Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010 5. Lease Serial No.

	Do not use th	NOTICES AND REPO nis form for proposals to ell. Use form 3160-3 (AF	drill or to r	e-enter an			
=	SUBMIT IN TR	IPLICATE - Other instru	ctions on re	verse side.		7. If Unit or CA/Agre	ement, Name and/or No
-	1. Type of Well ☐ Oil Well ☐ Gas Well ☒ Oi	ther: COAL BED METHAN	 IE			8. Well Name and No	<u> </u>
_	2 Name of Operator BP AMERICA PRODUCTION	Contact:	CHERRY H	LAVA		9. API Well No. 30-045-30277-0)0-S1
_	3a. Address PO BOX 3092 HOUSTON, TX 77253		3b. Phone N Ph: 281.3	lo (include area cod 66.4081	e)		
_	4. Location of Well (Footage, Sec., 7	T., R., M., or Survey Description	1)			11. County or Pansh,	and State
	Sec 22 T29N R12W SENW 2	030FNL 2440FWL				SAN JUAN CO	JNTY, NM
- 14 14 14.	12. CHECK APP	ROPRIATE BOX(ES) TO	O INDICATI	E NATURE OF 1	NOTICE, REI	PORT, OR OTHER	DATA
	TYPE OF SUBMISSION			F ACTION			
_	Nation of Lateut	Acidize	□ De	epen	Production	on (Start/Resume)	☐ Water Shut-Off
	☑ Notice of Intent	Alter Casing	□ Fra	cture Treat	Reclamat	ion	☐ Well Integrity
- + = 13	☐ Subsequent Report	Casing Repair	□ Ne	w Construction	☐ Recompl	ete	Other
T	Final Abandonment Notice	Change Plans	₽ Plu	g and Abandon	☐ Tempora	6 If Indian, Allottee or Tribe Name EASTERN NAVAJO 7. If Unit or CA/Agreement, Name NMNM78391M 8. Well Name and No. GALLEGOS CANYON UNIT 5 9. API Well No. 30-045-30277-00-S1 10. Field and Pool, or Exploratory BASIN FRUITLAND COAL 11. County or Parish, and State SAN JUAN COUNTY, NM PORT, OR OTHER DATA On (Start/Resume)	_
0		Convert to Injection	Plug Back Water I			sposal	
	If the proposal is to deepen direction Attach the Bond under which the wo following completion of the involved	ally or recomplete horizontally, rk will be performed or provide to operations. If the operation repandonment Notices shall be fil inal inspection.) ks the ability to flow and livell & request permission procedure.	give subsurface the Bond No. c sults in a multip ed only after all mited remain	e locations and measing file with BLM/BIA le completion or recorded requirements, including reguirements, including reserves. BP to	ured and true ver A. Required subs ompletion in a ne ding reclamation,	cical depths of all pertin equent reports shall be winterval, a Form 3160	ent markers and zones. filed within 30 days 0-4 shall be filed once
1		true and correct. Electronic Submission #/ For BP AMERICA nmitted to AFMSS for proce	PRODUCTIO	N CO, sent to the	Farmington		
_	Name (Printed/Typed) CHERRY	HLAVA		Title AGENT			
	Signature (Electronic S	ubmission)		Date 03/23/20	010		
-		THIS SPACE FO	R FEDERA	AL OR STATE	OFFICE USI		
A	approved By STEPHEN MASON			TitlePETROLE	UM ENGINEE	R	Date 03/24/20

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.

