

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
May 27, 2004

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

WELL API NO. 30-045-26494	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Kelly	
8. Well Number 1	
9. OGRID Number	
10. Pool name or Wildcat Grassy Gallup	

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
The Kelly Family Land Company, Inc., c/o BHP Billiton San Juan Coal
3. Address of Operator
PO Box 561, Waterflow, NM 87421 (505) 598-2000

4. Well Location
Unit Letter **P**: **990** feet from the **South** line and **880** feet from the **East** line
Section **25** Township **30N** Range **15W** NMPM **San Juan** County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5365 ' GL ' KB

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☒
CASING/CEMENT JOB ☐

OTHER: _____

13. Describe proposed or completed operations. (Clearly state all pertinent details,
estimated date of starting any proposed work). SEE RULE 1103. For Multiple
of proposed completion or recompletion.

Approved for plugging of wellbore only.
Liability under bond is retained pending
Receipt of C-103 (Subsequent Report of Well
Plugging) which may be found @ OCD web page
under forms.
www.emnrd.state.us/oed

The Kelly Family Land Company, Inc. through BHP Billiton San Juan Coal plugged and abandon

this well on December 2, 2008 per the attached report.

RCVD MAR 2 2009
OIL CONS. DIV.
DIST. 3

705634'

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or
below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-
approved plan ☐.

SIGNATURE John Mercier TITLE Senior. Mine Geologist DATE 12/29/08

Type or print name
For State Use Only

E-mail address:

Telephone No.

APPROVED BY: Kelly G. Rios
Conditions of Approval (if any): PNR

Deputy Oil & Gas Inspector,
District #3

MAR 18 2009
DATE

88

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

Farmington, New Mexico 87499

505-325-2627 * fax: 505-325-1211

The Kelly Family Land Company, Inc.,
c/o BHP Billiton San Juan Coal Company
Kelly #1

December 8, 2008

Page 1 of 4

990' FSL & 880' FEL, Section 25, T-30-N, R-15-W
San Juan County, NM
Fee Lease
API #30-045-26494

Plug & Abandonment Report

Notified BLM and NMOCD on 11/12/08

Plugging Summary:

11/12/08 Hold safety meeting with BHP officials at A-Plus yard. MOL and RU rig. Check well pressure: casing, 210 PSI; bradenhead, 55 PSI; no tubing in the well. Blow well down to pit for 2-1/2 hours. Connect pump to casing. Pump 30 bbls of water. Well on vacuum. ND wellhead. NU BOP, function test BOP. Shut in well. SDFD.

11/13/08 Check well pressure: casing, 280 PSI; bradenhead, 15 PSI. Blow well down to pit for 1 hour. Connect pump to casing. Pump 20 bbls of water. Well on vacuum. Tally and prepare to use 2.375" tubing workstring from Cave Enterprises. PU 170 joints 2.375" tubing and round trip a 4.5" casing scraper to 5400'. Then TIH and set 4.5" DHS CR at 5400'. Pressure test tubing to 1200 PSI, held OK. Release pressure and sting out of CR. Load casing with 70 bbls of water and establish circulation to surface out the casing valve.
Plug #1 with CR at 5400', with 20 sxs Class B cement (24 cf) inside casing from above the CR up to 5137' to isolate the Dakota perforations.
TOH with tubing. Shut in well. SDFD.

11/14/08 Check well pressure: casing and tubing, 0 PSI; bradenhead, 20 PSI. TIH with tubing and tag TOC at 5164'. TOH. TIH with 4.5" DHS CR and set at 4479'. Release and sting out of CR. Load hole with 50 bbls of water. Circulate well clean with additional 70 bbls of water. Pressure test casing to 600 PSI, held OK for 5 minutes. Connect pump to bradenhead and load with 1/8 bbl of water. Attempt to pressure test bradenhead to 300 PSI, bled down to 100 PSI in 1 minute.
Plug #2 with CR at 4479', spot 12 sxs Class B cement (15 cf) inside casing above the CR from 4479' up to 4321' to isolate the Gallup interval.
PUH to 2077'. Load hole with 3 bbls of water.
Plug #3 spot 12 sxs Class B cement (15 cf) inside casing from 2077' up to 1919' to cover the Mesaverde top.
TOH with tubing. Shut in well. SDFD.

