

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.*

**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		5. Lease Serial No. NMSF078097
2. Name of Operator BP AMERICA PRODUCTION CO.		6. If Indian, Allottee or Tribe Name
Contact: CHERRY HLAVA E-Mail: hlavacl@bp.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 200 ENERGY COURT FARMINGTON, NM 87401	3b. Phone No. (include area code) Ph: 281-366-4081	8. Well Name and No. HEATON LS 23
4. Location of Well (Footage, Sec., T, R., M., or Survey Description) Sec 29 T31N R11W NESE 1650FSL 1125FEL 36.86729 N Lat, 108.00844 W Lon		9. API Well No. 30-045-20316-00-S1
		10. Field and Pool, or Exploratory AZTEC PICTURED CLIFFS
		11. County or Parish, and State SAN JUAN COUNTY, NM

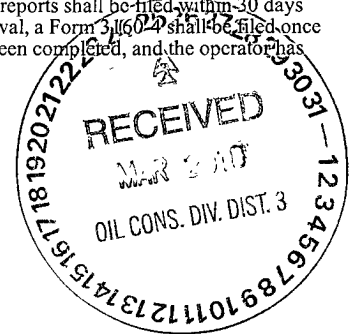
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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 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.)

Due to the lack of sufficient production to cover the cost of compression and lack of uplift associated with the compressor, BP respectfully request permission to P&A the entire wellbore of the above mentioned well.

Please see the attached plugging procedure.



14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #83032 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 03/24/2010 (10SXM0124SE)	
Name (Printed/Typed) CHERRY HLAVA	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 03/22/2010

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By STEPHEN MASON	Title PETROLEUM ENGINEER	Date 03/24/2010
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 \*\***

NMOCD 12 4/6

## Heaton LS 23 – PC PxA Procedure (Version 1)

### General Information:

Formation:	PC	Job Objective:	Plug and Abandon
Project #:		Date:	3/16/2010
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 McMahon	p. 505.326.9231	
Backup Engineer:			

### Well Information:

API Number:	30-045-20316
BP WI:	
Run #:	
Surface Location:	Sec. 29, T31N, R11W
Meter Number:	75913
Well FLAC:	
Cost Center:	
Lease FLAC:	
Restrictions:	N/A
Regulatory Agency:	BLM
Compressed (Y/N):	Y

### Production Data:

Tubing Pressure:	0 psi (was 45 psi)
Casing Pressure:	127 psi
Line Pressure:	242 psi
Pre-rig Gas Rate:	0 MCFD
Anticipated Uplift:	None
Water Rate:	
CO2 (%):	0.5 to 0.7%
H2S (PPM):	N/A
Gas BTU:	1199
Artificial Lift Type:	1-1/4" tubing

### Basic Job Procedure:

#### A) KEY 142

1. Set 1-1/4" CW plug with downhole stop in tubing from B&R
2. POOH 1-1/4", 2.33# IJ tubing @ 2526'
3. Set CIBP @ 2445'
4. Pressure test 2-7/8" casing
5. Run CBL
6. R/D

#### B) Coil Tubing unit

7. Cement 2445' to 1100' (CBL dependent)
8. Based on CBL cement over Kirtland and Ojo Formations (975' – 726') inside and outside
9. Perf @ 173' and cement surface plug from 173 to surface inside and outside.

### Safety and Operational Details:

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

### Well History:

The Heaton LS 23, originally completed as the Heaton 23 in 1968. The name was changed in 1985. In 1971, 1-1/4" tubing was installed into the wellbore.

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### 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 H<sub>2</sub>S 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 (B&R has CW plugs with downhole slip stops. Plugs will need to be set ~**2495'** (**since perf sub on bottom**). 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.
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 1-1/4" 2.3#/ft production tubing currently set @ **2526'** and lay down tubing.
14. RU e-line unit with a lubricator.
15. RIH with 2-7/8" gauge ring to top of perforations @ **2495'**.
16. RIH with 2-7/8" CIBP and set at **2445'** and load hole with fluid and pressure test **2-7/8"** casing. If no fluid or pressure loss is apparent. If fluid loss, contact engineer for remedial procedure.
17. Run CBL.
18. RD e-line unit.

