

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.
NMSF078096

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

☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.
MUDGE C 1E

2. Name of Operator

BP AMERICA PRODUCTION CO.

Contact: CHERRY HLAVA

E-Mail: hlavacl@bp.com

9. API Well No.

30-045-24719-00-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 9 T31N R11W NWNW 0815FNL 0740FWL
36.91756 N Lat, 108.00151 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

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☒ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

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 no further up hole potential for the above mentioned well, BP respectfully request permission to P&A the entire wellbore.

Please see attached P&A procedure.

RCVD JUL 13 10

OIL CONS. DIV.

DIST. 3

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

Electronic Submission #89112 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 07/12/2010 (10SXM0233SE)

Name (Printed/Typed) CHERRY HLAVA

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 07/07/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By STEPHEN MASON

Title PETROLEUM ENGINEER

Date 07/12/2010

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 **

NMOC



BP - San Juan Wellwork Procedure

Mudge C 1E- DK P&A Procedure (Version 1)

General Information:

Formation:	DK	Job Objective:	P&A
Project #:		Date:	6/28/2010
Engineer:	Jesse Gracia	p. 281.366.1946	c. 713-828-0715
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:	30-045-2471900
BP WI:	50%
Run #:	
Surface Location:	Sec. 9, T31N, R11W
Meter Number:	93777
Well FLAC:	
Cost Center:	
Lease FLAC:	
Restrictions:	N/A
Regulatory Agency:	BLM & NMOCD
Compressed (Y/N):	N

Production Data:

Tubing Pressure:	192 psi
Casing Pressure:	180 psi
Line Pressure:	167 psi
Pre-rig Gas Rate:	4 MCFD
Anticipated Uplift:	0 MCFD
Water Rate:	~ 1 BWPD
CO2 (%):	2.028
H2S (PPM):	N/A
Gas BTU:	1140
Artificial Lift Type:	Plunger

Basic Job Procedure:

1. POOH with 2 3/8" tubing.
2. Set CIBP over DK perforations
3. Run Log to determine TOC of 4-1/2" liner and 7" casing.
4. P&A well

Safety and Operational Details:

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

Well History:

The Mudge C 1E-DK was completed in 2/1981. A workover was performed in 12/2005 to cleanout fill.

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 NMOCD & BLM 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 OpenWells. 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. Pressure test lubricator and BOP to 250psi for 5 min and 500psi full test.
9. Retrieve plunger and plunger equipment. Two barriers will need to set in order to break containment – There are profile plugs downhole (X @ 7411' and F @ 7416'). Each time the lubricated connection is broken, it will need to be pressure tested for a quick 5 min test and document in OpenWells. 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. PQOH with 2-3/8" J-55 4.7#/ft production tubing currently set @ 7420'.

STOP and Contact engineering if tubing is stuck and cannot be pulled. Run free point to help make decisions regarding tubing cut.

14. TIH with scaper and bit for 4 1/2" casing down to 7200'.
15. RIH and set CIBP @ 7200'. Load hole with fluid bottom-up and pressure test 4-1/2" casing to 500 psi.
16. RU E-Line. (lubricator is not needed nor a pressure test) DWOP 15.4.4
17. Run logging tool from 7200' to surface inside of the 4-1/2" liner and 7" casing. Based on results, contact engineer for remedial work.

18. Place Class G cement plug on top of CIPB to P&A the DK.
(50' excess included)

- Capacity of 4 1/2" : 0.0873 ft3/ft
- Plug 100' → 9 ft3

→ Gallup plug 6452-6352'

19. Spot plug inside (and outside) 4 1/2" casing to P&A the MV section.
(50' excess included) 4448' - 4348'

- Capacity of 4 1/2" : 0.0873 ft3/ft

20. Spot plug inside (and outside) 4 1/2" casing to P&A the Chacra formation. 7" casing shoe.
(50' excess included) 3551' - 3425'