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



BP - San Juan Wellwork Procedure

GCU 562

General Information:				
Formation:	FC	Job Objective:	Plug & Abandonment	
Project #:	To be provided	Date:	March 22, 2010	
Engineer:	Nona Morgan	p. 281.366.6208	c . 713-890-2002	
Production Contact:	Andy Prada	p. 505-326-9200	c. 505-793-7994	
Optimizer:	Butch Stavely	p . 505-326-9250		
Lead Tech.	Travis Bandy	p . 505-326-9227	c . 505-486-0982	

wen mic	milauon.	Floud	Juon Data.
API Number:	30-045-30277	Tubing Pressure:	N/A
BP WI:		Casing Pressure:	80 psi
Run #:		Line Pressure:	150 psi
Lease FLAC:		Pre-rig Gas Rate:	<20 MCFD
Well FLAC:		Anticipated Uplift:	0 MCFD
Surface Location:	Unit F - Sec 22 - T29N - R12W	Water Rate:	N/A
GPS Coordinates	Lat. 36.71385 Long 108.08717	CO2 (%):	0.8619%
Meter#	98147	H2S (PPM):	none
Cost Center:		Gas BTU:	1071
Compressed (Y/N):	Υ	Specific Gravity	0.6082
Restrictions:	N/A	Artificial Lift Type:	Beampump
Regulatory Agency:	BLM & NMOCD		
	Budget and Work	Order Information	
Rig Budget:		_ Total AFE Amount	t:
P&C Budget:		Work Order #	<u> </u>
Swabbing Budget:			

Basic Job Procedure:

- 1. MIRU and make connections.
- 2. Set plugs. NU BOPS. Test
- 3. Tag Fill. Cleanout wellbore
- 4. Isolate wellbore to check casing integrity
- 5. Run CBL of 4-1/2" casing & consult w/ NMOCD
- 6. Set cement plugs to isolate intervals.
- 7. Install markers.
- 8. Rig down move out. Restore location

Safety and Operational Details:

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

- No history of Bradenhead issues found in DIMS
- · No known restrictions or permits required
- Venting and

ations are still effective until further direction is provided

by the Wells Team. These guidelines are provided in the documents below for requirements related to breaking connections and BOP equipment testing:

Normal Operating Procedures:

- ADM 5102 Preliminary Well Work Checklist
- INS 8908-00 Power Down Automation
- NOP 7805-00 Procedure for Lockout / Tagout for GCU
- NOP 7801-00 Operating Policy for Simultaneous Operations
- NOP 7803-01 Procedure For At Risk Well Locations
- NOP 7804-01 Wellbore Air Purge
- NOP 7809-00 Spill Reduction Procedure for Wells Team
- NOP 7811 Site Security for Well Operations
- NOP 7812-01 Under Balanced Well Control Tripping
- NOP 7813 San Juan Asset Rig Anchor Safety Plan
- NOP 7814-02 Procedure for Flowback Operations
- DWOP Drilling and Well Operation Policy
- Dispensations SJPU and SJS DWOP Dispensations
- Rig Schedule SJS Workover / Completion Tentative Rig Schedule NOP-7803-01

Dispensations:

- Section 9.4.1 (Issue #5, May 2003) Document #K5500000267; Stripping rubber to be used instead of Hydril / Annual Preventer.
- Section 24.2 (Issue #5, May 2003) Document #K5500000261; No dual mechanical barriers in annulus during all well servicing.
 Continuous monitoring of wellbore pressures is required during servicing.

<u>Well History:</u> Spud Date 09/2000. Well Serv 5/2007 – Tag fill. 13' of fill. C/O, run tubing & land @ 1577'. Run new pump and sinker bars.

Completion Information

End of Tubing:	1577'	Tubing Size	2-3/8"
Liner Size and Top:	N/A	Casing size	4-1/2"
PBTD:	1595'		

Current Status – Well is shut in and unable to produce. It makes very little fluid, which can be pumped off, but the reservoir pressure is too low to provide any gas flow for any consistent production and continuously run the compressor, thus normally remains shut in. A workover was done in 2007, but no benefit was observed. In this area, the Fruitland and PC gas appears to be the same. There are four other PC wells in the area and this well can not compete with them. The remaining 4 wells should recover PC gas volumes.

