Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave , Artesia, NM 88210
District III
1000 Rio Brazos Rd , Aztec, NM 87410
District IV
1220 S St. Francis Dr , Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
June 19, 2008

WELL API NO. 30-045-24737

5. Indicate Type of Lease STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name
Gallegos Canyon Unit

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

8. Well Number 197E

2. Name of Operator
BP America Production Company

9. OGRID Number 778

3. Address of Operator
P.O. Box 3092 Houston, Tx 77253-3092

10. Pool name or Wildcat
Basin Dakota

4. Well Location
Unit Letter G : 1550 feet from the North line and 1710 feet from the East line
Section 36 Township 29N Range 12W NMPM San Juan County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
5428' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
OTHER: Casing & BH Repair Procedure ☒		OTHER: ☐	

13. Describe proposed or completed operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

As per NMOCD request; please see attached procedure.

RCVD SEP 10 '09
OIL CONS. DIV.
DIST. 3

Spud Date: 12/26/1981

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Cherry Hlava TITLE Regulatory Analyst DATE **09/08/2009**

Type or print name Cherry Hlava E-mail address: Hlavacl@bp.com PHONE: **281-366-4081**

For State Use Only

APPROVED BY: [illegible] TITLE Deputy Oil & Gas Inspector, District #3 DATE SEP 16 2009

Conditions of Approval (if any):

10

SJ Basin Well Work Procedure

30-045-24737

Well Name: GCU 197E DK
Version: Revision 4
Date: September 3, 2009
Budget: GCU Well Servicing
Repair Type: Integrity Management - Squeeze Holes & Repair BH

Objectives: Check BOPS and verify well control. TIH open-ended below squeeze holes and pump cement and *gently* squeeze. Perforate and squeeze hole for BH repair. Pump cement and circulate to surface pipe. Squeeze. WOC. Drillout &Test. Run CBL. Retrieve RBP. Drill out plug#2. *Return to Tubing Replacement Procedures*.

Overview of Steps:

1. Check/Test BOPs.
2. RIH open ended to 1160'
3. Spot cement and POH.
4. PU and reverse circ. Perform hesitation squeeze. Hold and WOC. POH
5. Perforate @ 565' and pump cement. Squeeze *gently*. POH. WOC.
6. Drill out cement plug. Pressure test.
7. Run cement log per instructions. Contact NMOCD w/ results
8. If approved, retrieve RBP and drill out lower plug.
9. Return to Tubing replacement procedures.

Well History - Spud date 12/1981. Slickline tag 2/2009. 2003 Sundry Notice to repair BH. 2004- Notification to NMOCD that BH repair will not be performed.

Pertinent Information: (1/28/2009) Gas BTU content for this well is 1399; Sp gr. is 0.8228; Venting and Flaring document needs to be followed with the assumption that BTU content is above 950. Latest BH test result was 22 psi per the scheduled BH test on 6/8/2009.

Location:	T28N-R12W-Sec 36		
County:	San Juan		
State:	New Mexico	Meter #:	94228
Gat. Sys:	CHACO	P/L:	Enterprise
Horizon:	DK	Engr:	Nona Morgan
Run:	25		ph (281)-366-6207
			fax (281) 366-0700
			cell (713)-890-2002
			email: Nona.Morgan@bp.com

Procedure:

Preparations

1. Perform pre-rig site inspection. Per Applicable documents, check for: 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 and ensure they have been tested, (15) ID wellhead, etc. Allow 48 hours for One Call if earth pit is required..

2. Notify the following Inspectors 48 hours before working on the well;

   Charlie Perrin 505-334-6178 ext.11 or Kelly Roberts 505-334-6178 ext. 16 (NMOCD)
   Steve Mason 505-599-6364 (BLM)

3. Perform second site visit after lines are marked to ensure all lines on locations are clearly marked and that Planning & Scheduling has stripped equipment and set surface barricades as needed.

