

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.
NMSF078499

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No TAPP LS 10
2. Name of Operator BP AMERICA PRODUCTION CO. Contact: CHERRY HLAVA E-Mail: hlavacl@bp.com		9. API Well No 30-045-21165-00-S1
3a. Address 200 ENERGY COURT FARMINGTON, NM 87401	3b. Phone No. (include area code) Ph: 281-366-4081	10. Field and Pool, or Exploratory BLANCO PICTURED CLIFFS
4. Location of Well (Footage, Sec, T., R, M., or Survey Description) Sec 17 T28N R8W SWNE 1500FNL 1840FEL 36.66450 N Lat, 107.70104 W Lon		11. County or Parish, and State SAN JUAN COUNTY, NM

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

The low rate and limited remaining reserves of this well does not justify the cost to restore production. There is no uphole potential.

BP respectfully request permission to P&A above mentioned well. Please see attached P&A procedure.

RCVD MAR 16 '10

OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #82452 verified by the BLM Well Information System
For BP AMERICA PRODUCTION CO., sent to the Farmington
Committed to AFMSS for processing by STEVE MASON on 03/11/2010 (10SXM0103SE)**

Name (Printed/Typed) CHERRY HLAVA	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 03/09/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>STEPHEN MASON</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>03/11/2010</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 Farmington		

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.

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

NMOCDB 3/30

SJ Basin Well Work Procedure

Well Name: Tapp LS 010 - PC API#: 30-045-21165
Date: March 9, 2010
Repair Type: P&A
Location: T28N-R8W-Sec17
 1500 FNL & 1840 FEL
County: San Juan
State: New Mexico
Engr: Amy Adkison
Ph: 281-366-4495

Objective: P&A the wellbore.

1. POOH with 1" PVC tubing.
2. Ensure wellbore is clear of obstructions.
3. Pump cement plugs and remove wellhead.

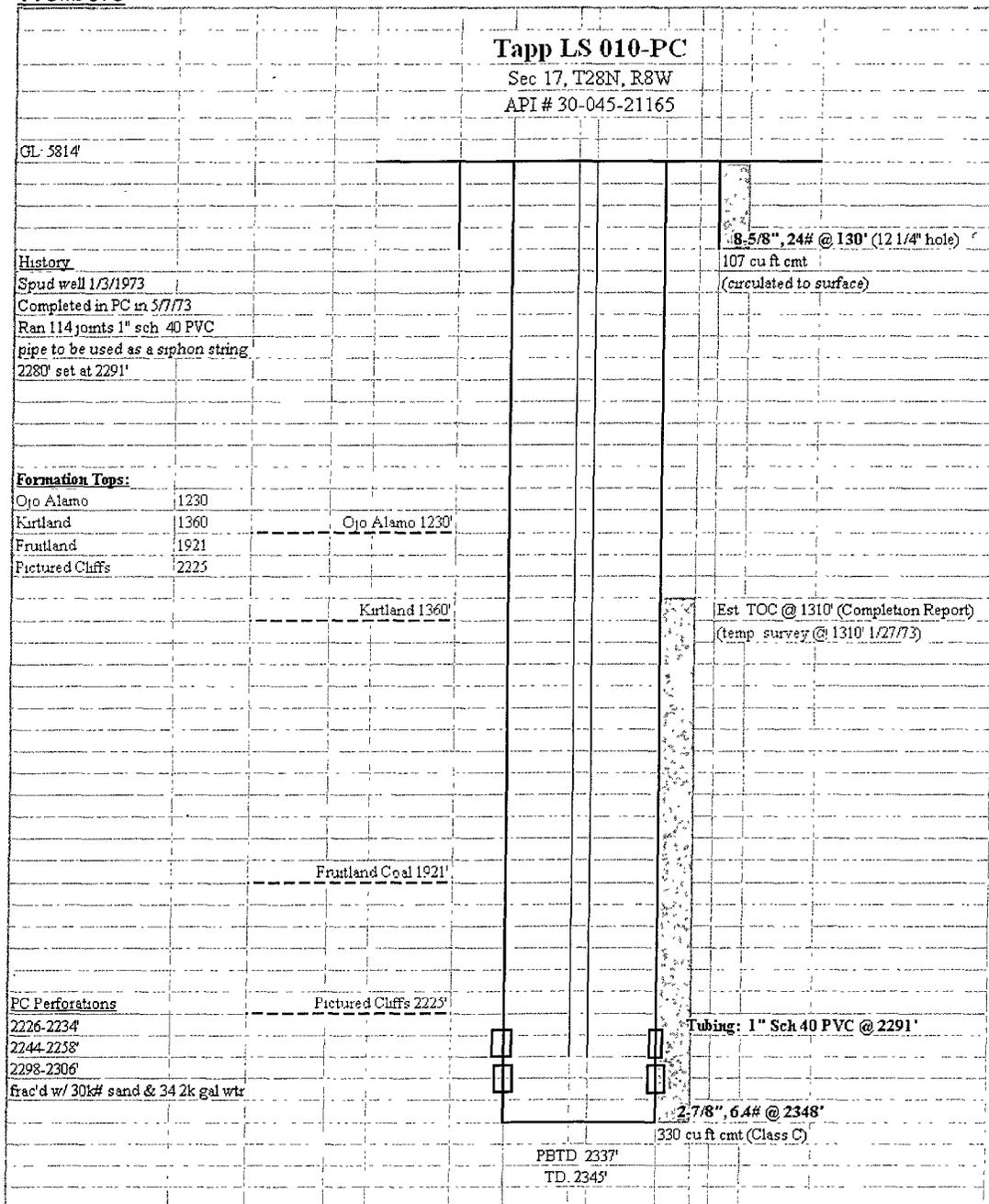
Well History: The Tapp LS 10 was drilled and completed in the Pictured Cliffs formation in 1973. A siphon string of 1" schedule 40 PVC pipe was installed to produce the well. Cumulative production of this well is 602 mmcf gas, 535 bbls condensate, and 151 bbls water.

