

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.
NMNM010989

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM75985

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. FIELDS 1E
2. Name of Operator BP AMERICA PRODUCTION CO. Contact: CHERRY HLAVA E-Mail: hlavacl@bp.com		9. API Well No. 30-045-24711-00-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 BASIN DAKOTA
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T32N R11W NESE 1525FSL 0970FEL 36.98941 N Lat, 108.05924 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 recompleat 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 recompleat 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.)

Due to the lack of production, lack of uphole potential and limited remaining reserves, BP respectfully request permission to P&A the entire wellbore of the above mentioned well.

Please see the attached plugging procedure.

RCVD MAR 23 '10
OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct. Electronic Submission #82852 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 03/19/2010 (10SXM0116SE)	
Name (Printed/Typed) CHERRY HLAVA	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 03/17/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>STEPHEN MASON</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>03/19/2010</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 <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.

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

NMOCD

FIELDS 1 E – DK PxA Procedure (Version 2)

General Information:

Formation:	DK	Job Objective:	Plug and Abandon
Project #:		Date:	3/4/2010
Engineer:	Anne Hansford	p. 281.366.8619	c. 713-540-3386
Production Contact:	Rocky Deromedi	p. 505.326.9471	c. 505.486.0942
Optimizer:	Mike McMahan	p. 505.326.9231	
Backup Engineer:			

Well Information:

API Number:	30-045-24711
BP WI:	
Run #:	
Surface Location:	Sec. 29, T32N, R11W
Meter Number:	94246
Well FLAC:	
Cost Center:	
Lease FLAC:	
Restrictions:	N/A
Regulatory Agency:	BLM
Compressed (Y/N):	N

Production Data:

Tubing Pressure:	0 psi (was 175 psi)
Casing Pressure:	368 psi
Line Pressure:	200 psi
Pre-rig Gas Rate:	0 MCFD
Anticipated Uplift:	None
Water Rate:	
CO2 (%):	2.9 – 3.2%
H2S (PPM):	N/A
Gas BTU:	1068
Artificial Lift Type:	Removed 11/10/09

Basic Job Procedure:

1. POOH with 2 3/8" tubing @ 7600'
2. Set CIBP @ 7437'
3. Pressure test 4-1/2" casing
4. Cement Dakota plug from 7437' to 7287'
5. Cement 5038' to 4938 to provide liner top cement plug.
6. Cement plug 2740' to 2590' to cement Fruitland.
7. Cement 355' plug to surface.
8. PxA entire wellbore

Safety and Operational Details:

ALL work shall comply with DWOP E&P Defined Operating Practice.

Seating nipple one joint up from EOT. Tubing string from 1981.

Well History:

The Fields 1E – DK was spudded in 1981. Before final completions, wellbore was re-entered and had issues with tubing parting. All was recovered. Remedial work was done to cover the Ojo Alamo in January 1982. Plunger and stop were noted on FDA to have been removed in 11/2009. CBL for 7" is in wellfile.

Standard Location Work:

1. Perform pre-rig site inspection, size of location, gas taps, other wells, other operators, running equipment, wetlands, wash, H2S barriers if needed for equipment. Landowner issues, buried lines in pits, raptor nesting, critical location, check anchors. Check ID wellhead, determine if equipment is acceptable or obsolete and replace if necessary, if digging is required have One Call made 48 hours. Follow ground disturbance policy.
2. Perform second site visit, checking anchors and barriers if needed. Ensure lines are marked so that they clearly designate pit locations. Discuss and turnover handover sheet with someone from operations team and wells team. LOTO all necessary equipment including but not limited to: meter run, automation, separator, and water line.

