

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: 6/6/18
Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-30679-00-00	GALLEGOS CANYON UNIT	580	BP AMERICA PRODUCTION COMPANY	G	A	San Juan	F	N	13	28	N	12	W

Application Type:

P&A Drilling/Casing Change Location Change

Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84; Submit Gas Capture Plan form prior to spudding or initiating recompletion operations)

Other:

Conditions of Approval:

- Notify NMOCD 24hrs prior to beginning operations.
- If there is a CIBP set at 1400' it will have to be drilled out and a CIBP or CR set at 1530' or deeper.
 - The CIBP at 1400' was not approved as a plugging CIBP it was approved for the completion of the Fruitland sand formation.
 - The DHC application states the interest owners are not the same between the Pinon Fruitland Sand and Kutz Picture Cliff pools.
 - If there is a CIBP at 1400' it would be 130' above the typical required first plug.
 - In between the formations listed is also the Basin Fruitland Coal which is also produced in the same section.

NMOCD Approved by Signature

9/4/18
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.
NMSF078905

6. If Indian, Allottee or Tribe Name
EASTERN NAVAJO

7. If Unit or CA/Agreement, Name and/or No.
892000844E

8. Well Name and No.
GALLEGOS CANYON UNIT 580

9. API Well No.
30-045-30679-00-C1

10. Field and Pool or Exploratory Area
N PINON FRUITLAND SAND
WEST KUTZ PICTURED CLIFFS

11. County or Parish, State
SAN JUAN COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator BP AMERICA PRODUCTION CO	Contact: TOYA COLVIN E-Mail: Toya.Colvin@bp.com
3a. Address 380 AIRPORT RD DURANGO, CO 81303	3b. Phone No. (include area code) Ph: 281.366.7148
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T28N R12W SESW 1080FSL 1840FWL	

12. CHECK THE 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"/> Hydraulic Fracturing	<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 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

BP requests to P&A the subject well. Please see the attached P&A procedure, wellbore diagram, and BLM required reclamation plan documents.

In accordance with NMOCD Pit Rule 19.15.17.9 NMAC, BP will use a closed-loop system during operations.

NMOCD
AUG 20 2018
DISTRICT III

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #422745 verified by the BLM Well Information System For BP AMERICA PRODUCTION CO, sent to the Farmington Committed to AFMSS for processing by JACK SAVAGE on 08/16/2018 (18JWS0144SE)	
Name (Printed/Typed) TOYA COLVIN	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 06/06/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>JACK SAVAGE</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>08/16/2018</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.

(Instructions on page 2)

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

NMOCD
BP

PLUG AND ABANDONMENT PROCEDURE

January 22, 2018

Gallegos Canyon Unit #580

N. Pinon Ft. Sd.

1080' FSL and 1840' FWL, Section 13, T29N, R12W

San Juan County, New Mexico / API 30-045-30679

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
2. Rods: Yes , No , Unknown .
Tubing: Yes , No , Unknown , Size 2-3/8", Length 1356'.
Packer: Yes , No , Unknown , Type .
3. **Plug #1 (Pictured Cliffs perfs and Fruitland top, 1400' – 962')**: RIH and tag existing CIBP at 1400' (set 2002). If CIBP is tagged then proceed with the following P&A: Mix 67 sxs Class B cement (100% excess due to open perforations) from 1400' to cover through the Fruitland top. PUH and WOC. TIH and tag cement; if necessary top off cement. PUH. If CIBP is not tagged then set CR at 1530'. Mix and pump 86 sxs Class B cement (100% excess due to open perforations) from 1530' to cover the Fruitland top. PUH and WOC. TIH ang tag cement; if necessary top off cement. PUH.
4. **Plug #2 (Kirtland and Ojo Alamo tops, 508' – 234')**: Mix and pump 25 sxs Class B cement and spot a balanced plug inside casing to cover the through the Ojo Alamo top. TOH.
5. **Plug #3 (7" casing shoe, 218' – 0')**: Perforate 4 squeeze holes at 100'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 45 sxs cement and pump down the 4.5" casing to circulate good cement out bradenhead. Shut in well and WOC.
6. ND cementing valves and cut off wellhead. Fill annuli with cement as necessary. Install P&A marker to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and cut off anchors. Restore location per BLM stipulations

Gallegos Canyon Unit #580

Proposed P&A

N. Pinon Ft. Sd.

1080' FSL, 1840' FWL, Section 13, T-29-N, R-12-W
San Juan County, NM, API #30-045-30679

Today's Date: 1/22/18
Spud: 9/14/01
Completed: 10/15/01
Re-Completed: 5/29/02
Elevation: 5709' GI