Standard Site Preparations & Regulatory Notifications

- Notify the following Inspectors 48 hours before working on the well;
 - Charlie Perrin 505-334-6178 ext.11 or Kelly Roberts 505-334-6178 ext. 16 (NMOCD) Steve Mason 505-599-6364 (BLM)
- Perform pre-rig site inspection. Per Applicable documents, check for: size of location, (2) gas taps, (3) other wells, (4) other operators, (5) production equipment, (6) wetlands, (7) wash (dikes requirements), (8) H2S, (9) barriers needed to protect equipment, (10) landowner issues, (11) location of pits (buried or lines in pits), (12) raptor nesting, (13) critical location, (14) check anchors, (15) ID wellhead, etc.
 Allow 48 hours for One Call if earth pit is required.
- 3. Identify wellhead for proper flange connections and BOP equipment.
- 4. Work with GCU through CoW and w/P&S to develop a plan to move or temporarily relocate equipment that prohibits well servicing/plugging objectives.
- 5. Notify land owners with gas taps on well.
- 6. Perform and second site visit after lines are marked to ensure all lines locations are clearly marked and that Planning & Scheduling has stripped equipment and set surface barricades as needed.
- 7. Properly lock out/tag out any remaining production equipment. Ensure all necessary production equipment is isolated (LOTO) including, but not limited to the meter run, automation, and separator, etc.

Initial Well Checks & Preparations:

- Check gas H2S content and treat if the concentration is > or equal to 10 ppm/Treat for H2S, if necessary per H2S Wells NOTICE.
- 9. MIRU workover rig. Conduct lifting JHA and fill out permit for removing the Horse's head. Complete necessary paperwork and risk assessment.
- 10. Check and record tubing, casing and bradenhead pressures daily. BLOWDOWN BH pressure as required, especially if there is evidence of communication between the production casing and bradenhead or the well has a history of bradenhead pressure problems. Record pressure and notify engineer if BH pressure exceeds 50 psi or if there is any water or gas flow. Ensure production casing and bradenhead valves are double valved, if necessary. Follow guidelines as directed by DWOP. Double valve all casing strings as required. Check lock down pins on hanger.

11. Pressure test tree and hanger to 200 psi above SITP. Make up 3" flowback line, if necessary and blow down well. Kill with 2% KCL water or fresh water, as necessary. Check all casing strings to ensure no pressure exists on any annulus.

Tag Fill & Cleanout Wellbore

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

** Check H2S Levels as necessary**

- 12. RU slickline and set mechanical barriers plugs/bpv as necessary. Blowdown and kill casing strings. RD slickline.
- 13. Hold JHA and fill out permit for BOP critical lift. Test mechanical barriers as required, if well head has raised neck hanger and bonnet test connection.
- 14. Reference "No Dual Barrier in Annulus During All Well Servicing" dispensation. (Reference new DWOP guidelines) NU BOPs and diversion spool with 3" outlets and 3" pipe to the blow tank.
- 15. Pressure test BOPs to 250 psi on the low end and on the high range at 1500 psi.

Use approved "Under Balance Well Control Tripping Procedure". It *is acceptable* to use the USED tubing as workstring, if it appears to have good integrity based on normal inspection procedures. – WSL's discretion.)

16. RIH to top of perforations at 1318' w/ bit & scraper for 4-1/2" casing and scrape across of perforations to 1530'. TOH w/ scraper and RIH with bailer for 4-1/2" casing. Clean out to 1595'. POH. Or it may be necessary to cleanout using Air Package to 1595'. (Refer to Vendor's Clean out Procedures).

Take necessary precautions to guard against the presence of H2S if treatment done

- 17. RIH with 4-1/2" CIBP on workstring and set at 1268'.
- 18. Load hole and circulate out any produced fluids. Pressure test wellbore to 500 psi for 15 minutes. Monitor bradenhead for indications of communication while this is being done.
- 19. RU slickline and run Schlumberger CBL for 4-1/2" casing from 1268' to surface. RD slickline. Report casing load, cement quality, and pressure test results, bradenhead pressure and bleed details, and TOC to the BLM, NMOCD, and Production Engineer.