Rig Procedure:

3. Notify BLM and NMOCD 24 hours prior to performing the work.
4. Hold pre-job safety meeting and discuss JSA with everyone on location. JSA should cover: heavy lifts, pinch points, location hazards, pressure hazards, proper PPE and 8 golden rules of safety/IFF. Make sure everyone has preformed their LOTO and knows they have the right to stop the job.
5. Check and record casing pressure, intermediate, and Bradenhead pressures. Record all pressures into DIMS. Notify engineer if Bradenhead pressures exist. Check gas H2S content and treat if the concentration is > or equal to 10 ppm.
6. MIRU workover rig.
7. Insure double casing valves are installed. Spot and lay 3" line and tank to blow down well, record pressures while blowing well down if possible.
8. Move in Wireline unit, equipment and crew. Be sure to fill out necessary work orders. Wireline must perform LOTO and JSA. RU unit with a lubricator and BOP. **Since well is not an HCO no Pressure testing of lubricator is required.**
9. Two barriers will need to set in order to break containment (Plugs in downhole profiles, CW plugs with triple slip stop, or Plug in profile). Tubing has 1 seating nipple, one joint up from EOT. Each time the lubricated connection is broken, it will need to be pressure tested for a quick 5 min test and document in DIMS. Contact engineering if these barriers cannot be used. If wellhead has profile for Back Pressure valve, rig up High Tech, pressure test lubricator and equipment to set two-way check in wellhead profile. Test will need to be charted and recorded in DIMS.
10. Blow down backside to flow back tank.
11. Nipple down Wellhead. NU BOPs and diversion spool with 3" outlets and 3" pipe to the flow back tank. Pressure test BOPs. Monitor flowing casing pressure with gauge (with casing flowing to blow tank) throughout workover. Remove wellhead back pressure valve if used.
12. Pull tubing hanger and shut pipe rams and install stripping rubber.
13. POOH with 2-3/8" J-55 4.7#/ft production tubing currently set @ 7600'.
14. Pick up bit and scraper and TIH. Run to top of perfs **7487'**, then TOOH and lay down bit and scraper.

15. RIH with 4-1/2" CIBP and set at **7437'** and load hole with fluid and pressure test **4-1/2"** casing. If no fluid or pressure loss is apparent. If fluid loss, contact engineer for remedial procedure.

16. RIH and mix correct batch of G-Class cement. Spot a cement plug from **7437'** (top of CIBP) to **7287' (150' plug)**. POOH. WOC. This should place cement across the DK formations.

- i. Capacity of 4-1/2" casing: 0.0872 ft3/ft
- ii. Plug of 150' → 13.08 ft3
- iii. ~~8~~ ⁴ sxs of cement of Class G
~~6500~~ ⁶⁴⁰⁰

17. RIH and set balance plug at ~~6265'~~ ^{4 1/2"} to ~~6466'~~ to cover the Gallup formation. POOH and WOC.

- i. Capacity of ~~7"~~ ^{4 1/2"} casing: ~~0.2240~~ ft3/ft
- ii. Plug of 100' → 22 ft3
- iii. ~~10~~ ¹¹ sxs of cement of Class G
~~5234~~

18. RIH and set balanced plug at @ ~~5038'~~ ^{4 1/2"} up to **4938'** to cover the liner top. POOH and WOC.

- i. Capacity of 7" casing: 0.2210 ft3/ft
- ii. Plug of ~~100'~~ → **39 22'** ft3
- iii. ~~10~~ sxs of cement of Class G

→ Mesaverde plug ~~4595-4495'~~ ³⁰⁹⁹ ~~2557'~~

19. RIH and set balanced plug from ~~2740'~~ to ~~2590'~~ to cover the FT and PC formations. POOH and WOC.

- i. Capacity of 7" casing: 0.2210 ft3/ft
- ii. Plug of ~~150'~~ → ~~33~~ ft3
- iii. ~~20~~ ^{12 7/2 - 11 7/2} sxs of cement of Class G

→ Kirtland

20. RIH and set balanced plug from **355' to surface**. This should put cement across surface casing show all the way to surface and in all annuli from **355' to surface**. POOH

21. Perform underground disturbance and hot work permits. Cut off tree. **If cement cannot be seen on all annulus and casing strings remedial cementing will be required from surface.**

22. Install well marker and identification plate per regulatory requirements. Dry hole marker should contain the following:

BP American Production Co.
Fields 1E
API 30-045-24711
Unit letter I, Sec 29, T32N, R11W
1525 FSL, 970 FEL
San Juan, NM
Dakota Formation.
Federal Lease number: NM 010989
P&A date - TBD