19. RD rig.

#### COIL TUBING PROCEDURE:

20. Hold pre-job safety meeting and discuss all JSA's with all BP and third party personnel. The Pre-job safety meeting should cover: heavy lifts, pinch points, location hazards, pressure hazards, and proper PPE.

21. MIRU Coil-tubing unit.

22. RU CTU. If threaded tree flanges perform proper risk assessment for threaded connections. Use dual choke manifold or production choke for flow back. Fully function and pressure test BOP's to 250-psi low-pressure test, 1000-psi high-pressure test. If Shear Rams are not used in BOP stack, refer to local standard operating practice. Lubricator should be of adequate length to cover BHA. Dual flapper check valves should be run above BHA. If dual flapper check valves are not used a detailed and current assessment of risks, mitigations and contingency responses should be refer to, or a local standard operating practice.

23. RIH with coil-tubing to **2445'** and spot **1345'** (43.71 cu ft) of G-Class cement inside 2-7/8" casing from **2445' – 1100'**. This will cover the Picture Cliff and Fruitland Coal interval.

24. POOH to at least **600'**. Based on CBL results determine if remedial work needs to be completed. Pump a **249'** (8.09 cu ft- inside; **43.9** cu ft outside) of G-Class cement from **1026'-808' 1488' – 882'** on the **inside and outside of the 2-7/8" casing**. This will isolate the Kirtland and Ojo Alamo formation. POOH

25. Rig down coil unit.

26. 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 with pump in sub that can accommodate CBL and BOP. **Pressure test with water to 250 psi but not over 500 psi..**

27. RIH with perforating gun and shoot holes @ **173'**. RD wireline.

28. RU pump truck. Establish circulation. Once circulation is established, pump and circulate **59.7** cu ft cement from **173' to surface behind and inside 2-7/8" casing**. This will put cement around the bottom of the 8-5/8" surface casing shoe to surface and both inside and behind the 2-7/8" casing. POOH.

29. Perform underground disturbance and hot work permits. Cut off tree.

30. If cement cannot be seen on all annulus and casing strings remedial cementing will be required from surface.

31. Release coil tubing unit.

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

BP American Production Co.  
Federal Lease number: SF 078097  
Heaton LS 23  
API 30-045-20316  
Lease serial number: XXXX

1650 FSL, 1125 FEL  
San Juan, NM  
Dakota Formation  
Federal Lease number: NM 010989  
P&A date - TBD

33. RD and release all equipment. Remove all LOTO equipment.
34. 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.

### Heaton LS 23 - PC

Sec 29, T31N, R11W  
API # 30-045-20316

GL: 5973'

#### History

Spudded 7-1968  
Completed 8-1968  
1971 - installed 1-1/4" tubing  
1985 name change  
Compressor set on 1/2007  
Lateral has high line pressure - 225#  
Well s/I for separator repairs 10/07

Original name = Heaton 23

#### PC Perforations

2495-2515  
2525-2530

8-5/8", 24# J-55 @ 123'  
95 sxs cmt  
circulated cement to surface

TOC @ 1100' (TS)

1-1/4" 2.33# IJ 10rd tubing with perf joint on bottom @ 2526'

2-7/8", 6.4# J-55 @ 2636' (6-3/4" hole size)  
260 sxs cmt

TD 2636'

#### Formation tops:

Ojo	880'
Kirtland	975'
Fruitland	2025'
PC	2586'

updated 2/12/08

# Heaton LS 23 - PC

Sec 29, T31N, R11W

API # 30-045-20316

GL: 5973'

## History:

Spudded 7-1968  
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1971 - installed 1-1/4" tubing  
1985 name change  
Compressor set on 1/2007  
Lateral has high line pressure - 225#  
Well s/I for separator repairs 10/07

Original name = Heaton 23

Ojo 858'  
K+ 976

Fr 2108'

