

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

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.

5. Lease Serial No.
NMSF076337

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
NMMN74049

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
SHAW GAS COM B 1

2. Name of Operator
BP AMERICA PRODUCTION CO

Contact: MARY CORLEY
E-Mail: CORLEYML@BP.COM

9. API Well No.
30-045-20715-00-S1

3a. Address
PO BOX 3092
HOUSTON, TX 77253

3b. Phone No. (include area code)
Ph: 281.366.4491

10. Field and Pool, or Exploratory
BASIN FRUITLAND COAL
BLANCO PICTURED CLIFFS

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

Sec 14 T30N R9W NWNW 0790FNL 0990FWL
36.81615 N Lat, 107.75502 W Lon

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 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input 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 recomplate 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.)

Please reference BLM Letter of February 4, 2005.

BP request permission to temporarily abandon the Pictured Cliffs formation and recomplate the subject well into the Basin Fruitland Coal as per the attached procedure.

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #54179 verified by the BLM Well Information System
For BP AMERICA PRODUCTION CO, sent to the Farmington
Committed to AFMSS for processing by MATTHEW HALBERT on 02/22/2005 (05MXH0410SE)**

Name (Printed/Typed) MARY CORLEY

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 02/17/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Original Signed: Stephen Mason

Title

MAR 23 2005
Date

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.

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

Shaw Gas Com B 1 API # 30-045-20715
Procedure: Temporarily Abandon Pictured Cliffs & Recomplete to Fruitland Coal
February 16, 2005

1. Check anchors. MIRU workover rig.
2. Check and record tubing, casing, and bradenhead pressures.
3. Blow down well. Kill with 2% KCL water ONLY if necessary.
4. Nipple down Wellhead. NU BOPs and diversion spool with 3" outlets and 3" pipe to the blow tank. Pressure test BOPs to 200 psi above BHP. Monitor flowing casing pressure with gauge (with casing flowing to blow tank) throughout workover.
5. Pull tubing hanger and shut pipe rams for 1 1/4" J55 IJ 2.3#/ft tubing and install stripping rubber.
6. Tag for fill and tally OH with 1-1/4" production tubing currently set at 2856'. Plug back total depth is 2919' with perforations 2832-2837' and 2847-2857' in Pictured Cliffs.
7. If fill is present above 2832', rig up and circulate well clean to hard bottom. Note: If fill is covering the entire Pictured Cliffs consideration will be given to washing to bottom and return the Pictured Cliffs to production with compression.
8. TOH with 1 1/4" production tubing using approved "Under Balance Well Control Tripping Procedure".

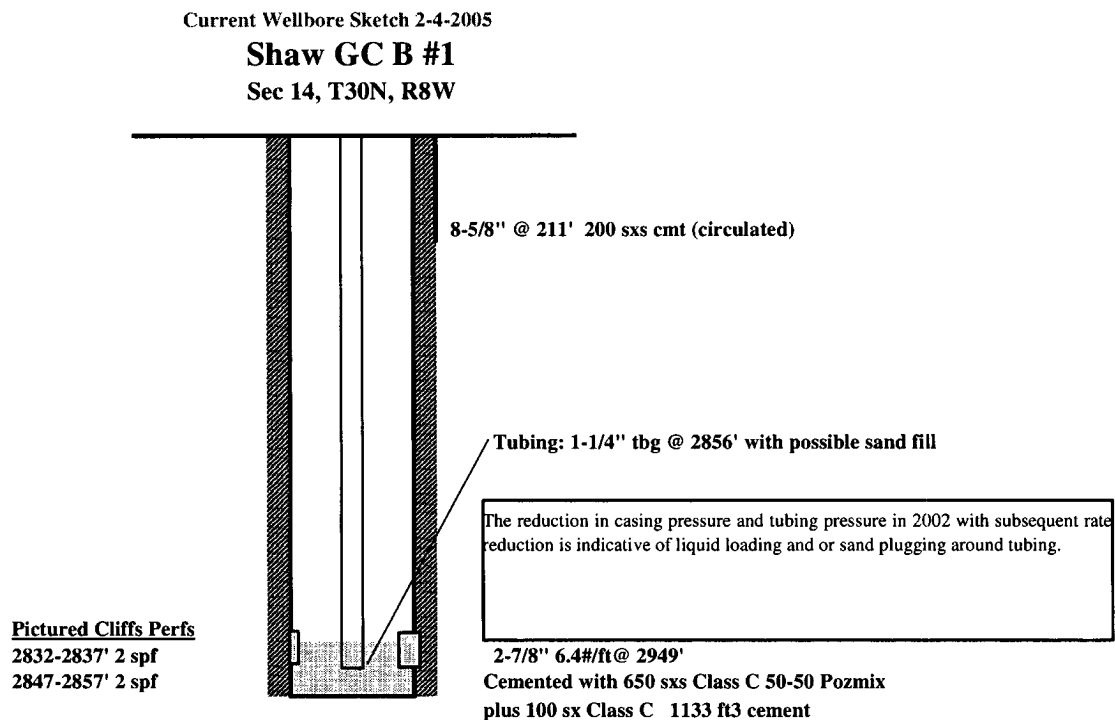
Contingency: *If the tubing is in poor condition, replace entire tubing string.*