- Capacity of 4 1/2" : 0.0873 ft3/ft

21. Spot 100' plug inside 4 1/2" casing from 3355' to 3255' to cover the liner top.

- Capacity of 4 1/2" : 0.0873 ft3/ft
- Plug 50' → 5 ft3
- Capacity of 7" : 0.2210 ft3/ft
- Plug 50' → 11 ft3

22. Spot plug inside (and outside) 7" casing to P&A PC and Fruitland Formations.
(50' excess included) 2930' - 2380'

- Capacity of 7" : 0.2210 ft3/ft

Fruitland 1244' - 1144'

23. Spot 150' surface plug inside 7" (assuming cement to surface in 7" x 9 5/8" annulus)
315'

- Capacity of 7" : 0.2210 ft3/ft
- Plug 150' → 33 ft3

24. 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.**

25. Install well marker and identification plate per regulatory requirements. Dry hole marker should contain the following: (Please confirm with sundry notice)

BP American Production Co.
Mudge C 1E
API 30-045-24719
Unit letter D, Sec 9, T31N, R11W
815 FNL, 740 FWL
San Juan, NM
Dakota Formation
Federal Lease number: SF 078096
P&A date - TBD

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

27. Ensure all reports are loaded into OPENWELLS. Print out summary of work and place in Well file. Notify Sherri Bradshaw (326-9260) of completed P&A and Cherry Hlava.
28. 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.

Current

Mudge C #1E

T31N - R11W - Sec 9 - Unit D

API # 30-045-24719

6190' GR

History:

Spud 2/9/1981

workover 2005

Alternative names:

Mudge A 1 E

TOC @ surf (circ)

9 5/8", 36# @ 265'
w/ 250 sx cmt

TOL @ 3305'

7" 23# @ 3475'

w/ 500 sx cmt (circ to surface)

6537' 12 degrees

6737' 14 degrees

6831' 15 degrees

6941' 15 degrees

7328' 7.5 degrees

DK perforations

7249' - 7256', 2 SPF, 115,000# sand

7293' - 7298', 2 SPF, 115,000# sand

7342' - 7355', 2 SPF, 115,000# sand

7366' - 7369', 2 SPF, 115,000# sand

7387' - 7391', 2 SPF, 115,000# sand

7416' - 7420', 2 SPF, 115,000# sand

7452' - 7457', 2 SPF, 115,000# sand

TOC???

Tubing: 2-3/8" @ 7420'

X Nipple

F Nipple

4 1/2" 11.6#& 10.5# Liner @ 7485'

w/ 440 sx cmt (circ)

PBTD: 7467'

TD: 7487'

Formation tops:

Ojo Alamo	1033'
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Kirtland	1 140'
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FT 2350'

PC 2848'

Chacra 3900'

CLHS 4527'

Menefee 4643'

PTLO 5044'

Manana 5110'