4. Notify land owners with gas taps on well.

5. Lock out/tag out any remaining production equipment.

6. Check and record tubing, casing, and bradenhead pressures daily. Ensure production casing and bradenhead valves are double valved. Check hold down pins on hanger.

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. Verify all personnel are wearing proper PPE at all times on location

Note: These procedures assume the BOPs are installed on the well and that the production tubing string has been removed from the well.

Note: *Ensure that TIW valve w/ arm is on the floor to stab into the tubing if well "kicks".*

<u>BOP Checks and Testing Procedures</u>

9. Reference "No Dual Barrier in Annulus During All Well Servicing" dispensation. NU BOPs and diversion spool with mudcross - 3" outlets and 3" pipe to the blow tank. (*This step has been done already. Start with retesting the BOPs, if any connections have been broken*)

   - Pressure test BOPs to 250 psi on the low end and on the high range at 1500 psi
   - Monitor flowing casing pressure with gauge (with casing flowing to blow tank, if available throughout workover.

<u>Spot Cement and Hesitate Squeeze Lower Perfs</u>

10. RIH w/ 2-3/8" open-ended workstring to 1160'. Spot 3-4 bbls of 15.8 lb/gal Class G NEAT cement. POH.

11. PU 7 stands and reverse circulate down the casing and up tubing string.

12. Load hole. Close rams and Pressure up very slowly to 250 - 300 psi and hold for 30 mins and release. Repeat 3 times and release. WOC. POH. ***DO NOT DRILL OUT.***

<u>Set RBP, Perforate and Pump Cement to Squeeze off BH Leak</u>

Make sure to notify NMOCD when proceeding with steps to squeeze off BH

13. RIH to 565' w/ perforating gun and shoot 4 holes w/ 60 deg phasing. Close rams and use rig pump to try and establish circulation. Pump down the casing with 3 - 4 bbls of fluid and circulate up and out the BH. RIH w/ of 1- stand, break circulation.

14. RIH w/ 2-3/8" open-ended workstring and pump Green dye and circulate through to surface. Once circulation is established, pump 37 bbls 15.8 Class G NEAT cement (assumes 60% xcess). Mix in. Try to circulate to surface. Add in more cement and pump to surface, if Green dye observed near surface. Pressure up to 250 psi and hold. WOC and allow to set over the weekend.

15. Wash out pumps and lines of cement and pump 0.5 bbls down tubing and remove 1-jt of tubing. Close rams. Pump 3.5 bbls of fluid down casing. Watch returns. Add more cement as needed to keep everything full. S/I for the weekend.

Drill out upper cement plug, Pressure Test and Run CBL

16. RU W/L w/ Lubricator and test. RIH and tag TOC for upper cement plug. POH and RD W/L.

17. TIH w/ bit for 4-1/2" casing and drill out cement to 200' below plug interval to ~ 765'. TOH w/ bit and TIH w/ scraper. Run scraper carefully across plug interval to remove cement stringers. Circulate fluids out of wellbore. POOH.

18. Pressure test casing to 250 psi. If does not hold, consult with Engineer about other squeeze options. Otherwise, proceed with next steps

19. RU Blue Jet to Run CBL. TIH to 750' and run CBL from depth to surface. POH w/ blue Jet Notify NMOCD and Engineer of results. If approved by NMOCD, proceed with next steps. If not, consult with Engineer and NMOCD for other options.

