

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

SF - 078109

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

8 Well Name and No

Gallegos Canyon Unit 561

2. Name of Operator

BP America Production Company Attn: Cherry Hlava

9 API Well No.

30-045-30230

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

West Kutz Pictured Cliffs

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

790' FSL & 1920' FEL Sec. 21 T29N, R12W SWSE

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

☐

Deepen

☐

Production (Start/Resume)

☐

Water shut-Off

☐

Alter Casing

☐

Fracture Treat

☐

Reclamation

☐

Well Integrity

☐

Casing Repair

☐

New Construction

☐

Recomplete

☐

Other

☐

Change Plans

☒

Plug and Abandon

☐

Water Disposal

☐

Convert to Injection

☐

Plug Back

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 shall 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 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.

The GCU 561 has been an inferior PC completion relative to its offsets. Attempts to remedy the problems have failed. The PC in this area is being effectively drained by offset wells and the Fruitland Coal.

BP respectfully requests permission to plug and abandon this entire well bore.

RCVD AUG 25 '08

OIL CONS. DIV.

DIST. 3

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

Cherry Hlava

Title Regulatory Analyst

Signature *Cherry Hlava*

Date 08/13/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason

Title

Date

AUG 22 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 Plug & Abandonment Procedure

Well Name: GCU 561

API #: 30-045-30320

Date: August 12, 2008

Location: T29N-R12W-Sec21

County: San Juan

State: New Mexico

Horizon: PC

CO2%: 1.0%

H2S: None known

Engr: Nona Morgan

ph (281)-366-6207

fax (281)-366-7836

Cell (713)-890-2002

Objective: Plug and Abandonment

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

Well History: Spud date of 03/2000. Workover in 2005, fixed leaking wellhead. Scale deposits analyzed in 2005 found Iron and Calcium.

Work Guidelines NOTICE 1: *Perform all work per these guidelines and considerations.*

- Health, safety, and the environment are a top priority with BP San Juan South Asset and all work shall be done in accordance with Company Policies. Deviations from established BP Policies and Standards are provided for only by the DWOP Dispensation or MOC process.
- All work requires a Pre-work Safety Meeting / JSEA with all BP and service company personnel. The Pre-work Safety Meeting / JSEA should cover the work, personnel assignments, BP General Safety Rules, BP 8 Golden Rules, BP IIF work practices, permitted work, specific hazards and mitigations, emergency response plan, environmental issues and countermeasures, site security, PPE, etc.
- All personnel are empowered to Stop The Job at any time there is a potentially unsafe or perceived unsafe condition or process. For an Incident and Injury Free (IIF) workplace, all personnel are to take care of themselves and one another.

Procedure:

Preparations

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 a second site visit after lines are marked to ensure all line 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: Although there has not been H₂S identified in the past at this location, the NMOCD has denoted this location as having the potential for H₂S being present.*
8. 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.
9. 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.
10. 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.

TOH Pump

11. MIRU workover rig. Hold safety meeting and perform JSA. Complete necessary paperwork and risk assessment.
12. 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.
13. 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.
14. Hang off polish rod on stuffing box and remove horses head.
15. Pump tubing capacity with 2% KCl water to load tubing. Test stroke pump to 500 psi if tubing will load. **Note:** If tubing will not load or goes on vacuum after loading, then hole in tubing or pump shoe problem is indicated.
16. Unseat pump. TOH Rods/Pump, inspect rods and pump for scale or wear. ***Watch lower rods (near EOT) closely for signs of wear on guides and rods.

Completion Removal

17. 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.
18. 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.
19. Open rams and TOOH w/ 2-3/8 production tubing currently set at 1467'. PBTD 1533' 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 have good integrity based on normal inspection procedures. - WSL's discretion.)*
20. TIH w/ bit & scraper for 4-1/2" casing to the top of the PC perms at 1396' and clean out.
21. RIH with 4- 1/2" CIBP on workstring and set at 1346'.
22. 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 being done.
23. RU wireline and run Schlumberger CBL for 4-1/2" casing from 1346' 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.

Note: *According to original cement volumetric calculations, sufficient quantities of cement have been pumped during the well completions to adequately cover the entire depth of the well from 1585' to surface of behind casing volumes. Completion reports showed that "good cement returns" were observed at surface.*

Spot Plug Locations and Pump Cement to plug off Pictured Cliffs & Fruitland Coal intervals:

24. RIH with 2-3/8" open-ended workstring to 1346'. Spot 550' or ~38 sacks - (49 cu. Ft.) of G-Class cement on top of CIBP from 1346-796'. This will isolate the entire PCCF and FT Gas bearing productive intervals. WOC.
25. Based on 4-1/2" CBL forthcoming results, it will be determined if and where cement will be required behind casing to squeeze off the Pictured Cliffs Sandstone and Fruitland Coal productive intervals.

