Form 3160-5 (March 2012)

## **UNITED STATES** DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

RECEIVED

FORM APPROVED OMB No. 1004-0137 Expires: October 31, 2014

NOV 2 1 2018. Lease Serial No. NMSF078926

SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name

abandoned well.	Use Form 3160-3 (/	APD) for such propos	alsod Management			
SUBMI	T IN TRIPLICATE - Othe	7. If Unit of CA/Agr	reement, Name and/or No.			
1. Type of Well		Person a Carte				
Oil Well Gas W	Vell Other		8. Well Name and N Gallegos Canyon	Well Name and No. Gallegos Canyon Unit #135E		
2. Name of Operator BP America Production Company	a sal s'		9. API Well No. 30-045-26295	9. API Well No. 30-045-26295		
3a. Address 737 North Eldridge Parkway, 12.181A		3b. Phone No. (include area 281-892-5369	Reals Below			
4. Location of Well (Footage, Sec., T., Sec. 26 T29N R13W SWNE 1450 FNL 1850 FE	n)	11. County or Parish San Juan, NM	11. County or Parish, State San Juan, NM			
12. CHEC	K THE APPROPRIATE B	OX(ES) TO INDICATE NATU	IRE OF NOTICE, REPORT OR OT	HER DATA		
TYPE OF SUBMISSION	n mile	left i	TYPE OF ACTION			
Notice of Intent	Acidize Alter Casing	Deepen Fracture Treat	Production (Start/Resume) Reclamation	Water Shut-Off Well Integrity		
Subsequent Report	Casing Repair Change Plans	New Construction Plug and Abandon	Recomplete Temporarily Abandon	Other		
✓ Final Abandonment Notice	Convert to Injection	Plug Back	Water Disposal	a graph to the		
capped below grade then buried into drained, cleaned, and made safe for agreement that final reclamation is t For questions/concerns please cont	r public viewing per the la to their satisfaction and m	andowner request. Surface or neets their expectations.	wner concurrence letter attached	stating that the surface owner is in		
			OIL CONS. DIV DIST. 3			
			DEC 1 2 2016			
14. I hereby certify that the foregoing is t	rue and correct. Name (Print	ed/Typed)	4.			
Toya Colvin	a a	Title Regul	atory Analyst	21 A 14		
Signature Joya O	er	Date 11/17	/2016			
	THIS SPACE	FOR FEDERAL OR S	STATE OFFICE USE	4		
Conditions of approval, if any, are attache that the applicant holds legal or equitable entitle the applicant to conduct operations.  Title 18 U.S.C. Section 1001 and Title 43	title to those rights in the subj thereon.	ect lease which would Office	HEM BLM	Date 23/16 ent or agency of the United States any false		
fictitious or fraudulent statements or repre	esentations as to any matter v	vithin its jurisdiction.	, and winning to make to any departin	cin or agency of the connect states any larse		

(Instructions on page 2)

ACCEPTED FOR RECORD

NMOCDA

### AGREEMENT FOR ABANDONMENT OF WELL SITES, BURIED PIPELINES AND LEASE ROADS

This Agreement is made this \_\_\_\_\_\_ day of \_\_\_\_\_\_ day of \_\_\_\_\_\_ 2016 by and between BP America Production Company ("BP") and B Square Ranch LLC, with an address of, 3901 Bloomfield Hwy, Farmington, NM ("Landowner").

WHEREAS, BP is the Operator, on behalf of itself, successors, assigns, affiliates, officers, directors, employees and its partners (collectively the "Releasees") in the Well Sites, Associated Buried Pipelines and Associated Lease Roads described and located as listed on Exhibit A.

WHEREAS, BP has abandoned or intends to abandon the aforementioned Well Sites, Associated Buried Pipelines and Associated Lease Roads, pursuant to obligations imposed upon BP under oil and gas leases, surface use agreements and releases, common law, the law of the State of New Mexico, the current Rules and Regulations that exist on the date of this agreement of the New Mexico Oil Conservation Division, the Bureau of Land Management and/or otherwise.

