

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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.**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMSF078139
2. Name of Operator BP AMERICA PRODUCTION CO. Contact: CHERRY HLAVA E-Mail: hlavaci@bp.com		6. If Indian, Allottee or Tribe Name
3a. Address 200 ENERGY COURT FARMINGTON, NM 87401	3b. Phone No. (include area code) Ph: 281-366-4081	7. If Unit or CA/Agreement, Name and/or No. NMNM75999
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 9 T30N R9W NWSE 1510FSL 0795FEL 36.82262 N Lat, 107.77916 W Lon		8. Well Name and No. ELLIOTT GAS COM X 1
		9. API Well No. 30-045-23310-00-S1
		10. Field and Pool, or Exploratory BASIN DAKOTA
		11. County or Parish, and State SAN JUAN COUNTY, NM

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 checked="" 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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.)

The above mentioned well has been inactive for a year and unable to sustain production. BP respectfully request permission to P&A the entire well bore.

Please see attached P&A procedure.

RCVD MAY 26 '10

OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct. Electronic Submission #86504 verified by the BLM Well Information System For BP AMERICA PRODUCTION CO., sent to the Farmington Committed to AFMSS for processing by STEVE MASON on 05/21/2010 (10SXM0199SE)	
Name (Printed/Typed) CHERRY HLAVA	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 05/14/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>STEPHEN MASON</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>05/21/2010</u>
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 <u>Farmington</u>

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NMOCD

SJ Basin Well Work Procedure

Well Name: ELLIOTT GC X 001-DK API#: 30-045-2331000
Date: May 12, 2010
Repair Type: P&A
Location: Unit I - Sec 09 - T30N - R09W
County: San Juan
State: New Mexico
Engr: Mike Morgan
Ph: 281-366-5721

Objective: P&A for wellbore.

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

Well History: Well was completed in the Dakota formation in 1979. Perforations are at 7250'-7464'. Tubing string includes 2-3/8" tubing. Total cumulative production was: 48.687 mmcf gas, 1800 bbls water, and 0 bbls condensate.

Procedure:

1. Notify BLM and NMOCD 24 hours prior to beginning operations P&A process to ensure scheduling of personnel to witness CBL results and cement placement.

(Note: This is a **BLM** regulated well)

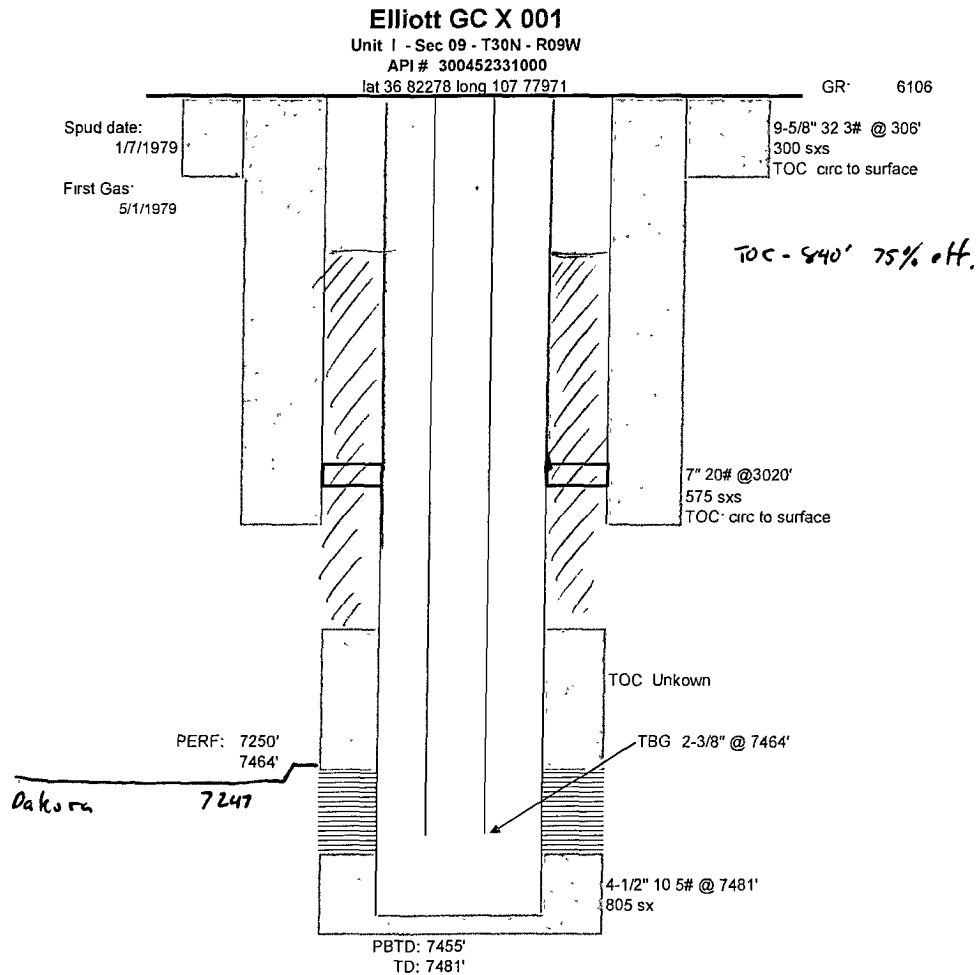
NMOCD: (505) 334-6178 (Kelly Roberts)