Drill out Lower Cement Plug, Circulate sand off RBP Swab and Retrieve BP

20. RU W/L w/ Lubricator and test. RIH and tag TOC for lower cement plug. POH and RD W/L.

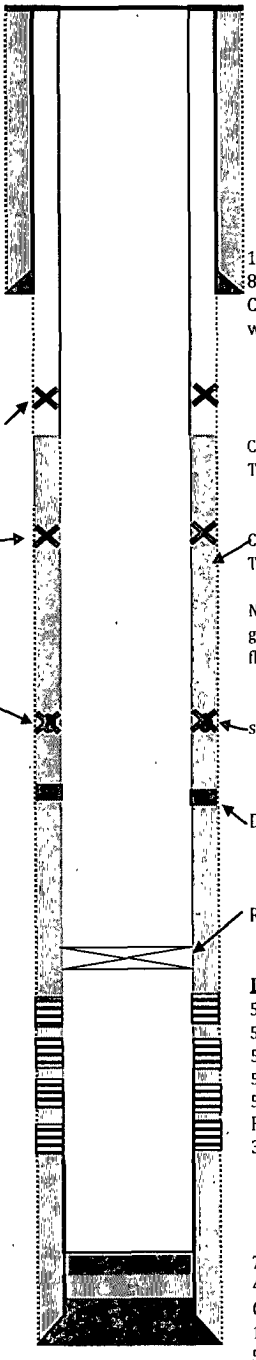
21. TIH w/ bit for 4-1/2" casing and drill out cement to 300' below plug interval to ~ 1471'. TOH w/ bit and TIH w/ scraper. Run scraper carefully across plug interval to remove cement stringers. Circulate fluids out of wellbore. POOH.

22. TIH w/ retrieving head to pull out RBP. Circulate sand off RBP. Swab fluid off RBP and retrieve BP.

Note: After completing the above steps, return to procedures to Replace holey joints of tubing ONLY and remaining costs to repair the well should be charged back to the REVEX project AFE.

bp

GCU 197E DK
Dakota
API # 30-045-24737
Sec. 36, T29N, R13W
San Juan County, New Mexico



5486' GL

12-1/4" Hole
8-5/8", 24# J-55 ST&C casing @ 298'
Cmt w/ 300 sxs Class 'B" cement
w/ 2% CaCl2

Well History
Spud date 12/1981 2003 Sundry Notice to repair BH.
2004 Notification that BH would not be repaired

Formation Tops

Ojo Alamo	not on log
Kirkland Fruit	1265'
Pictured Cliffs	2235'
Cliffhouse	2370'
Menefee	3755'
Point Lookout	4150'
Mancos	4950'
Gallup	5800'
Dakota	5830'

proposed by BP to NMOCD
to reperf to sqz BH @ 565'
(approved 9/3/2009)

squeeze holes for BH
repair @ 1121' 8/24/2009

8/13/09 holes found
3322-3353'

CBL run 8/31
TOC @ 620'

CBL 8-17-2009
TOC @ 1528'

Noise log run 8/24
gas entry 1050'-1100'
fluid entry 450'

squeezed off

DV Tool @ 4173'

RBP set @ 5750'

Deviation Report

Depth	Deviation
285'	3/4 deg
1400'	3/4 deg
2090'	1 deg
2750'	1 deg
3238'	1 deg
3556'	3/4 deg
4075'	1 deg
4362'	1/4 deg
5260'	1/2 deg
5600'	1-1/4 deg
5971'	1 deg

Dekota Perfs (1981)
5828'-5844'
5858'-5864'
5908'-5920'
5920'-5940'
5940'-5960' @ 2 spf for all
Frac'd w/ 135,000 gals of frac fluid &
345,000 lbs 20-40 sand

7-7/8" hole
4 -1/2" 11.6# J-55 ST&C casing @6027'
Cemented in 2 stages:
1st stg- 385 sxs class 'B" neat cement w/
50.50 POZ, 6% gel 2# medium tuff plug per sx
and0 8% fluid loss additive Tailed w/ 100 sxs
class 'B" neat cement
2nd stg · 990 sxs class "B" neat cement
w/ 65:35 POZ, 6% gel,2 # medium tuff plug per sx and
0.8 % fluid loss additive Tailed w/ 100 sxs class
B" neat cement

PBTD: 5986'
TD. 6035'

NFM (08/09/09)