WHEREAS, Landowner desires BP to abandon the Well Sites, Associated Buried Pipelines and Associated Lease Roads, as is, without, restoration and revegetation, and desires to relieve BP of any further and other responsibility to restore the surface of the Well Sites and Associated Lease Roads and/or to reestablish vegetative cover as to the said Well Sites and Associated Lease Roads.

WHEREAS, Landowner agrees that any of their reclamation activities, that may occur, on any of the abandoned Well Sites and Associated Lease Roads will not interfere with BP's ability to access and operate the active well that is located on any of the above referenced co-located Well Sites.

NOW THEREFORE, in consideration of the payment of One hundred thousand and No/100 Dollars (\$100,000.00) and other valuable consideration, the receipt and sufficiency is hereby acknowledged by both parties, BP and Landowner agree as follows:

- BP and Landowner acknowledge and agree that BP has abandoned the aforementioned Well Sites, Associated Buried Pipelines and Associated Lease Roads.
- BP acknowledges that all abandoned Associated Buried Pipelines have been properly isolated, purged and abandoned according to current regulations that existed on the execution date of this agreement.
- Landowner agrees to assume any and all responsibility for restoration of the surface of the Well Sites and Associated Lease Roads and further agrees that BP and its Releasees are completely relieved of any further obligation of, or liability for, surface restoration, of the Well Sites and/or Associated Lease Roads thereto.
- 4. As further consideration for the payment herein, Landowner, on behalf of itself, successors and assigns, does hereby forever release, relinquish and discharge BP and its Releasees, from all debts, claims, demands, damages and causes of action whatsoever, known or unknown, including such as have arisen or may hereafter arise by reason of or which have in any manner grown out of and which may hereafter grow out of said Well Sites, Associated Buried Pipelines and/or Associated Lease Roads associated therewith.
- 5. BP and Landowner acknowledge and agree that BP will abandon in place certain pieces of equipment as described in Exhibit A that is currently located at some of the said Well Sites. Landowner desires to assume ownership and responsibility of said equipment as described in Exhibit A. Landowner, on behalf of itself, successors and assigns, does hereby forever release, relinquish and discharge BP and its Releasees, from all debts, claims, demands, damages and causes of action whatsoever, known or unknown, including such as have arisen or may hereafter arise by reason of or which have in any manner grown out of and which may hereafter grow out assuming ownership and responsibility for said equipment.
- 6. This Agreement shall be binding upon and shall inure to the benefit of, the parties hereto, their heirs, successors and assigns. It is the parties further intent that Landowner's agreement to permit BP to abandon said Well Sites, Associated Buried Pipelines and Associated Lease Roads, without restoration or revegetation, constitutes a covenant by said Landowner which shall run with the land and be binding upon Landowner's successors entitled to the property which is the subject of this Agreement.
- 7. Landowner represents and warrants to BP that Landowner owns 100% of the right, title, and interest in and to the surface tract upon which said Well Sites, Associated Buried Pipelines and Associated Lease Roads thereto are located and said Landowner agrees to indemnify and hold BP harmless from all claims asserted by and landlord, tenant, lien holder or other owner of the property asserting an interest or rights adverse or contrary to the interest warranted by Landowner herein.

The parties agree that a Memorandum of the Agreement shall be executed and filed in the real property records for San Juan County, New Mexico. In addition, all terms and conditions of this Agreement shall remain confidential between the Landowner and BP (collectively "Parties"), except it may be disclosed to the Parties' successors in interest, including potential purchasers. B Square Ranch LLC BP America Production Company By: Debra Bacon, Attorney-in-Fact ACKNOWLEDGEMENT STATE OF TEXAS COUNTY OF HARRIS ) day of November, 2016 by Debra Witness my hand and official seal the day and year last above written. My Commission Expires: **DONNA TEAL** Notary ID # 125201110 My Commission Expires STATE OF NEW MEXICO April 17, 2019 COUNTY OF SAN JUAN Witness my hand and official seal the day and year last above written My Commission Expires:



EXHIBIT "A"

Attached to and made a part of the Agreement for Abandonment of Well Sites. Buried Pipeline and Lease Roads, dated

\*\*Notice 2... 2016, between Tommy Bolack, Owner of B Square Ranch, LLC and BP America Production Company.

