

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised May 08, 2003

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-33528
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name State Gas Com BF
8. Well Number 1M
9. OGRID Number 000778
10. Pool name or Wildcat Basin Dakota
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 7065'

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
BP America Production Company

3. Address of Operator
P.O. Box 3092 Houston, Texas 77253

4. Well Location
Unit Letter **J** : **2235** feet from the **South** line and **1695** feet from the **East** line
Section **16** Township **29N** Range **09W** NMPM County **San Juan**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
7065'

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Cement Remediation <input checked="" type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

3/28/06 Spud & Set was submitted and approved on 4/3/06.

Surface casing returns was 29 bbls.

Determined by CBL; 4 1/2" casing top of cement came to 4620'.

Please see attached combined procedure for cement remediation and Mesaverde completion.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Cherry Hlava TITLE Regulatory Analyst DATE 09/08/2006

Type or print name Cherry Hlava Telephone No. 281-366-4081

(This space for State use) APPROVED BY H. Villanueva TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 43 DATE SEP 14 2006

*After Squeeze provide
Bond Log Before proceeding
As per our Verbal Approval*

B

MesaVerde/Dakota Infill Drilling Well Remedial Squeeze and MV Completion Procedure

Well Name: State GC BF 1M
Date: September 6, 2006

Summary of Objectives

The 4-1/2" casing has TOC at approximately 4620'. Remedial cement work is needed for zonal isolation of the Mesa Verde prior to the Point Lookout completion.

1. MI RU SU. Test BOP.
2. POOH with completion tubing
3. Set CIBP and shoot squeeze holes.
4. Set retainer and squeeze cement.
5. Drill out retainer and cement to top of CIBP.
6. Perforate and frac (one-stage N2 foam) the Mesaverde Point Lookout.
7. Clean out MV frac, perform flow test for production allocation.
8. DO CIBP, commingle MV/DK and clean out wellbore to PBTD
9. Run completion string. RDSU
10. Turn well back to production.

Pertinent Information

Location	Sec.16,29N-9W	Horizon	Basin Dakota/Mesaverde
County	San Juan	Engineer	John Papageorge
State	New Mexico	Phone #s	281-366-5721 wk. 713-822-5053 cell
API Number	30-045-33528	Engineer	Richard Bonham
		Phone #	505-326-9298 wk 505-486-9798 cell

Note: BTU content of the produced gas will exceed 1100. Therefore, adhere to requirements as detailed in Venting and Flaring document.

HSE: Perform well work per Drilling and Well Operations Policy; Issue 5 and applicable dispensations. Conduct JHA safety meetings and apply the 8 Golden Rules of Safety to all aspects of this work.

Completion Procedure

1. Review Preliminary Well Work Checklist Parts I, II, and III. Perform pre-rig site inspection and complete Preliminary Well Work Checklist Part IV. Coordinate with Planning & Scheduling for One Call if ground disturbance is required. Check rig anchors and ID wellhead. Review DIMS drilling / completion reports and casing / tubing records.
2. RU slickline equipment. RIH and set two barriers for isolation.
3. MI RU service unit and equipment. Ensure well and production equipment is LO/TO (energy isolation) including meter run, automation, separators, water lines, etc.
4. Read and record casing and bradenhead pressures. Ensure production casing has double casing valves. Blow down well and all annuli.
5. ND tree and NU BOPE per DWOP 24.2 Dispensation. Equip BOP stack with diversion spool with two double-valved 3" outlets and 3" pipe to the blow tank or flare pit per NOP 7812. Pressure test BOPE low at 250 psi and high at 2000 psi. POH and stand back tubing.
6. Pull tubing hanger, shut pipe rams and install stripping rubber.
7. PU extra tubing joints as necessary to RIH and tag for fill. Tubing currently set at 6775'.
8. RU Schlumberger wireline. Run gauge ring to ~ 5050'. Set bridge plug at 5000'. Load hole w/ 2% KCl and pressure test low at 250 psi and high at 2000 psi. TIH to 2000' and unload hole. Perforate squeeze holes 4454' – 4455' at 2 spf, 90 deg phase w/ 3 1/8" casing guns. Set cement retainer at 4430'. RD Schlumberger wireline.