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Spot Plug Locations and Pump Cement to plug off Pictured Cliffs & Fruitland Coal intervals:

- 20. RIH with 2 2/3" open-ended workstring to 1268'. Spot 450' or ~106 sacks (**71 cu. Ft.**) of G-Class cement on top of CIBP from 1268'-815'. This will isolate the entire PCCF and FT Gas bearing productive intervals. WOC.
- 21. Based on 4-1/2" CBL forthcoming results, it will be determined if and where cement will be required behind casing to squeeze off the Pictured Cliffs Sandstone and Fruitland Coal productive intervals.

The next steps listed below assume the TOC behind the 4-1/2" casing is available in sufficient quantities to surface and will fully plug off the identified producing intervals from a depth of 1602' to surface. However, the order and detail of the next steps could change based on the casing pressure tests and CBL results. If necessary, a modified procedure that has been agreed upon by the NMOCD/BLM will be issued at that time to fully isolate and squeeze off any portion of the producing intervals where cement is found to be inadequate according to test reports. The engineer should be consulted throughout the plugging and abandonment procedures. All CBL and pressure test results will be reported to the onsite NMOCD and BLM representatives.

Set Cement Plugs to Isolate & Plug off Shallow Productive Zone: Ojo Alamo

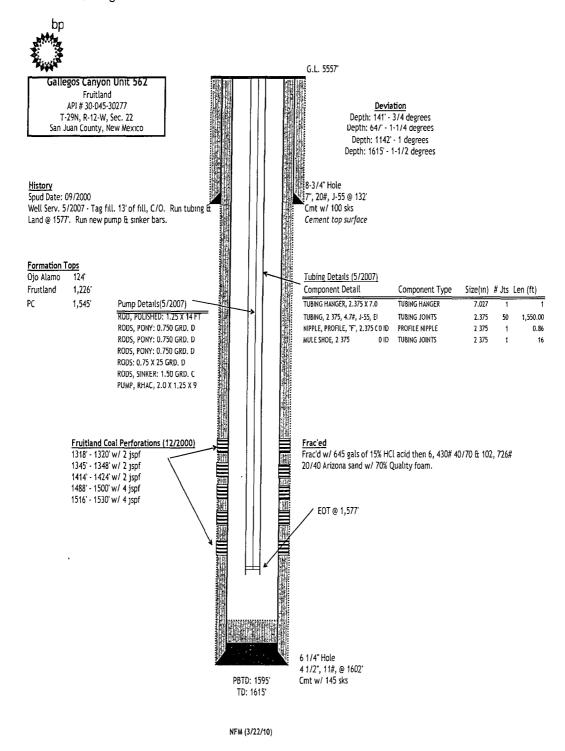
- 22. RIH w/ 2-3/8" workstring and 4-1/2" cement retainer and set @ 550'. POH.
- 23. RIH with 2-3/8" open-ended workstring to 500'. Spot 500' or ~118 sacks (**79 cu. Ft.**) of G-Class cement on top of cement retainer from 365' to surface. This will isolate the wellbore from the entire Ojo Alamo horizon to surface.
- 24. If CBL indicates no cement behind pipe across the Ojo interval, work with engineer to develop plans to perform a squeeze behind pipe from 365' to surface. A review with the Agency will then occur for their approval to proceed.