23. RD and release all equipment. Remove all LOTO equipment.

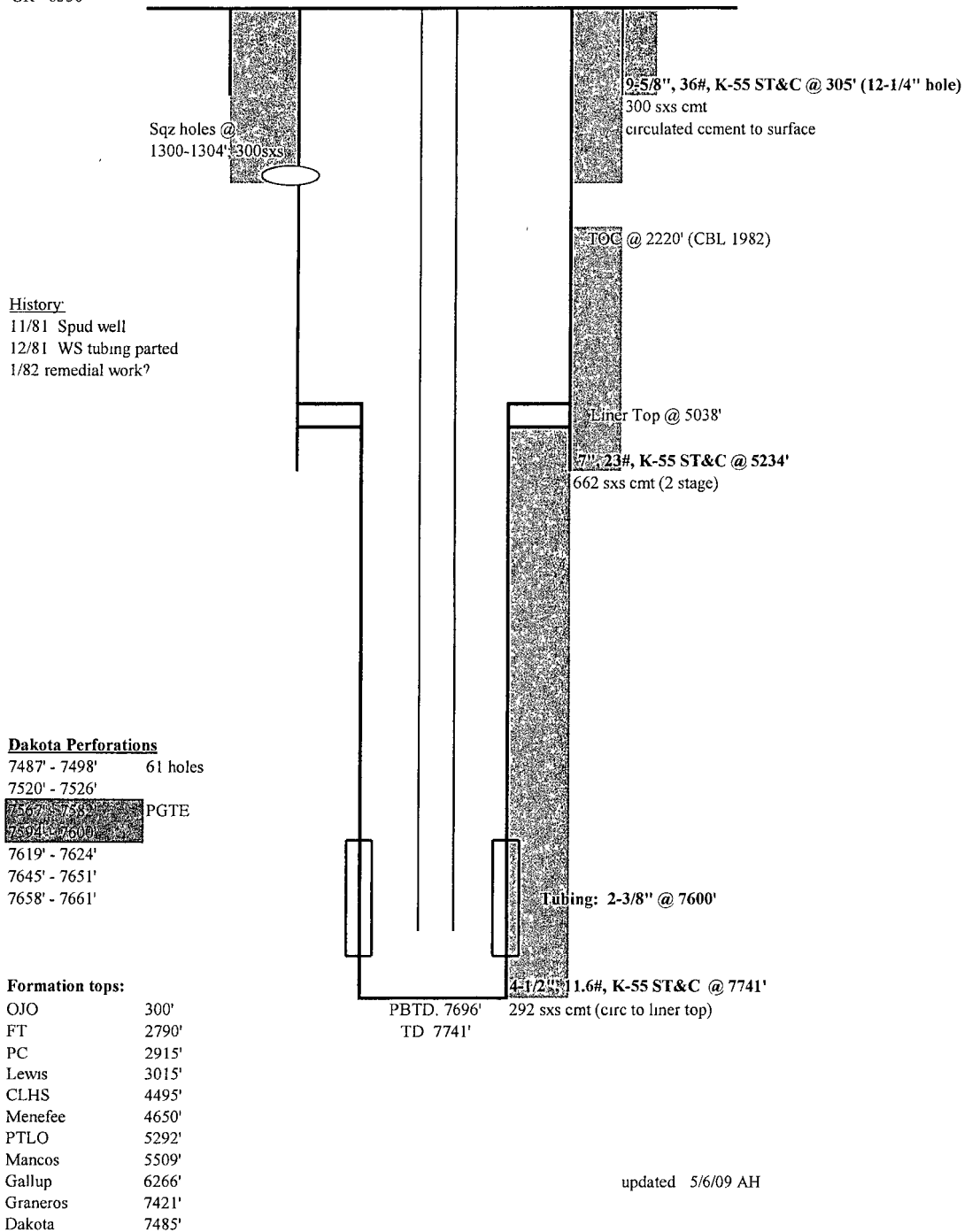
24. Ensure all reports are loaded into DIMS. Print out summary of work and place in Well file. Notify Sherri Bradshaw (326-9260) of completed P&A and Cherry Hlava.