NOTE: Conduct Risk Assessment (JHA/JSA) prior to perforating operations Follow Schlumberger Explosive SOP. Any electronic device that transmits a signal should be shut off or prohibited from within 300' of location. Ensure all vehicle data recorder (VDR) systems and are disabled if vehicle is left on location - contact control center at 505-326-9475 for verification. Make sure General Motors vehicles with "On-Star" systems are disabled or moved from location.

9. Load hole w/ 2% KCl and pressure test low at 250 psi and high at 2000 psi.
10. RIH w/ stinger seal assembly on 2-3/8" tubing string to near retainer.

11. RU Schlumberger cementers. Pump 10.0 bbls fresh water. Mix and pump 20.6 sxs of LiteCrete (9.5 lbs/gal; 2.52 cu ft/sx.) Pump (33.95 cu ft) 6.0 bbl fresh water and stab into retainer.
12. Pump (55 cu ft) 9.9 bbl fresh water to displace / squeeze slurry. Unstab from retainer, pull 2 stands tubing, and reverse circulate to surface. RD Schlumberger cementers. WOC.
13. POH w/ 2-3/8" tubing and LD stinger seal assembly. MU BHA with bit for 4 1/2", 11.6# casing. RIH and drill out cement and retainer to ~ 5000'. POH and LD bit. MU 4 1/2" scraper and RIH to ~ 5000'.
14. Circulate hole clean w/ 2 % KCl and proceed with MV completion.
15. RU Schlumberger wireline.

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16. Perforate the lower Mesa Verde (*Point Lookout*) with 120° phasing as follows:

4680, 4664, 4645, 4640, 4630, 4622, 4616, 4612, 4596, 4591' @ 4spf (40holes)

4540, 4534, 4526, 4516, 4509, 4498, 4490, 4480, 4472, 4454' @ 2spf (20 holes)

17. RU wellhead isolation tool and Schlumberger equipment. Pressure test all lines and equipment. Frac the lower Mesa Verde interval as per Schlumberger schedule.
18. Rig down stinger and frac equipment. Open well up on 1/4" choke and flowback overnight to clean up MV frac. After initial 8 hour flowback, open on 1/2" choke for 8 hours and then 3/4" choke until stabilized.
19. TIH w/ BHA on 2-3/8" tubing to top of fill. Clean out sand to top of bridge plug at 5000' as necessary.
20. When Mesaverde has cleaned up sufficiently, perform the 12-hour governmental flow test.
21. After flow test, proceed with drilling out plug at 5000'. Pick up additional tubing and RIH to PBTD. Clean out fill as necessary. Flow back MV/Dakota to clean up. When well has cleaned up sufficiently, POOH with tubing and bit.