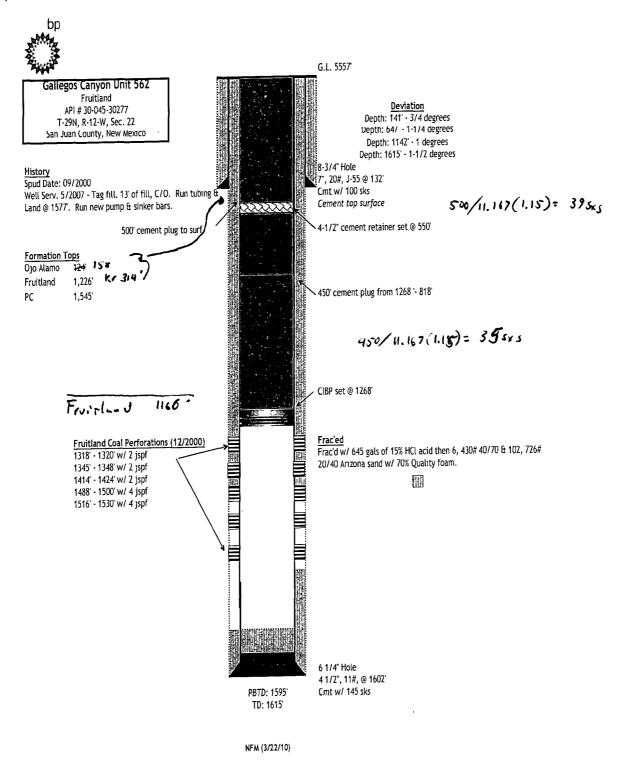
Final Plugging and Abandonment steps:

- 25. After completion of the above described or modified cementing procedures, If cement cannot be seen on all annulus and casing strings after removing wellhead, remedial cementing at the surface will be required.
- 26. Install 4' well marker and identification plate per NMOCD requirements.
- 27. RU slickline to remove all mechanical barriers and plugs. RD slickline.
- 28. RD service rig and release all equipment. Remove all Wells Team LOTO equipment.

29. Ensure all well work details and well bore equipment report are entered in DIMS. Print DIMS summary of work and wellbore diagram and put in well file. Notify Sherri Bradshaw and Cherry Hlava of completed P&A for final regulatory agency reporting and database clearing.
30. Submit work request to Planning and Scheduling to prepare location for reclamation and reseeding.

Current Wellbore Diagram





San Juan - San Juan South

Country: UNITED STATES County: SAN JUAN

Region: NORTH AMERICA State: NEW MEXICO

Event WORKOVER Event Start: 5/3/2007

Wellbore: OH Top TMD: 0.0 ft Bottom TMD: 0.0 ft

Orig KB Elev: 5,568 00 ft Ground Elev 5,557 00 ft 11 Oft

Bus Unit: NAG SPU District: FARMINGTON Event End: 5/4/2007 Asset: SAN JUAN SOUTH

Objective: TUBING REPAIR

KB to GL: Mud Line Elev: 0 00 ft Spud: 9/5/2000

Field: BASIN FRUITLAND COAL

Contractor: KEY

Tubing/CT/SS Components	Min ID	Тор	Wellsketch	Perf Interval / SPF / Phasing
1 - ROD, POLISHED: 1.25 X 14 FT		0.0 ft	Marie Commission	
1 - TUBING HANGER, 2.375 X 7.0625	1.995 in	10.0 ft		
50 - TUBING, 2 375 , 4 7#, J-55, EUE T+C	1 995 in	11 0 ft		
1 - RODS, PONY: 0.750 GRD D		14 O ft		
1 - RODS, PONY. 0 750 GRD D		16.0 ft	A	
1 - RODS, PONY: 0.750 GRD D		22 O ft		
59 - RODS: 0.75 X 25 GRD. D		30.0 ft		
		ľ		
			# 1	
	1	}		
				1,318.0 ft - 2,638.0 ft - 2 /ft - 120 0 °
				1,345.0 ft - 2,693 0 ft - 2 /ft - 120 0 °
	1 1		4444 4466	1,414.0 ft - 2,838.0 ft - 2 /ft - 120.0 °
			A- 4	,488.0 ft - 2,988 0 ft - 4 /ft - 120 0 °
2 - RODS, SINKER 1.50 GRD C		1,5050 ft	A A A A A	
			A A A	1,516.0 ft - 3,046.0 ft - 4 /ft - 120.0 °
			A A A A A A	
4 DUM DUAC 20V426V0		1,5550 ft		
1 - PUMP, RHAC, 2.0 X 1.25 X 9		1,5550 11	YYYYY YAYYY AAYAAA	
			A A	
			A A	
1 - NIPPLE, PROFILE , "F", 2 375 OD, 1.780 ID	1.780 in	1,561.0 ft	Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y	
			4	
1 - MULE SHOE, 2.375	1.995 in	1,561 9 ft	· Pangabyupupupupupupupupupupupupupupupupupupup	
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Strings/Assemblies in the Hole or 6/4/2007

