

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
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 page 2.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		MAY 06 2011		5. Lease Serial No. NM 58878
2. Name of Operator QEP ENERGY COMPANY		Farmington Field Office Bureau of Land Management		6. If Indian, Allottee, or Tribe Name
3a. Address 1050 17TH STREET, SUITE 500 DENVER, CO 80265		3b. Phone No. (include area code) (303) 672-6900		7. If Unit or CA. Agreement Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SW SE 490' 1765' 28 T 23N R 7W Long. -107.57707 FSL FEL		Lat. 36.19187		8. Well Name and No. FEDERAL L #1
				9. API Well No. 30-043-20825
				10. Field and Pool, or Exploratory Area ALAMITO GALLUP
				11. County or Parish, State SANDOVAL NEW MEXICO

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

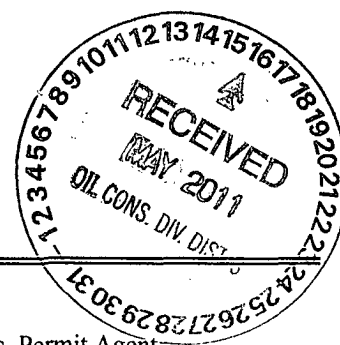
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input 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	

BP
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 or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the 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 Notice 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.)

QEP Energy Company (QEP) hereby proposes to repair a casing leak on the Federal L #1 well, as seen in the attached Casing Repair Procedure. Also attached is the current wellbore diagram.

In the event the casing repair is unsuccessful, QEP plans to P&A this well immediately following the attempted casing repair. A Notice of Intent Sundry proposing the P&A Procedure will be submitted under separate cover.

If you have any questions or concerns, please contact me at (303) 672-6916.



14. I hereby certify that the foregoing is true and correct. Name (Printed/ Typed) Sarah Boxley		Title Regulatory Affairs, Permit Agent
Signature <i>Sarah Boxley</i>		Date 5/4/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason	Title Office	Date MAY 10 2011
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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 any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

AV

CASING REPAIR PROCEDURE

May 2, 2011

Federal L #1

Alamito Gallup
490' FSL & 1765' FEL, Section 28, T23N, R7W
Sandoval, New Mexico, API #30-043-20825
Lat: 36.19187 / Long: -107.57707

1. Install and / or test rig anchors. Comply with all NMOCD, BLM and QEP Energy safety rules and regulations. Conduct safety meeting for all personnel on location. MOL and RU daylight pulling unit. NU relief line and blow well down; kill with 3% KCl water as necessary.
2. ND wellhead and NU BOP and stripping head; test BOP. TOH with the 2.375" tubing; note depth and quantity of scale or mud, if observed.
3. PU a 3.875" bit and 4.5" casing scraper and TIH. Install a SV in the SN and pressure test each row of tubing while TIH. Note: if tubing has paraffin, scale or mud inside, then do not run a SV until the tubing is clean; circulate well with 3% KCl water. Round trip the bit and scraper to PBTD, determine if any perforations are covered with fill. TOH and LD scraper.
4. PU a 4.5" RBP and TIH. Set the RBP at 4800'. Load the casing with 3% KCl and circulate well clean. Pressure test the casing to 600#, hold for 30 minutes.
5. If the casing leaks, RU WLU and run a Casing Inspection Log.
6. PU a packer and isolate the casing leak(s) – top and bottom hole.
7. Call A-Plus Office/QEP Representative for squeeze cementing instructions. May further isolate casing leaks by moving the RBP and packer. Note: **You must notify the BLM and NMOCD Agencies before doing any cement squeeze work.**
8. Repair casing leak(s) per instruction with Class B cement. WOC. Drill out cement and pressure test each leak zone to 500#. TOH with bit.
9. Notify the NMOCD and then pressure test the casing to 500# for 30 minutes; record this test on a chart. 1000 psi max spring + 2 hour clock setting.
10. Run a casing scraper and CO to RBP. Then circulate the well clean. TOH with scraper and TIH with the retrieving head (unloading well in 1500' stages if air package available). Release the RBP. TOH and LD RBP and retrieving head. If the perforations are covered with fill then clean out by circulating or bailing or blowing with air.
11. If scale was observed on the 2.375" tubing, consider acidizing the Gallup perforations with 1000 gallons 15% mud acid (with corrosion inhibitors, surfactant and iron additive). Let acid soak 2 to 3 hours before circulating or swabbing the well clean. TOH and LD bit.
12. Run production tubing per instructions provided by QEP. Land tubing at approximately 5000'. ND BOP and NU the wellhead.