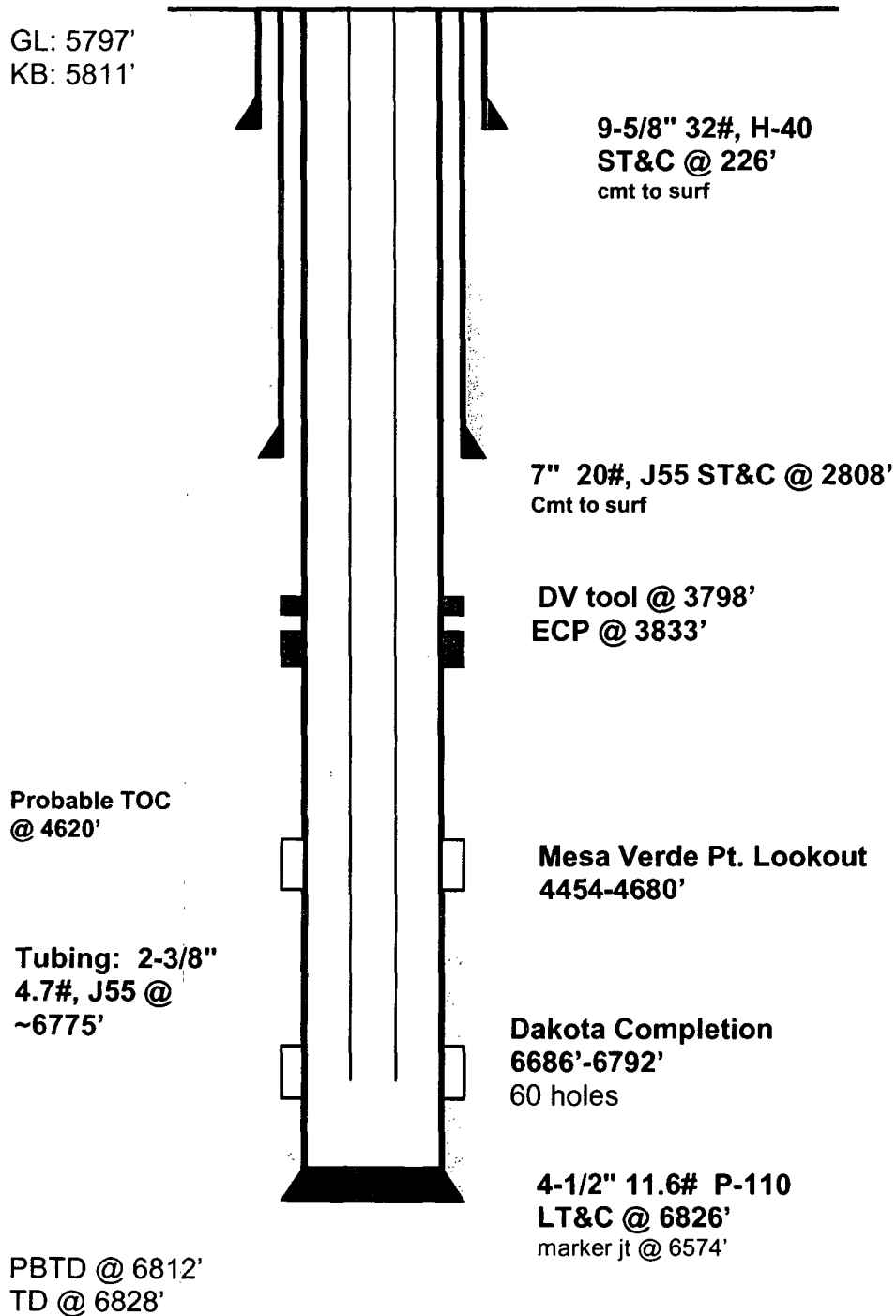
22. Pick up and run BHA on 2 3/8" production tubing. Bottom hole assembly made up of: 2-3/8" mule shoe sub, "F" landing nipple with pump-thru plug, 2-3/8" x 4' sub, "X" landing nipple with pump-thru plug.
23. Land tubing in lower section of Dakota formation at approximately 6775'. Install tubing hanger, land in wellhead and set lock down pins. Continue to flow casing on 3/4" choke to flare pit via 2" production casing valves.
24. ND BOP and mud cross. Install production tree. RU slickline unit. RIH and retrieve "X" & "F" plugs.
25. Send appropriate information to Cherry Hlava (281-366-4081) to file the C-104.
26. Check pressures on all casing strings.
27. RDMO Service rig
28. Return well to production.

State GC BF 1M

Sec. 16, T29N R 9W

API: 30-045-33528

GL: 5797'
KB: 5811'



Updated: 9/7/06 JLP/JMP