

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: 6/28/18
Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-23998-00-00	GALLEGOS CANYON UNIT	298	BP AMERICA PRODUCTION COMPANY	G	A	San Juan	F	C	24	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.
- Extend Fruitland plug 1532' - 1118'.



NMOCD Approved by Signature

9/12/18
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.

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		5. Lease Serial No. NMSF078904
2. Name of Operator BP AMERICA PRODUCTION CO		6. If Indian, Allottee or Tribe Name EASTERN NAVAJO
3a. Address 380 AIRPORT RD DURANGO, CO 81303		7. If Unit or CA/Agreement, Name and/or No. 892000844E
3b. Phone No. (include area code) Ph: 970-712-5997		8. Well Name and No. GALLEGOS CANYON UNIT 298
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 24 T28N R12W NENW 0990FNL 1570FWL 36.652150 N Lat, 108.066160 W Lon		9. API Well No. 30-045-23998-00-S1
		10. Field and Pool or Exploratory Area FULCHER KUTZ PICTURED CLIFFS
		11. County or Parish, State SAN JUAN COUNTY, NM

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 package including the P&a procedure, wellbore diagrams 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 #425810 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 (18JWS0145SE)	
Name (Printed/Typed) PATTI CAMPBELL	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 06/28/2018

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} _{AV}

PLUG AND ABANDONMENT PROCEDURE

May 17, 2018

Gallegos Canyon Unit #298

West Kutz Pictured Cliffs

990' FNL & 1570' FWL, Section 24, T28N, R12W
San Juan County, New Mexico / API 30-045-23998

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 1567' .
Packer: Yes , No , Unknown , Type .
3. **Plug #1 (Pictured Cliffs interval and Fruitland top, 1532' – 1267')**: Round trip 4.5" gauge ring or mill. RIH and set 4.5" CR at 1532'. Pressure test tubing to 1000#. Circulate well clean. Pressure test casing to 800#. If casing does not test then spot or tag subsequent plugs as appropriate. Mix 25 sxs Class G cement inside casing from 1532' to cover the PC interval through the Fruitland top. PUH.
4. **Plug #2 (Kirtland, and 8.625" casing shoe, 519' – 0')**: Attempt to pressure test the bradenhead annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 41 sxs cement and spot a balanced plug from 519' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing and annulus from the squeeze holes to surface. Shut in well and WOC.
5. 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 #298