G

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updated: 11/5/02 JG

Proposed

Mudge C #1E

T31N - R11W - Sec 9 - Unit D

API # 30-045-24719

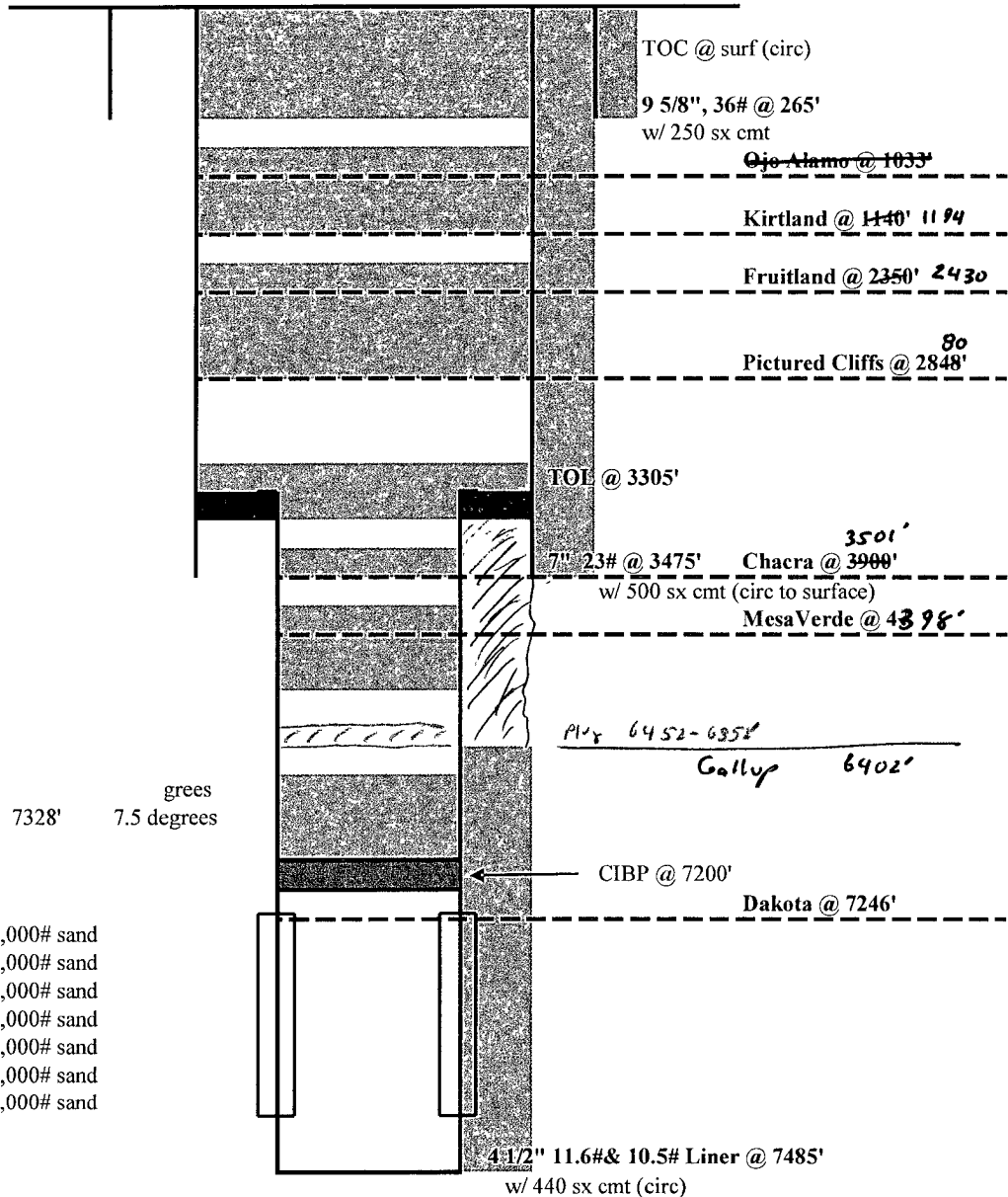
6190' GR

History:

Spud 2/9/1981
workover 2005

Alternative names:

Mudge A 1 E



DK perforations

7249' - 7256', 2 SPF, 115,000# sand
7293' - 7298', 2 SPF, 115,000# sand
7342' - 7355', 2 SPF, 115,000# sand
7366' - 7369', 2 SPF, 115,000# sand
7387' - 7391', 2 SPF, 115,000# sand
7416' - 7420', 2 SPF, 115,000# sand
7452' - 7457', 2 SPF, 115,000# sand

Formation tops:

Ojo Alamo	1033'
Kirtland	1140'
FT	2350'
PC	2848'
Chacra	3900'
CLHS	4527' 4398'
Menefee	4643'
PTLO	5044'
Mancos	5440'

updated: 11/5/02 JG

**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 Mudge C

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 a cement plug from 6452' – 6352' to cover the Gallup top.

b) Place the Mesaverde plug from 4448' – 4348'.

c) Place the Chacra/7" Casing Shoe plug from 3551' – 3425'

d) Place the Pictured Cliffs/Fruitland plug from 2930' – 2380'.

e) Place the Kirtland plug from ^{1144'}~~1478'~~ – ^{1244'}~~1228'~~.

f) Place the Surface plug from 315' to surface.

g) You are required to have H2S monitoring equipment and personnel on location during plugging operations.

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.