Procedure:

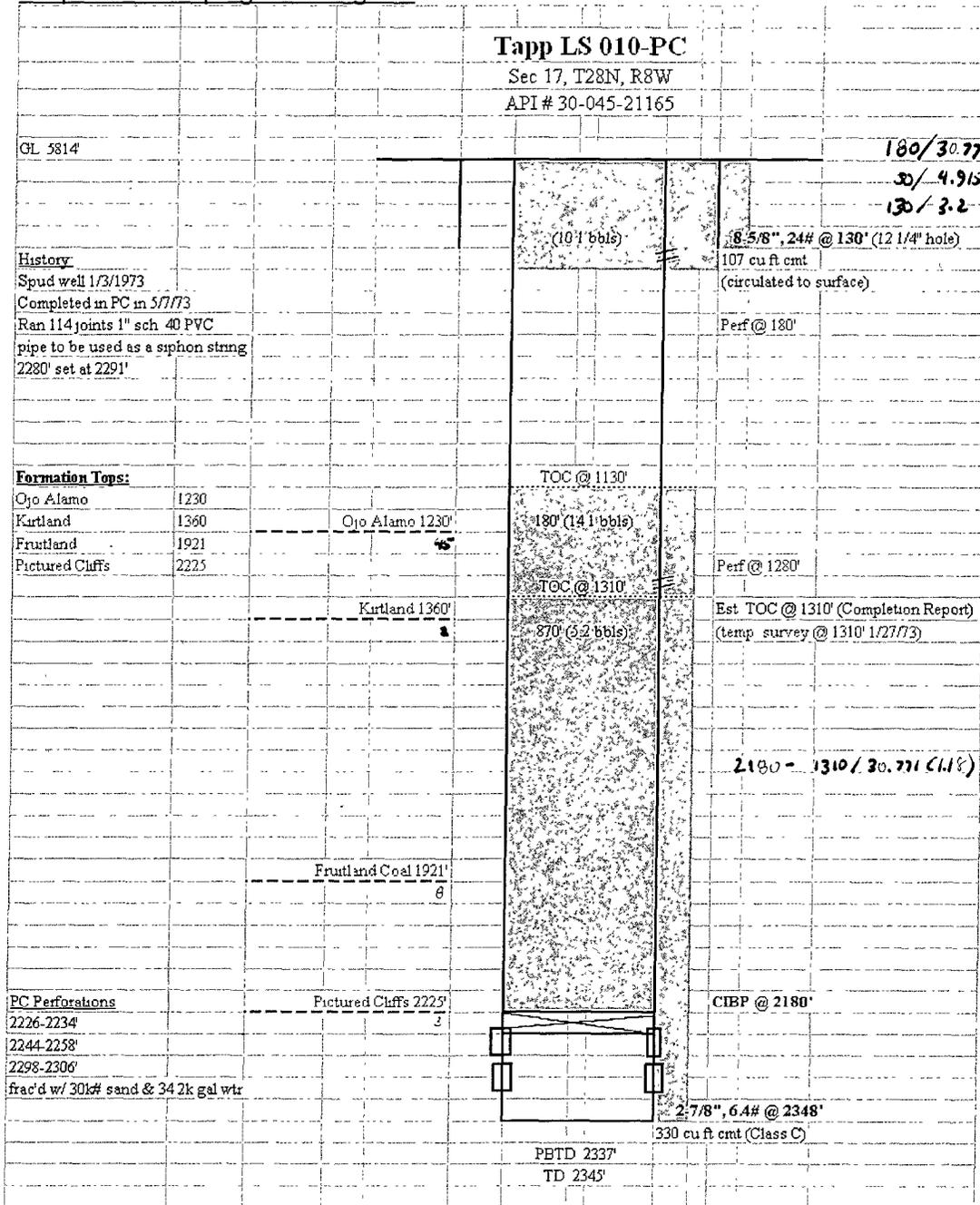
1. Notify BLM and NMOCD 24 hours prior to beginning operations P&A process to ensure scheduling of personnel to witness CBL results and cement placement.
(Note: This is a BLM regulated well)
NMOCD: (505) 334-6178 (Kelly Roberts)
BLM: (505) 599-8907 (Kevin Schneider)
2. Move in and rig up service rig and equipment.
3. Blow down and kill well. Capacity of wellbore is approximately 13 bbls to top of perms. Ensure there is double capacity on location to keep well dead. Check all casing strings to ensure no pressure exists on any annulus.
4. POOH with 1" Schedule 40 PVC pipe set at 2291'.
5. RU e-line. Run gauge ring down to top of perms to ensure wellbore is clear and CIBP will set. RIH w/ CIBP and set +/-46' above perforations +/- 2188'.
6. Load well with fluid and pressure test casing to 500 psig. This will confirm the integrity of the casing and CIBP. Note: Be sure to allow sufficient time for air to migrate to the surface since the hole is will not be loaded from the bottom up. This will allow for a more accurate CBL log.