BLM: (505) 599-8907 (Kevin Schneider)

2. Move in and rig up service rig.
3. Blow down and kill well.
4. POOH with 2-3/8" tubing.
5. RU e-line. Run gauge ring down to top of perms to ensure wellbore is clear and CIBP will set.
6. RIH w/ CIBP and set ~50' above perforations +/- 7200'. Load well from the bottom up with fluid and pressure test casing to 500 psig. This will confirm the integrity of the casing.

$4\frac{1}{2}"$
7. Run CBL to determine cement top behind ~~2-3/8"~~ $4\frac{1}{2}"$. Based on cement top it will be determined where perforations and cement placement behind casing will be required to properly P&A well. Contact Engineer to discuss steps forward. Top of cement is unknown. Report CBL results to regulatory agencies and engineer.

Current Wellbore



Frac
Top : 25,000#
Middle: 100,000#s
Lower 6,000 gal of frac fluid alone

Refrac
lower sand 83,500# 20/40 sand x-linked gel

Squeezed 100 sx class b cmt in lower and middle perms before upper perf/frac

Formations

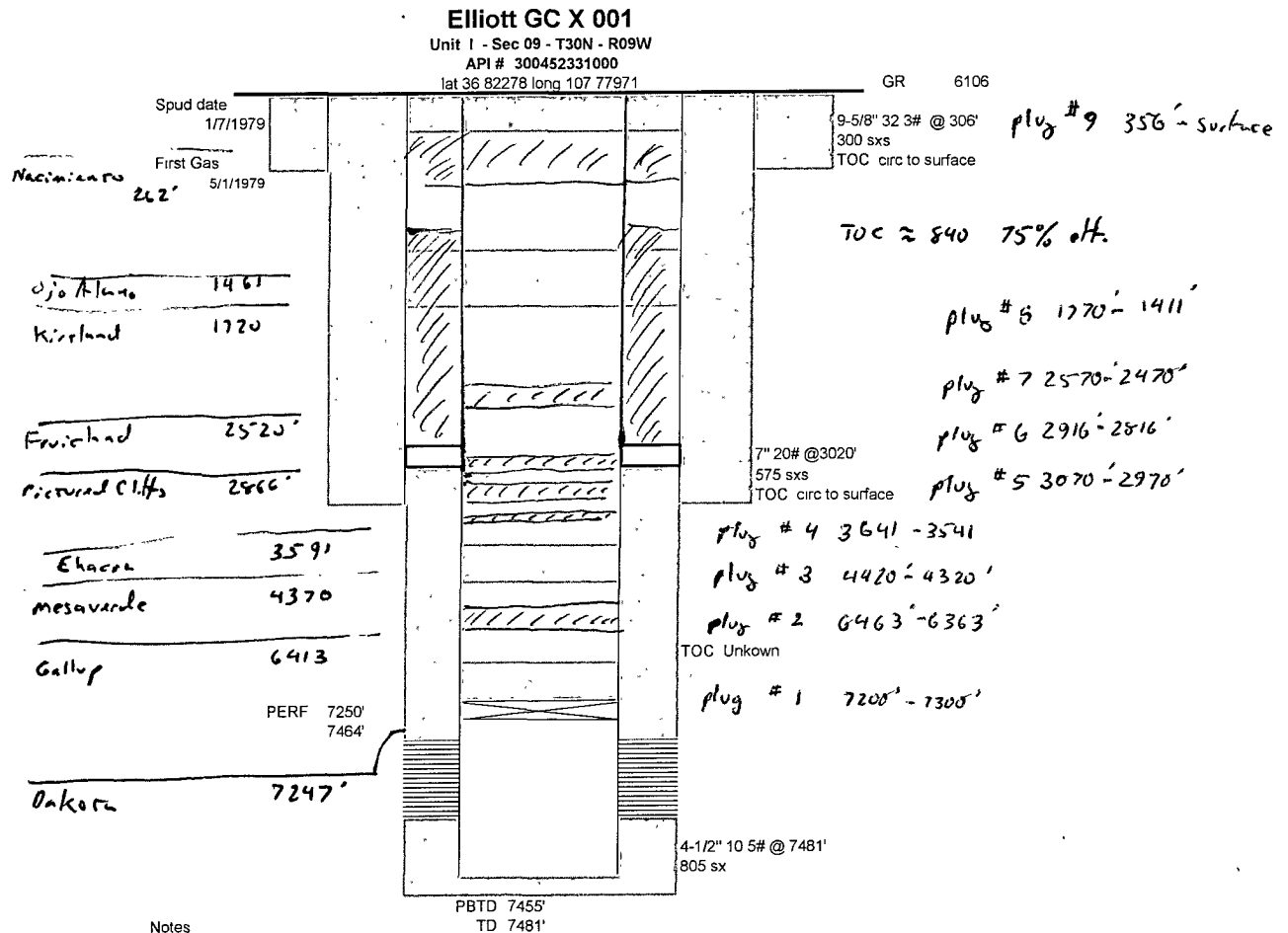
PC	2819
MV	4463
DK	7200

Feet	Deviation
318	1.00
890	1.25
1761	1.25
2289	1.25
2781	1.50
3020	1.25
3530	1.50
4038	1.25
4600	1.25
5130	1.25
5631	1.25
6121	1.25
6609	1.25
7125	1.00
7481	1.00

The order and detail of the next steps could change based on the CBL results but assumes cement covers the Ojo Alamo zone.

8. Nipple down wellhead. NU BOPs and diversion spool with 3'' outlets and 3'' pipe to the blow tank. Pressure test BOPs to 500 psi (This is greater than 200 psi above BHP). Monitor flowing casing pressure with gauge (with casing flowing to blow tank) throughout workover. This is a P&A so the well should be kept dead through-out the procedure.
9. Spot balanced cement plug at intervals to properly isolate fluid bearing formation as determined by regulatory agency requirements.
