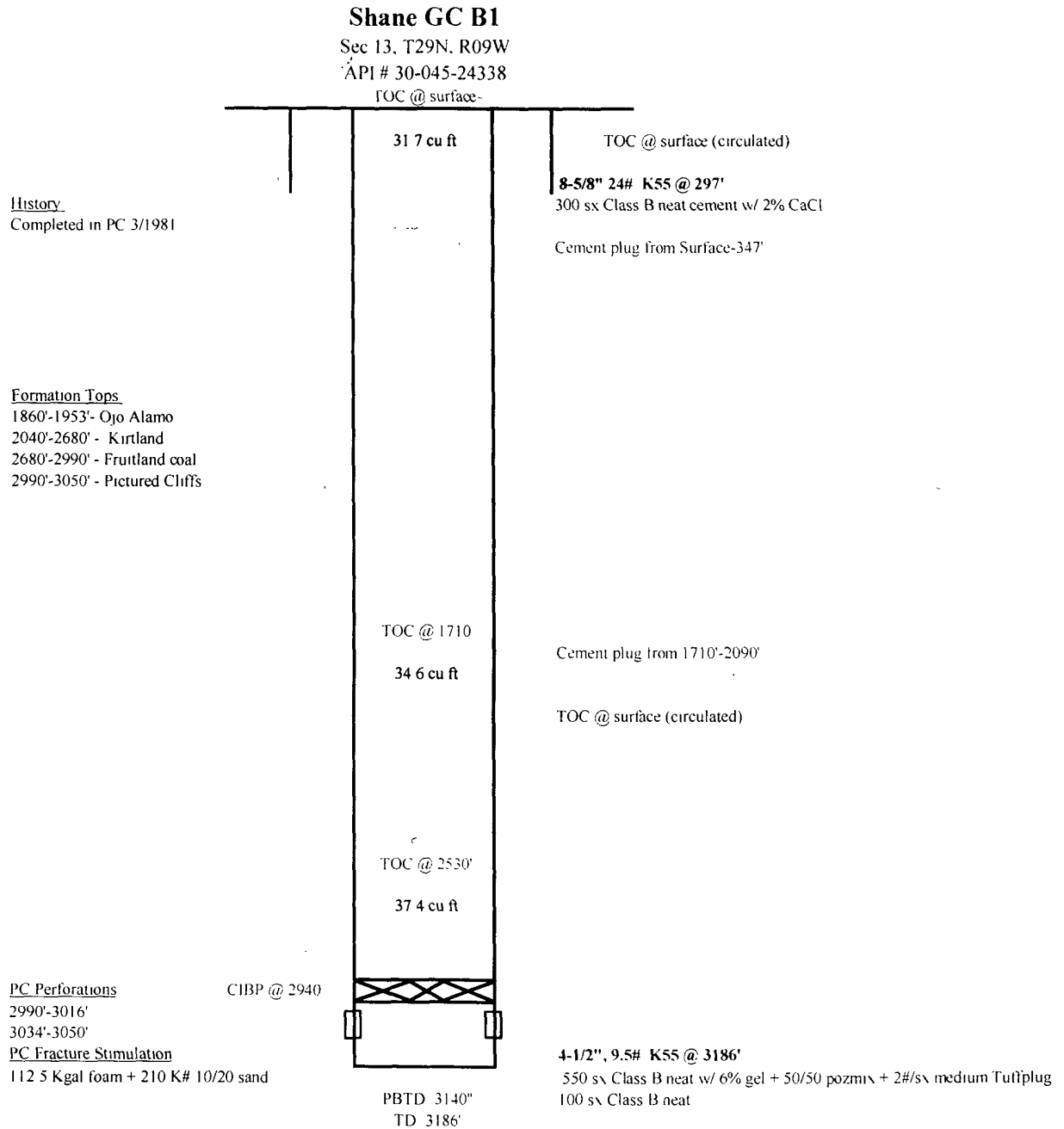
8-5/8" 24# K55 @ 297'

300 sx Class B neat cement w/ 2% CaCl

TOC @ surface (circulated)

Tubing: 2-3/8" @ 3055'**4-1/2", 9.5# K55 @ 3186'**550 sx Class B neat w/ 6% gel + 50/50 pozmix + 2#/sx medium Tuffplug
100 sx Class B neatPBTD 3140"
TD 3186'

updated 2/19/08 AR

Proposed P&A plug Set Program

updated 4/08/08 AR

**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: 1 Shane Gas Com B

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 the Nacimiento plug from 622' – 522'.

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.