The next steps listed below assume the TOC behind the 4-1/2" casing is available in sufficient quantities to surface to fully plug off the identified producing intervals from a depth of 1585' to surface. However, the order and detail of the next steps could change based on the casing pressure tests and CBL results. If necessary, a modified procedure that has been agreed upon by the NMOCD/BLM will be issued at that time to fully isolate and squeeze off any portion of the producing intervals where cement is found to be inadequate according to test reports. *The engineer should be consulted throughout the plugging and abandonment procedures. All CBL and pressure test results will be reported to the onsite NMOCD and BLM representatives.*

Set Cement Plugs to Isolate & Plug off Shallow Productive Zones: Kirkland & Ojo Alamo

26. RIH w/ 2-3/8" workstring and 4-1/2" cement retainer and set @ 375'.
27. RIH with 2-3/8" open-ended workstring to 375'. Spot 405' or ~33 sacks - (44 cu. Ft.) of G-Class cement on top of cement retainer from 405' to surface. This will isolate the wellbore from the entire Kirkland/Ojo Alamo horizon to surface.
28. Based on 4-1/2" CBL forthcoming results, it will be determined if and where additional cement will be required behind casing to meet regulatory requirements to squeeze off the Kirkland and Ojo Alamo intervals.
29. At this point however, it is being recommended to pump a cement plug behind pipe from 405' to surface.
 - a. Stab into cement retainer and squeeze 6.8 cu ft or 9 sacks of G-Class cement from top of retainer to the surface.
 - b. POOH with work string and top off 4 - 1/2". This will fill the 4 -1/2" casing from below the surface casing shoe to surface.

Final Plugging and Abandonment steps:

30. After completion of the above described or modified cementing procedures, if cement cannot be seen on all annulus and casing strings after removing wellhead, remedial cementing at the surface will be required.
31. Install 4' well marker and identification plate per NMOCD requirements.
32. RD and release all equipment. Remove all Wells Team LOTO equipment.
33. 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.
34. Submit work request to Planning and Scheduling to prepare location for reclamation and reseedling.

Current Wellbore



Gallegos Canyon Unit 561
 Pictured Cliffs
 API # 30-045-30320
 T-29N, R-12-W, Sec. 21
 San Juan County, New Mexico

History

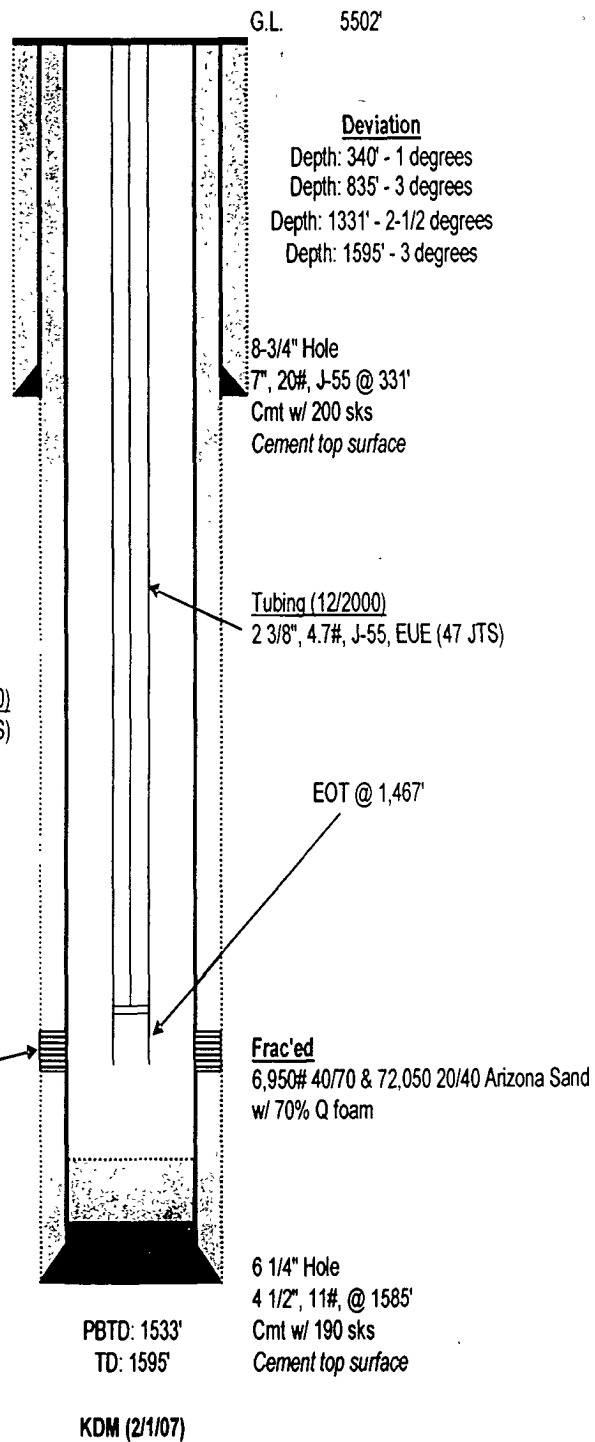
Spud Date: 09/2000
 Workover (2005) - Repair leaking Wellhead