Current

West Kutz Pictured Cliffs

990' FNL & 1570' FWL, Section 24, T-28-N, R-12-W

San Juan County, NM, API #30-045-23998

Today's Date: 5/17/18

Spud: 12/21/79

Completed: 1/28/80

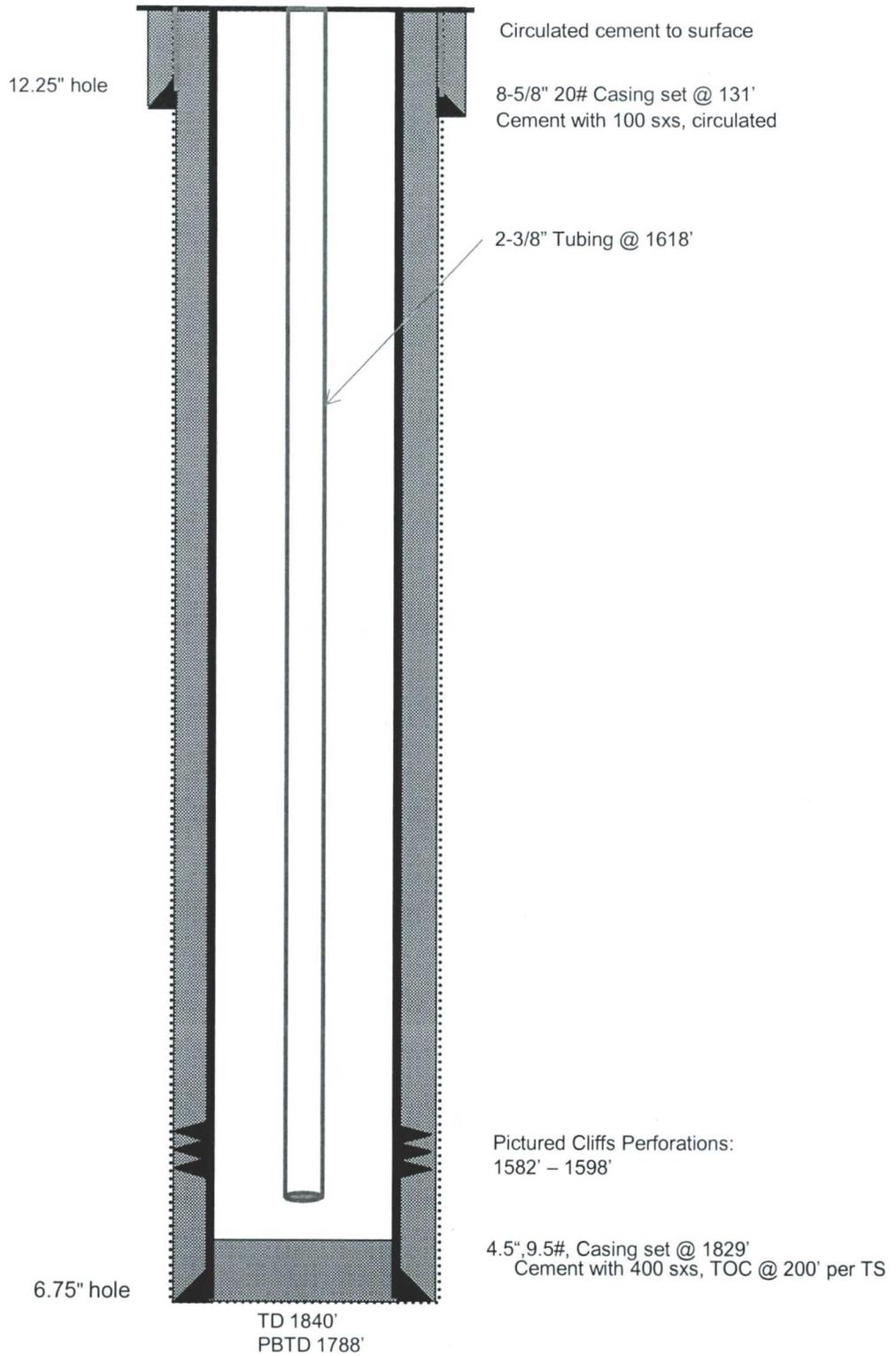
Elevation: 5719' GL

Ojo Alamo @ 388'

Kirtland @ 469'

Fruitland @ 1317'

Pictured Cliffs @ 1577'