9. Rig up Schlumberger and test lubricator 200 psi low and 1500 psi high.
10. Run Coal Identification (RST) Log from PBTD to 2000'. Fax or electronically transmit log to Houston.
11. RIH with gauge ring and junk basket to 2800' inside 2 7/8" 6.4# casing.
12. Set a Owen Oil Tools **or equivalent** Premium Drillable Bridge Plug (2.75" Part No. PLG-2750-001) at 2820' (Do not set within 5 ft of a collar) and test casing to 5500 psi. If casing holds pressure, proceed with procedure perforate Fruitland Coal and fracture stimulate.
13. Perforate Fruitland Coal Shale @ 2790'-2800' at 6 SPF using the 2 1/8" Power EnerJet 0° Phasing. API Performance Casing Entry hole .31" and Total Penetration 14.46". The depth interval may be adjusted based on Coal Identification Log for top shot to be 1 foot below the CAHN (BP) Coal as noted from attached Geologic Cross Section.
14. Rig down Schlumberger lubricator and release.
15. Rig up 3 frac tanks as per Schlumberger Stimulation Proposal dated 2/10/05
16. NU Frac Isolation equipment and spearhead 500 gal 15% HCL, establish injection rate at 5-10 bpm, and proceed with fracture stimulation according to Schlumberger schedule.

Shaw Recompletion Procedure (Con't)

Attempt to maintain desired stimulation rate of 35 bpm at less than 5000 psi. Maintain surface pressures ≤ 4500 psi during frac job. Flush frac with foam. Fill out GWSI scorecard.