Formation Tops

Ojo Alamo	105'
Kirtland	225'
Frutland	1,043'
PC	1,394'

Sucker Rods (12/2000)
 3/4" @ 1455 (57 JTS)

Pictured Cliffs Perforations
 1,396' - 1,438' w/ 120 Holes



Proposed PXA Wellbore



Gallegos Canyon Unit 561

Pictured Cliffs
API # 30-045-30320
T-29N, R-12-W, Sec. 21
San Juan County, New Mexico

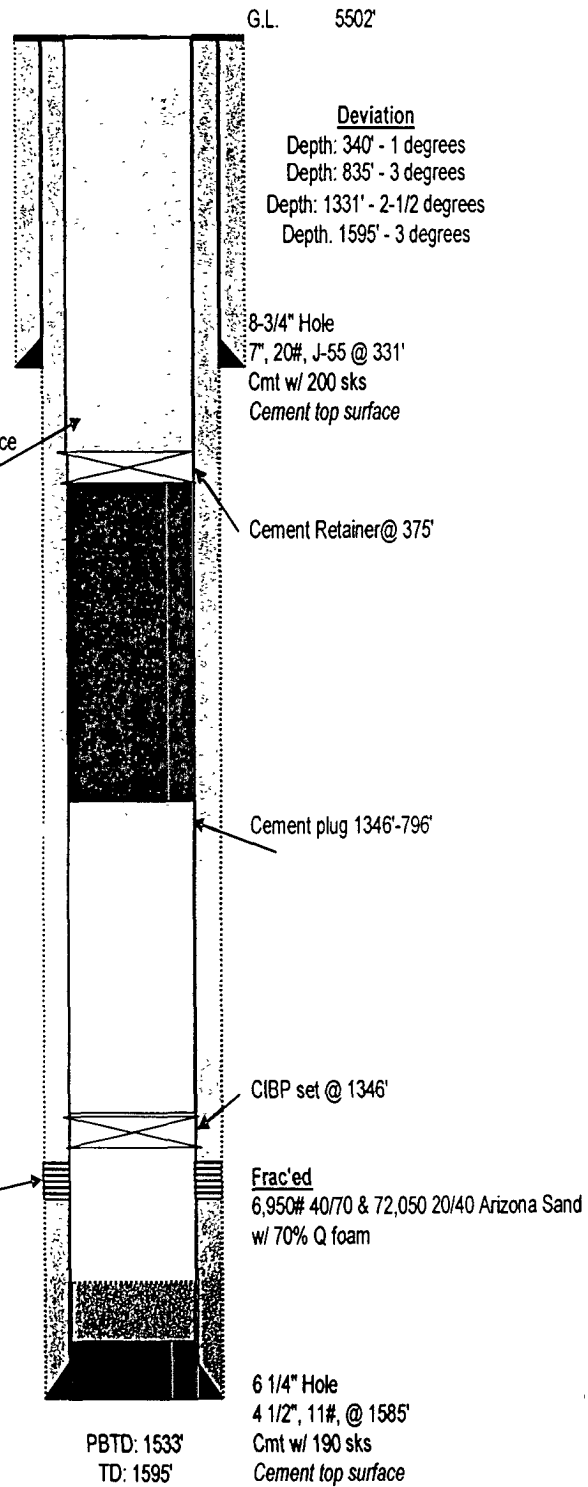
History

Spud Date: 09/2000
Workover (2005) - Repair leaking Wellhead

Formation Tops

Ojo Alamo	105'
Kirtland	225'
Fruitland	1,043'
PC	1,394'

Pictured Cliffs Perforations
1,396' - 1,438' w/ 120 Holes



NFM (8/12/08)