10. Establish circulation behind casing to surface. Pump a cement plug behind casing and inside ~~2 3/8''~~^{4 1/2} casing from ~~180'~~³⁵⁶ to surface (~~~10.9 bbls~~). Pump excess cement as necessary.
11. Perform underground disturbance and hot work permits. Cut off tree.
12. If cement cannot be seen on all annulus and casing strings remedial cementing will be required from surface. Watch for cement fall back or seepage. All annulus and casings must be full of cement with no fall back prior to installing abandonment marker.
13. Install well marker and identification plate per BLM requirements.
14. RD and release all equipment.

Proposed P&A plug Set Program



Notes

Frac
Top 25,000#
Middle 100,000#s
Lower 6,000 gal of frac fluid alone

Refrac
lower sand 83,500# 20/40 sand x-linked gel

Squeezed 100 sx class b cmt in lower and middle perfs before upper perf/frac

Formations

PC 2819
MV 4463
DK 7200

Feet Deviation

318	1.00
890	1.25
1761	1.25
2289	1.25
2781	1.50
3020	1.25
3530	1.50
4038	1.25
4600	1.25
5130	1.25
5631	1.25
6121	1.25
6609	1.25
7125	1.00
7481	1.00

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 Elliott Gas Com X

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 Dakota plug from 7200' – 7100'.
- b) Place the Gallup plug from 6463' – 6363'
- c) Place the Mesaverde plug from 4420' – 4320'.
- d) Place the Chacra plug from 3641' – 3541'.
- e) Place the 7" casing plug from 3070' – 2970'.
- f) Place the Pictured Cliffs plug from 2916' – 2816'.
- g) Place the Fruitland plug from 2570' – 2470'.
- h) Place the Kirtland/Ojo Alamo plug from 1770' – 1411'.
- i) Place the Nacimiento/Surface plug from 356' to surface inside and outside the 4 ½" casing.

Note plugs can be combined and cement must be placed behind the 4 ½" casing where plugs are to be set and where is no cement in the annulus.

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.