WELL	API	LOCATION	(S-T-R)	SHARED PAD
1. GCU 308	3004524624	SESE	7-T28N-R12W	N/A
2. GCU 289	3004523820	SESW	8-T28N-R12W	N/A
3. GCU 584	3004531601	NENW	18-T28N-R12W	N/A
4. GCU 22	3004507479	SWNE	18-T28N-R12W	N/A
5. GCU 130	3004507510	NWNE	18-T28N-R12W	N/A
6. GCU 582	3004531017	NWNW	19-T28N-R12W	GCU 196E, 3004524254
7. GCU 509	3004528170	NWNW	28-T29N-R12W	N/A
8. GCU 394	3004528116	SESW	30-T29N-R12W	GCU 187E, 3004524172
9. GCU 292	3004523787	SENW	30-T29N-R12W	N/A
10. GCU 285	3004523605	SWSW	31-T29N-R12W	N/A
11. GCU 332	3004525475	SESE	31-T29N-R12W	GCU 221E, 3004524259
12. GCU 210E	3004524249	NENW	31-T29N-R12W	N/A
13. GCU 322	3004524626	SENE	31-T29N-R12W	N/A
14. GCU 323	3004524615	SWSW	32-T29N-R12W	N/A
15. GCU 324	3004524614	SESW	30-T29N-R12W	N/A
16. GCU 236E	3004526270	swsw	14-T28N-R13W	N/A
17. GCU 234	3004511714	NENE	14-T28N-R13W	GCU 571, 3004530703
18. GCU 239	3004511740	SENE	24-T28N-R13W	N/A
19. GCU 240E	3004526341	NENW	24-T28N-R13W	N/A
20. GCU 161E	3004524886	SESW	23-T29N-R13W	GCU 390, 3004528309
21. GCU 262	3004520285	SESW	24-T29N-R13W	GCU 377, 3004527537
22. GCU 304	3004523939	SESW	24-T29N-R13W	GCU 377, 3004527537
23. GCU 163	3004507795	SWSE	26-T29N-R13W	N/A
24. GCU 135E	3004526295	SWNE	26-T29N-R13W	N/A
25. CALLOW A1		NWNW	27-T29N-R13W	N/A
26. CALLOW 8	3004507790	SWSE	27-T29N-R13W	N/A
27. CALLOW 11	3004507887	SENW	28-T29N-R13W	N/A
28. CALLOW 9E	and the same of the same of	SENE	28-T29N-R13W	N/A
29. GCU 325	3004524627	SWNW	35-T29N-R13W	N/A
30. GCU 164E	3004524957	NENW	35-T29N-R13W	N/A
31. GCU 164	3004507622	swsw	35-T29N-R13W	GCU 396, 3004528310
32. GCU 44	3004507610	swsw	35-T29N-R13W	N/A
33. GCU 326	3004524616	SENW	36-T29N-R13W	N/A
34. GCU 163E	3004524870	swsw	26-T29N-R13W	N/A
35. GCU 367	3004526880	SENW	31-T29N-R12W	N/A
36. GCU 262E	3004526159	SESE	24-T29N-R13W	N/A

#### MEMORANDUM

OF

# AGREEMENT FOR ABANDONMENT OF WELL SITES, BURIED PIPELINES AND LEASE ROADS SAN JUAN COUNTY, NEW MEXICO

Reference is made to a certain unrecorded Agreement for Abandonment of Well Stes, Buried Pipelines and Lease Roads dated Deday of \_\_\_\_\_\_\_\_, 2016 by and between B Square Ranch LLC, hereinafter referred to as "Grantor" and BP America Production Company hereinafter referred to as "Grantor".