7. Run CBL to determine cement top behind 2 7/8". Based on cement top it will be determined where perforations and cement placement behind casing will be required to properly P&A well. Contact Engineer to discuss steps forward. Top of cement is estimated at 1310' based on a temperature survey. Report CBL results to regulatory agencies and engineer. **The order and detail of the next steps could change based on the CBL results but assumes cement does not cover the Ojo Alamo zone.**
8. Nipple down wellhead. NU and pressure test BOPs. Monitor flowing casing pressure with gauge (with casing flowing to blow tank) throughout workover. This is a P&A so the well should be kept dead through-out the procedure.
9. RIH w/ workstring and spot a balanced 870' (~5.2 bbls) plug on top of CIBP (+/- 2180'). This should P&A the PC and FT Coal formations from 2180'-1310'.
POOH.
10. RU wireline w/ perforated gun. RIH to +/- 1310' and perforate 2 7/8" casing and POOH with guns. RD wireline.
11. RIH w/ workstring. Pump a 180' plug behind 2 7/8" casing and inside casing (~14.1 bbls) from 1310' to 1130'. [This includes 100% excess for volume behind casing]. This should put cement across the Ojo Alamo and Kirtland formations.
POOH with workstring.
12. RU wireline w/ perforating gun. RIH to +/- 180' and perforate 2 7/8" casing.
POOH with guns and RD wireline.
13. Establish circulation behind casing to surface. Pump a cement plug behind casing and inside 2 7/8" casing from 180' to surface (~ 10.1 bbls). Pump excess cement as necessary.
14. Perform underground disturbance and hot work permits. Cut off tree.
15. If cement cannot be seen on all annulus and casing strings remedial cementing will be required from surface. Watch for cement fall back or seepage. All annulus and casings must be full of cement with no fall back prior to installing abandonment marker.
16. Install well marker and identification plate per BLM requirements.
17. RD and release all equipment.
18. Ensure all reports are loaded into DIMS. Print out summary of work and place in well file. Notify Sherri Bradshaw of completed P&A.

Current Wellbore



Proposed P&A plug Set Program



$180 / 30.771 (1.18) = 5 \text{ SKS}$
 $20 / 4.915 (1.18) = 9 \text{ SKS}$
 $130 / 3.2 (1.18) = 34 \text{ SKS}$
48 SKS

$1310 - 1130 / 30.771 (1.18) = 5 \text{ SKS}$
 $(1310 - 1180) / 4.915 (1.18) = 45 \text{ SKS}$

$2180 - 1310 / 30.771 (1.18) = 24 \text{ SKS}$