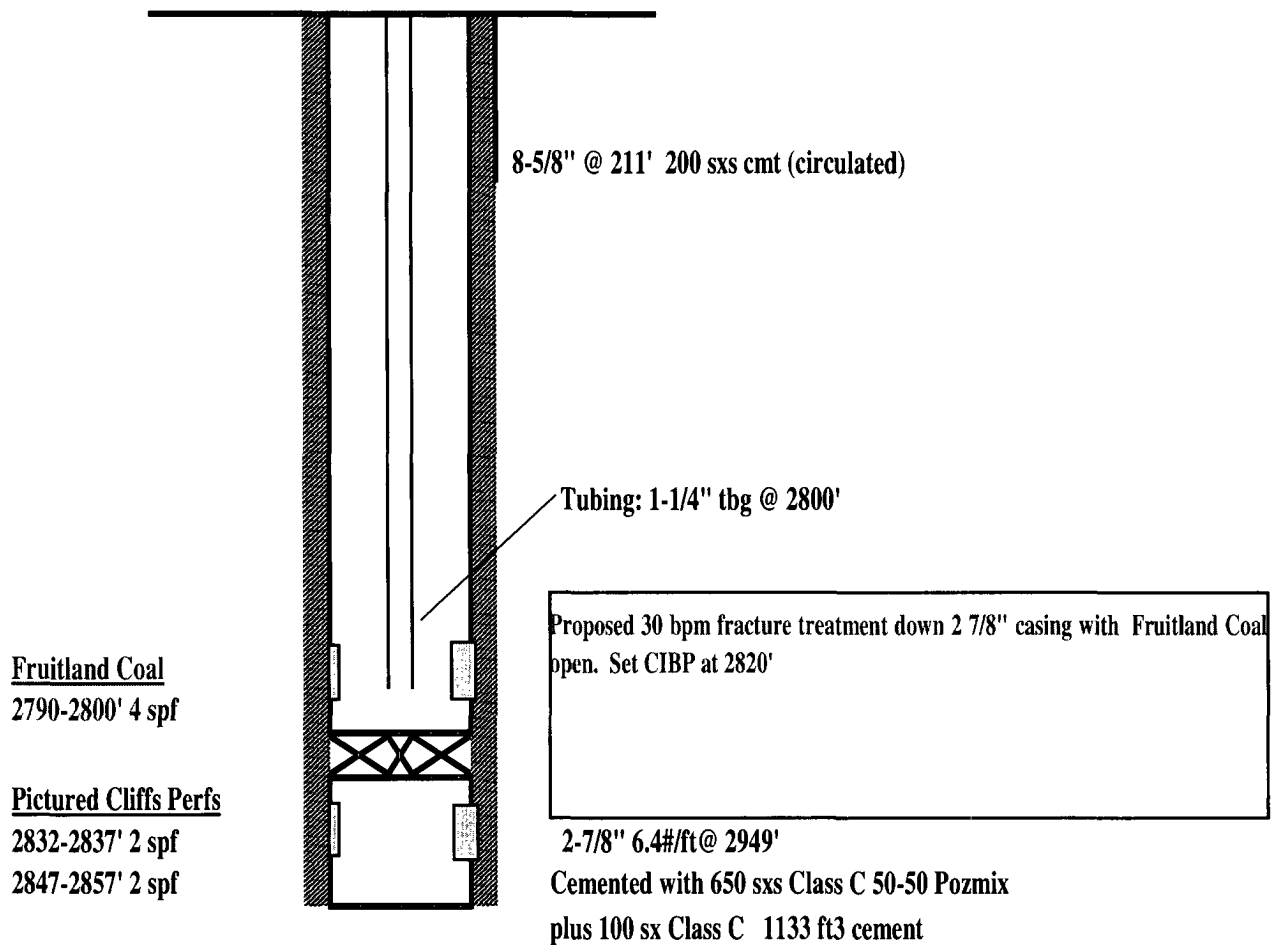
17. Flow back frac immediately. Flow well through the 3" line and into the choke manifold until well dies or stabilizes.
18. Rig up air package/unit, pressure test all lines (Testing procedure to be supplied from air company), TIH with 1 1/4" tubing. Cleanout fill to PBTD. Blow well dry at PBTD. Reference Under Balanced Well Control Tripping Procedure.
19. ND BOP's. NU WH. Test well for air. Return well to production as Fruitland Coal Well.



Proposed Wellbore Sketch 2-16-2005

Shaw GC B #1

Sec 14, T30N, R8W



District I
1625 N. French Dr., Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-20715	² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 001046	⁵ Property Name Shaw Gas Com B	⁶ Well Number 1
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation 6036' GR

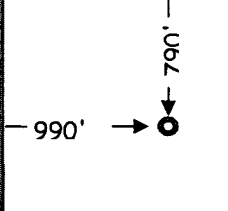

¹⁰ Surface Location

UL or lot no. Unit D	Section 14	Township 30N	Range 09W	Lot Idn	Feet from 790	North/South North	Feet from 990	East/West West	County San Juan
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet	East/West	County
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A
NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

		John F Shaw 1 30-045-20968 		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Mary Corley Signature Mary Corley Printed Name Sr. Regulatory Analyst Title 2/17/2005 Date
				¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. On File Date of Survey Signature and Seal of Professional Surveyor: Certificate Number