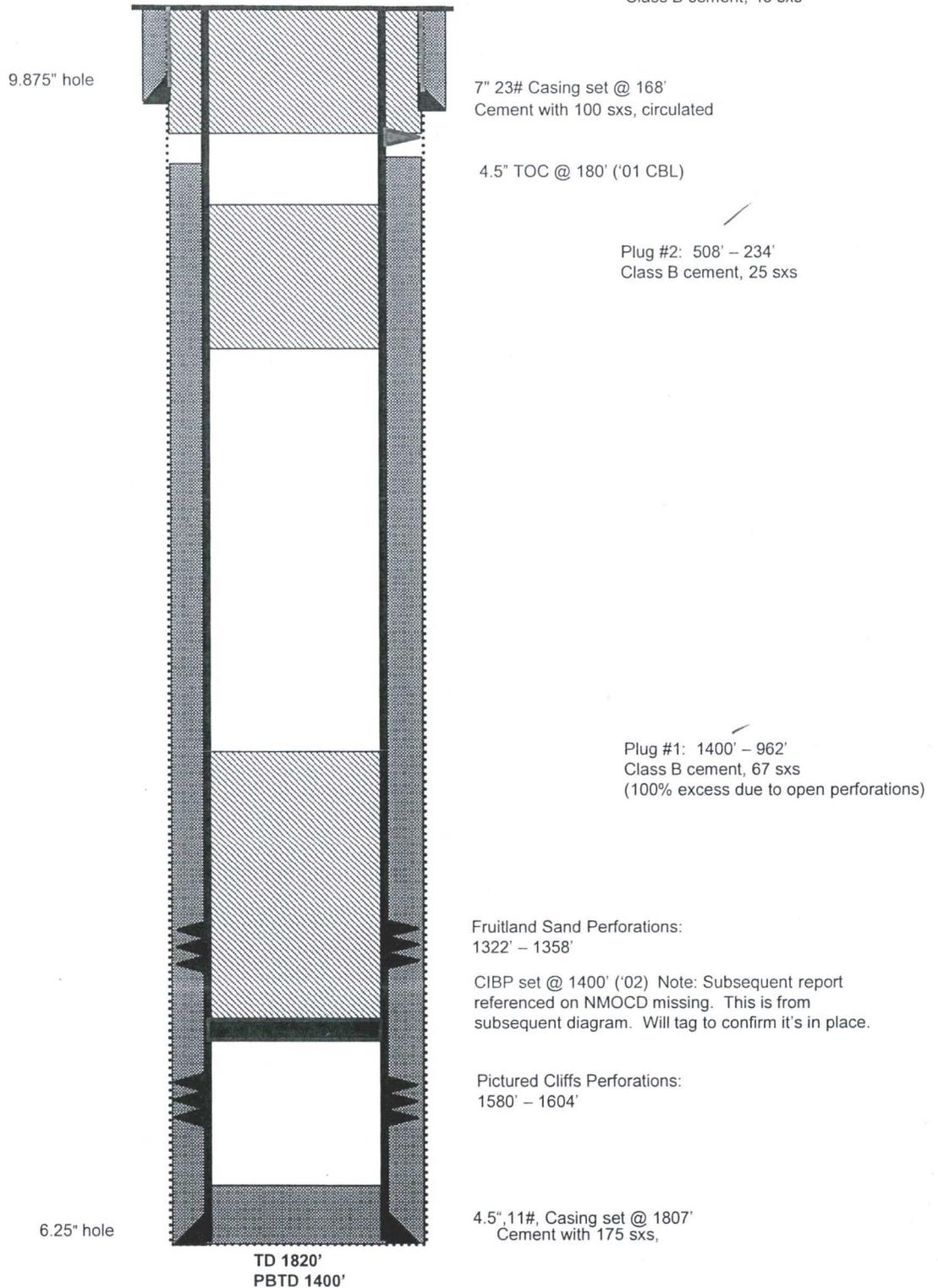
Plug #3: 218' - 0'
Class B cement, 45 sxs

Ojo Alamo @ 284'

Kirtland @ 458'

Fruitland @ 1012'

Pictured Cliffs @ 1580'



7" 23# Casing set @ 168'
Cement with 100 sxs, circulated

4.5" TOC @ 180' ('01 CBL)

Plug #2: 508' - 234'
Class B cement, 25 sxs

Plug #1: 1400' - 962'
Class B cement, 67 sxs
(100% excess due to open perforations)

Fruitland Sand Perforations:
1322' - 1358'

CIBP set @ 1400' ('02) Note: Subsequent report
referenced on NMOCD missing. This is from
subsequent diagram. Will tag to confirm it's in place.

Pictured Cliffs Perforations:
1580' - 1604'

4.5", 11# Casing set @ 1807'
Cement with 175 sxs,

6.25" hole

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: GCU 580

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) 564-7750.

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.