GCU 562

Event:

WORKOVER

Wellbore: OH

Event Dates: 5/3/2007 to 5/4/2007

SURFACE CASING Top 10.00 ft, Status (NSTALLED) Install, Date: S06/2000 Bottom 131 7 ft Pull Date: S06 date?									
Component Details	Size	Jts	Length	Weight	Grade	Threads	Min ID	Cond.	Comments
CASING, 7", 20#, J-55, 8 RND NOTCHED COLLAR	7 000 in 7 000 in	3	121 03 ft 0 63 ft	20 00 lb/ft 0.00 lb/ft	J-55 J-55	ST+C ST+C	6 456 m 0.000 m	New New	CSG JTS NOTCHED CCL
PRODUCTION CASING 1.		Top Bottor	10.00 ft 1,602 8 ft		Status: uli Date	ĮNSTAĻLĘĎ Kņo data			
Component Details	Size	Jts	Length	Weight	Grade	Threads	Min ID	Cond.	Comments
CASING, 4-1/2", 10.5#, J-55 FLOAT COLLAR, 4-1/2" CASING, 4-1/2", 10.5#, J-55 CASING SHOE, 4-1/2"	4 500 in 4 500 in 4.500 in 4 500 in	36 1 1 1	1,550 79 ft 0.55 ft 40 92 ft 0 55 ft	10.50 lb/ft 0 00 lb/ft 10 50 lb/ft 0 00 lb/ft	J-55 N-80 J-55 N-80	8 RND ST& ST+C 8 RND ST& ST+C	0 000 m	New New New New	CSG FLOAT CCL CSG FLOAT SHOE
SUCKER RODS 100 0.00 ft Status INSTALLED Install Date 5042007 Bottom: 1,564 0 ft Pull Date 500 datas									
Component Details	Size	Jts	Length	Weight	Grade	Threads	Min ID	Cond.	Comments
ROD, POLISHED: 1 2\$ X 14 FT RODS, PONY 0 750 GRD D RODS, PONY 0 750 GRD D RODS, PONY 0 750 GRD D RODS 0.75 X 25 GRD D RODS 0.75 X 25 GRD D RODS, SINKER 1 50 GRD C PUMP, RHAC, 2 0 X 1 25 X 9	1 250 in 0 750 in 0 750 in 0 750 in 0 750 in 1 500 in 2.000 in	1 1 1 1 59 2 1	14 00 ft 2 00 ft 6 00 ft 8 00 ft 1,475 00 ft 50 00 ft 9 00 ft	#\d 00 0 b/ft #\d 00 0 #\d 00 0 #\d 00 0 #\d 00 0 #\d 00 0 #\d 00 0	D D D C	<i>7</i>	0.000 in 0.000 in 0.000 in 0.000 in 0.000 in 1.500 in 1.250 in	Gzznono	
PUMP, RHAC, 2 0 X 1 25 X 9 2.000 in 1 9 00 ft 0 00 lb/ft 1 250 in UT TUBING Install 108fe 5/4/2007 Fortom 1577 9 ft Pull Date fn data? Component Details Size Jts Length Weight Grade Threads Min ID Cond. Comments									
Component Details	Size	Jts	Length	Weight	Grade	Threads	Min ID	Cond.	Comments
component betting									