If casing does test, then RD and MOL.

If casing does not test, then P&A the well.

Federal L 1

Sec. 28-T23N-R7W

Sandoval County, New Mexico

BHL: 490' FSL, 1765' FEL

GL = 6930

KB = 6942

TVD = 5387

by BCO Inc.

date: 7/19/88

Schematic - not drawn to scale

SURFACE CASING:

Casing Size	Weight (lb/ft)	Depth Set (MD)	Cementing Record (sacks)
8 5/8 "	23	212	155.00

Cement Job

8 - 5/8 " surface casing 219' to surface. 155 sacks Class B, 2% CaCL₂, 1/4 lb flocele per sack mixed at 15.6 lbs with a yeild of 1.18 or 183 cubic feet. Cement circulated to surface

PRODUCTION CASING:

Casing Size	Weight (lb/ft)	Depth Set (MD)	Plug Back TD (MD)	Cementing Record (sacks)
4 1/2"	11.6	5384	5296	1050

Cement Job

4 1/2 casing Cement from TD to surface. Lead cement was 900 sacks Class H pozmix A cement mixed with 3% gel, 12 1/2 pps gilsonite, 10% salt, 10 % calseal mixed at 13 ppg with a yield 1.78 cfps
The tail cement was 150 sacks Class H with 2% CaCL₂, 8 pps salt 1 1/2 pps flocele, 6 1/4 pps gilsonite mixed at 15.2 ppg.
ent circulated 65 bbls at surface.

TUBING:

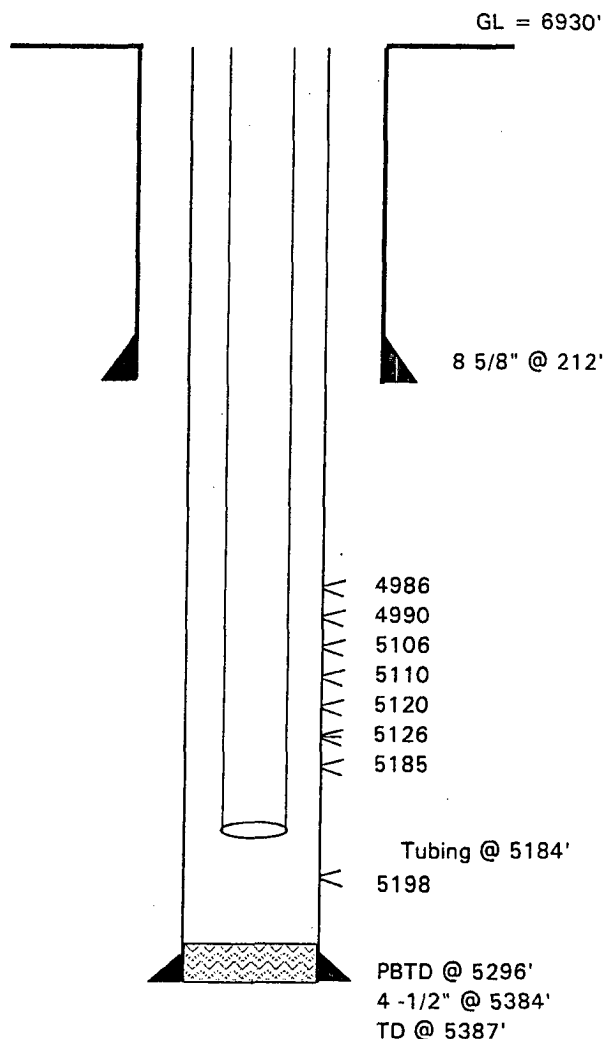
Tubing Size	Weight (lb/ft)	Depth Set (MD)
2 3/8"	4.7	5184

PERFORATION RECORD

Depth (MD)	Size (inches)	Number (SPF)
4986	0.39	1
4990	0.39	1
5106	0.39	1
5110	0.39	1
5120	0.39	1
5126	0.39	1
5185	0.39	1
5198	0.39	1

COMMENTS

November 93, pumped 210 gallons 15% FeHCl to treat producing formation.

**ACID/FRACTURE JOB**

800 gallons of 15% HCL 129,229 gal. of 70% quality foam
320000 lbs 20-40 sand with 2.3 MMscf N₂