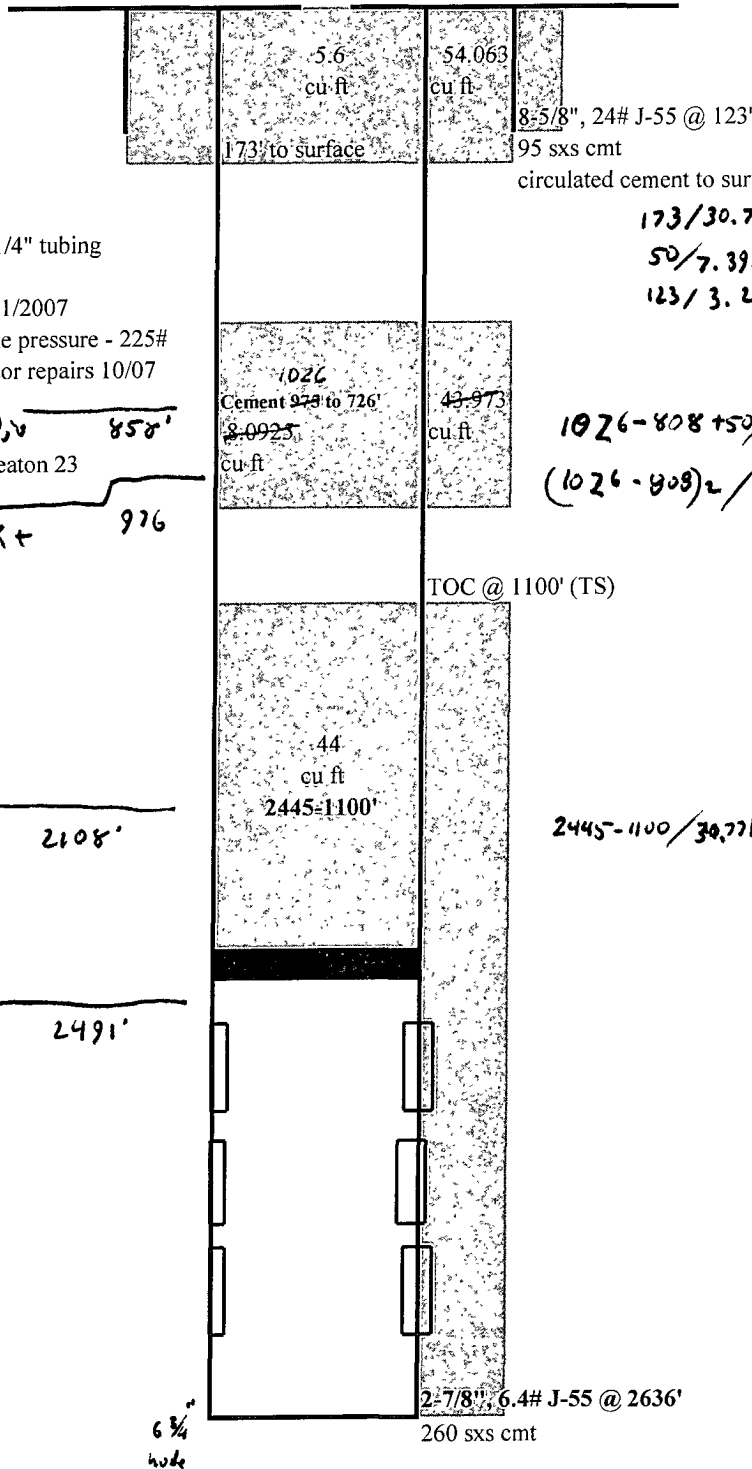
PC 2491'

## PC Perforations

2495-2515  
2525-2530

## Formation tops:

Ojo 880' 855  
Kirtland 975'  
Fruitland 2025' 2108  
PC 2491'



8-5/8", 24# J-55 @ 123'  
95 sxs cmt  
circulated cement to surface

$$\begin{aligned} 173/30.771(1.15) &= 5.6 \text{ SKS} \\ 50/7.3937(1.15) &= 6.5 \text{ SKS} \\ 123/3.2(1.15) &= 33.5 \text{ SKS} \\ &= 44.5 \text{ SKS} \end{aligned}$$

$$\begin{aligned} 1026-808+50/30.771(1.15) &= 8.5 \text{ SKS} \\ (1026-808)/7.3939(1.15) &= 5.1 \text{ SKS} \end{aligned}$$

$$2445-1100/30.771(1.15) = 38 \text{ SKS}$$

TD: 2636'

updated: 2/12/08

**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: 23 Heaton LS

**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 Kirtland/Ojo Alamo plug from 1026' – 808' inside and outside the 2 7/8" 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.