IN CONSIDERATION of the sum of Ten and no/100 dollars (\$1000) cash paid to Grantor by Grantee and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and of obligations undertaken by Grantee. Grantor granted under Grantee upon terms and consideration mutually agreed to by Grantor and Grantee. Grantor acknowledges that Grantee will properly abandon any and all underground piping, but Grantor otherwise desires Grantee to abandon various well sites and lease roads located on Grantors property in San Juan County, NM, as is, without restoration and revegetation, and desires to relieve Grantee of any further and other responsibility and liability to restore the surface of the Well Sites and associated Lease Roads and/or to reestablish vegetative cover as to the well sites as listed on attached Exhibit "A" and associated Lease Roads.

WHEREAS, Landowner agrees that any of their reclamation activities, that may occur, on any of the abandoned Well Sites and Associated Lease Roads will not interfere with BP's ability to access and operate the active well that is located on any of the above referenced co-located Well Sites.

ALL TERMS and provisions of the unrecorded Agreement for Abandonment of Well Sites, Burled Pipelines and Road Access shall inure to the benefit of and be binding upon the Grantor and Grantee and their respective heirs, successors and assigns.

B Square Ranch LLC	BP America Production/Company	<b>&amp;</b>
By: Tommy Bolack	By: Debra Bacon, Attorney-in-Fact	
STATE OF TEXAS ) ss COUNTY OF HARRIS )	ACKNOWLEDGEMENTS	
The foregoing instrument was acknown by Debra Bacon as Attorney-in-Fact Witness my hand and official seal th	t for BP America Production Company, a Delaware corporation	<u>per</u> , 2016
My Commission Expires:	Notary Public in the State of Toxas	DONNA TEAL
STATE OF NEW MEXICO ) SS		Notary 10 # 125201110 My Commission Expires April 17, 2019
person whose name is subscribed to	., 2016, before me the undersigned Notary Public red Tommy Bolack, as owner of B Square Ranch LLC, known to the foregoing instrument and acknowledged that he executed for the purposes and consideration therein mentioned and set	to be the
Witness my hand and official seal th  My Commission Expires:	e day and year last above written.  Manual State of New Mexico	

EXHIBIT "A"

Attached to and made a part of the Memorandum of Agreement for Abandonment of Well Sites, Buried Pipeline and Lease Roads, dated Mourte 2, 2016, between Tommy Bolack, Owner of B Square Ranch, LLC and BP America Production Company.

WELL	API C R	LOCATION	(S-T-R)	SHARED PAD
1. GCU 308	3004524624	SESE	7-T28N-R12W	N/A
2. GCU 289	3004523820	SESW	8-T28N-R12W	N/A
3. GCÚ 584	3004531601	NENW	18-T28N-R12W	N/A
4. GCU 22	3004507479	SWNE	18-T28N-R12W	N/A
5. GCU 130	3004507510	NWNE	18-T28N-R12W	N/A
6. GCU 582	3004531017	NWNW	19-T28N-R12W	GCU 196E, 3004524254
7. GCU 509	3004528170	NWNW	28-T29N-R12W	N/A
8. GCU 394	3004528116	SESW	30-T29N-R12W	GCU 187E, 3004524172
9. GCU 292	3004523787	SENW	30-T29N-R12W	N/A
10. GCU 285	3004523605	SWSW	31-T29N-R12W	N/A
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18. GCU 239	3004511740	SENE	24-T28N-R13W	N/A
19. GCU 240E	3004526341	NENW	24-T28N-R13W	N/A
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23. GCU 163	3004507795	SWSE	26-T29N-R13W	N/A
24. GCU 135E	3004526295	SWNE	26-T29N-R13W	N/A
25. CALLOW A1	3004507913	NWNW	27-T29N-R13W	N/A
26. CALLOW 8	3004507790	SWSE	27-T29N-R13W	N/A
27. CALLOW 11	3004507887	SENW	28-T29N-R13W	N/A
28. CALLOW 9E	3004524294	SENE	28-T29N-R13W	N/A
29. GCU 325	3004524627	SWNW	35-T29N-R13W	N/A
30. GCU 164E	3004524957	NENW	35-T29N-R13W	N/A
31. GCU 164	3004507622	swsw	35-T29N-R13W	GCU 396, 3004528310
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