Fields 1 E -DK

Sec 29, T32N, R11W

API # 30-045-24711

GR 6336'

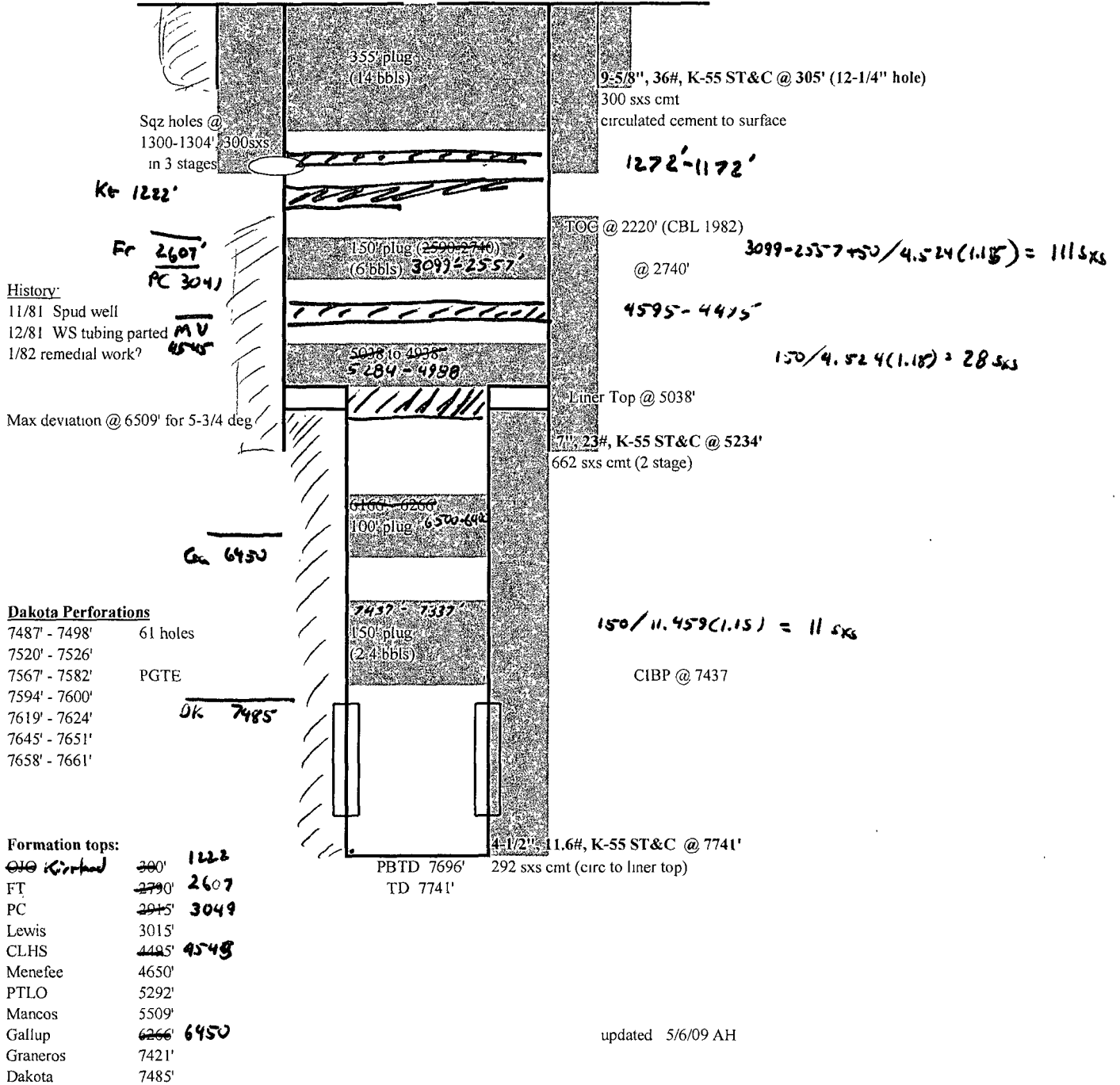


Fields 1 E -DK

Sec 29, T32N, R11W

API # 30-045-24711

GR 6336'



**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 1E Fields

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) 599-8907.

3. The following modifications to your plugging program are to be made:

- a) Place the Gallup plug from 6500' – 6400'.
- b) Place the 7' casing shoe/4 ½" Liner top plug from 5284' – 4988'.
- c) Place the Mesaverde plug from 4595' – 4495'.
- d) Place the Pictured Cliffs/Fruitland plug from 3099' – 2557'.
- e) Place the Kirtland plug from 1272' – 1372' inside and outside the 7" casing.

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.