Gallegos Canyon Unit #298

Proposed P&A

West Kutz Pictured Cliffs

990' FNL & 1570' FWL, Section 24, T-28-N, R-12-W

San Juan County, NM, API #30-045-23998

Today's Date: 5/17/18

Spud: 12/21/79

Completed: 1/28/80

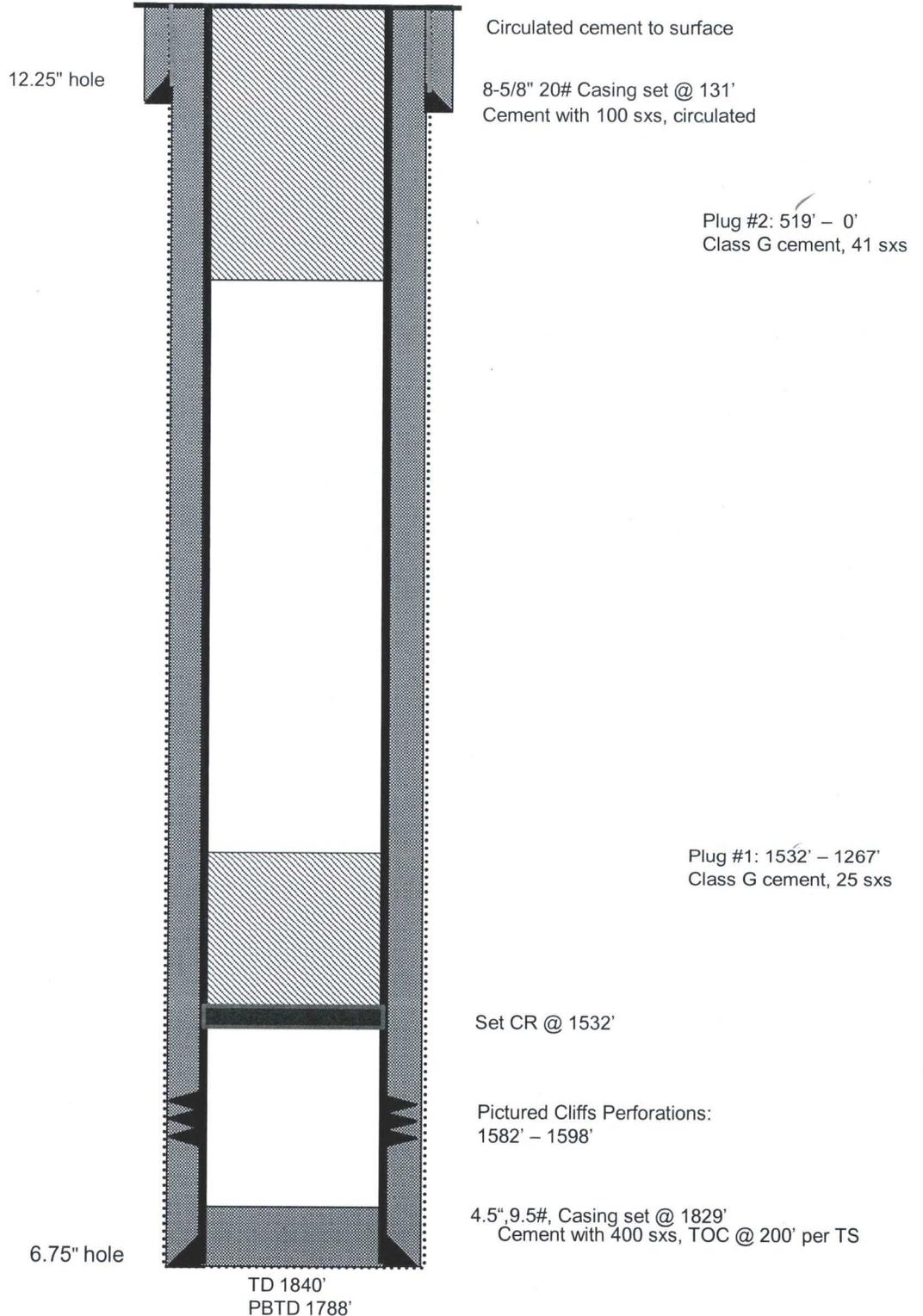
Elevation: 5719' GL

Ojo Alamo @ 388'

Kirtland @ 469'

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Pictured Cliffs @ 1577'



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 298

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.
3. The following modifications to your plugging program are to be made:
 - a) Set Plug 1 (1532 – 1242) ft. to cover the Fruitland top. BLM picks top of Fruitland at 1292 ft.

Operator must run a CBL to verify cement top. Submit the electronic copy of the log for verification to the following addresses: jwsavage@blm.gov Brandon.Powell@state.nm.us

H2S has not been reported in this section, however, low concentrations of H2S (<100 ppm GSV) have been reported in the NENE/4 Sec. 26, 28N, 12W.

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.