11/17/08 Check well pressure: casing, 0 PSI; bradenhead, 14 PSI. Load casing with 3-1/2 bbls of water. RU Southwest Exploration Wireline. Run gyro survey from 860' to surface. RD Southwest. RU Jet West Wireline. Run Gamma - Neutron log from 900' to surface. RD Jet West. RU A-Plus wireline and RIH with 4.5" PlugWell CIBP. Set at 914'. Attempt to pressure test casing to 800 PSI, bled down to 750 PS in 3 minutes. Perforate 4 holes at 863'. Establish rate into squeeze holes 0.5 bpm at 700 PSI.

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979
Farmington, New Mexico 87499
505-325-2627 * fax: 505-325-1211

The Kelly Family Land Company, Inc., c/o BHP Billiton
San Juan Coal Company
Kelly #1

December 8, 2008

Page 2 of 4

Plugging Summary Continued:

- 11/17/08 Perforate 4 holes at 763'. Establish rate into squeeze holes 0.5 bpm at 700 PSI. TIH with open ended tubing and tag CIBP at 914'. Load hole with 10 bbls of water.
Plug #4 with CIBP at 914', spot 32 sxs Class B cement (38 cf) with 18% salt inside casing above the CIBP from 914' up to 493' to cover the Pictured Cliffs top.
TOH with tubing. Load hole with 1.5 bbls of water. Shut in blind rams on BOP. Pressure up the casing to 1000 PSI, hold pressure for 10 minutes. Shut in well. Left top of cement at 493'. SDFD.
- 11/18/08 Check well pressure: casing, 100 PSI; bradenhead valve left open overnight. TIH with 3.875" drill bit, bit sub, 8 – 3.125" drill collars, crossover sub, and 9 joints tubing; tag cement at 539' KB. RU drilling equipment and establish circulation with water. Drill cement from 539' to 760' KB (745' GL). Circulate well clean at 3 bpm. Hang back power swivel. TOH with tubing, drill collars and bit. Make up a bottom hole assembly (BHA) for milling: bottom mill, 3.50" section mill tool, bit sub, 8 – 3.125" drill collars, 3.125" jars and 14 joints 2.375" tubing. TIH with BHA and place the section mill at 690'. Circulate and condition fluid in mud pit. Shut in well. SDFD.
- 11/19/08 Check well pressure: tubing and casing, 0 PSI; bradenhead, 10 PSI. RU power swivel and establish circulation. Mill 4.5" casing from 690' GL to 697.5' GL. Made connection. Upon starting milling, unable to find bottom of cut area at 697.5' GL. Minor amounts of metal in returns. Hang back power swivel. TOH with BHA and inspect section mill. Cutting knives show no wear on bottom. Knives were not cutting through all the casing steel. TIH with BHA and 13 joints 2375" tubing. Shut in well. SDFD.
- 11/20/08 Check well pressure: tubing and casing, 0 PSI; bradenhead, 8 PSI. RU power swivel and pumping lines. Mill casing at 690' GL for 1-1/2 hours. Swivel turning free and minimal amounts of metal in returns. Mill casing from 690' to 704' GL. Heavy amounts of metal in returns at start, tapered off to minimal amounts while milling. Hang back power swivel. TOH with BHA and inspect section mill. No wear on bottom of cutting knives. TIH with new section mill and BHA and 14 joints 2375" tubing. Shut in well. SDFD.
- 11/21/08 Check well pressure: tubing and casing, 0 PSI; bradenhead, 5 PSI. TOH with BHA. Change out section mill. TIH with different section mill and BHA and 14 joints 2.375" tubing. RU power swivel to tubing. Mill casing at 690' GL for ½ hour. Saw torque in swivel drop, metal in returns. Mill casing from 690' to 695' GL. SD for rig repairs. Mill casing from 695' to 696.5' GL. TOH with 2 joints tubing. Shut in well. SDFD.

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979
Farmington, New Mexico 87499
505-325-2627 * fax: 505-325-1211

The Kelly Family Land Company, Inc., c/o BHP Billiton
San Juan Coal Company
Kelly #1

December 8, 2008

Page 3 of 4

Plugging Summary – Continued:

- 11/24/08 Check well pressure: tubing and casing, 0 PSI; bradenhead, 3 PSI. RIH with 2 joints 2.375" tubing and power swivel. RU pumping lines. Mill casing from 696.5' to 700' GL. Milling slowed and less metal in returns. Hang back power swivel. TOH with the BHA and inspect the section mill. Scarring on sides of mill body. Wait on tools. TIH with tapered mill and section mill (3.875" OD body), 3.125" jars, 8 – 3.125" drill collar and 14 joints tubing. Shut in well. SDFD.
- 11/25/08 Check well pressure: tubing, 0 PSI; and casing, 1/2 PSI; bradenhead, 1/2 PSI. RIH with 1 joint 2.375" tubing and power swivel. RU circulating lines. Establish circulation. Ream casing from 689' to 725' GL multiple times. No noticeable tight spots. Hang back power swivel. TOH with the BHA and mills. TIH with new section mill and BHA and 14 joints 2.375" tubing. PU power swivel and 1 joint tubing. Mill casing from 700' to 709' GL. Hang back power swivel. TOH with BHA and inspect section mill. Blades worn and need replaced. Shut in well. SDFD.
- 11/26/08 Check well pressure: casing, 1/2 PSI; bradenhead, 1/2 PSI. TIH with new section mill and BHA and 14 joints 2.375" tubing. PU power swivel and 1 joint tubing. Mill casing from 709' to 720' GL. Hang back power swivel. TOH with tubing, drill collars, jars and section mill. Shut in well. SDFD.
- 12/01/08 Check well pressure: casing on vacuum; bradenhead, 6-1/2 PSI. TIH with 8 – 3.125" drill collars from derrick. TOH and LD collars. TIH with plugging sub and tag fill at 755' KB. Connect pump to tubing. Load hole with 3 bbls of water. Circulate well clean with 14 total bbls of water. TOH and LD tubing and plugging sub. Load casing with 1-1/2 bbls of water. Establish rate 2 bpm at 200 PSI. Rig up A-Plus wireline truck and RIH. Perforate 3 holes at 725' GL. Ten slowly pull up through milled zone (720' to 690' GL) with CCL tool, showed no casing metal present. Then perforate 4 additional holes at 589' GL. TIH with plugging sub to 755' KB. Load tubing with 3 bbls of water.
Plug #5 spot 40 sxs Class B cement (48 cf) with 18% salt inside casing from 755' up to 248' to fill all the Fruitland Coal zones.
TOH with tubing. Tubing dragging off bottom, pulling up to 25,000#. Pulled free after 20'. PUH with tubing to TOC. TOH and LD remaining tubing and plugging sub. Load casing with 1.7 bbls of water. Close blind rams on BOP, pressure up casing to 1000 PSI, squeeze away 1.7 bbls over 2 hours, held 100 0PSI for 10 minutes. Shut in well with 1000 PSI on casing. TOC at 367'. Shut in well. SDFD.

A-PLUS WELL SERVICE, INC.

P.O. BOX 1979

Farmington, New Mexico 87499

505-325-2627 * fax: 505-325-1211

The Kelly Family Land Company, Inc., c/o BHP Billiton

San Juan Coal Company

Kelly #1

December 8, 2008

Page 4 of 4

Plugging Summary Continued:

12/02/08 Check well pressure: casing on vacuum; bradenhead, 1-1/2 PSI. TIH with tubing and plugging sub and tag TOC at 422'. Procedure change approved by Charlie Perrin, NMOCD representative, to perforate casing at surface casing shoe and attempt cement squeeze due to observed bradenhead pressure. TOH with tubing and plugging sub. Pressure test casing to 800 PSI, held OK. Perforate 3 holes at 272'. Attempt to establish rate into squeeze holes at 272'; pressured up to 700 PSI and then bleed down to 600 PSI in 1 minute. TIH with open ended tubing to 357'. Load hole with 2 bbls of water.

Plug #6 1) mix and spot 35 sxs Class B cement (42 cf) inside the 4.5" casing from 357' to surface, circulate good cement out the casing valve; 2) TOH and LD all tubing; 3) connect pump to casing and pressure up to 1000 PSI; 4) held pressure for 30 minutes; and 5) shut in well with 1000 PSI on casing.

Dig out wellhead. Bleed off casing pressure and open BOP. Found cement down 15' in the 4.5" casing. ND BOP. Monitor atmosphere. Issue Hot Work Permit. Cut off wellhead. Found cement at surface in the bradenhead. Had to chip out cement between casings. Mix 25 sxs Class B cement and install P&A marker. Cut off anchors. RD and MOL.

Monica Kuehling, NMOCD representative, was on location.

Jarvis Dees, Weatherford representative, was on location.

I hereby certify that the forgoing is true and correct:



Phillip Fitzpatrick

Field Supervisor

A-Plus Well Service, Inc.