

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTE

FORM APPROVED  
OMB NO. 1004-0137  
Expires March 31, 2007

54 Lease Serial No.

NMNM29276

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

SPARKPLUG RIDGE 1

17 FEDERAL

9. API Well No.

30-015-32271

10. Field and Pool, or Exploratory Area  
REDLAKE

11. County or Parish, State

EDDY

NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

SEP - 3 2008

2. Name of Operator

BP America Production Company

OCD-ARTESIA

3a. Address

P.O. Box 1089 Eunice NM 88231

3b. Phone No. (include area code)

575-394-1648

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

UL G, 2310 FNL &amp; 1650 FEL

SECTION 17, T18S, R27E

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 recompletable 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 recompletable 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 final site is ready for final inspection.)

1. MIRU PU. Bleed off any pressure to containment.
2. ND WH & install BOP.
3. POH with production tubing.
4. TIH w/ CIBP. Set CIBP @ 2900'. Load 5 1/2" csg with produced water. Test CIBP and csg to 500 psi.
5. Spot 300' cement plug on top of CIBP from 2900'-2600' using 30 sx Class C neat (Glorieta- Yeso plug and cover perfs at 2680')
6. TOH to 2590'. Circulate hole with mud laden fluid (9.5 ppg, 40 sec funnel viscosity minimum).
7. TOH to 600'. Spot 250' cement plug from 600'-450' using 26 sx Class C + 2% CaCl2. (Surface casing shoe). Test casing to 500 psi.
8. RU WL. Perforate 5 1/2" casing at 100' with 4 holes. Establish circulation down 5 1/2" casing and out 5 1/2" x 8 5/8" annulus. RD WL.
9. Cement 5 1/2" casing from surface to 100' and 5 1/2" x 8 5/8" annulus from 100' to surface using 20 sx Class C neat.
10. RD PU and clean location.
11. Dig out WH and cut-off casing heads to 3' below GL.
12. Install regulation dry-hole marker.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

ACCEPTED FOR RECORD

SEP 4 - 2008

Gerry Guye, Deputy Field Inspector  
NMOC District II ARTESIASEE ATTACHED FOR  
CONDITIONS OF APPROVAL14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Barry C. Price

Title

Area Operations Team Lead

Date 8/21/08

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

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.

AUG 28 2008

WESLEY W. INGRAM  
PETROLEUM ENGINEER

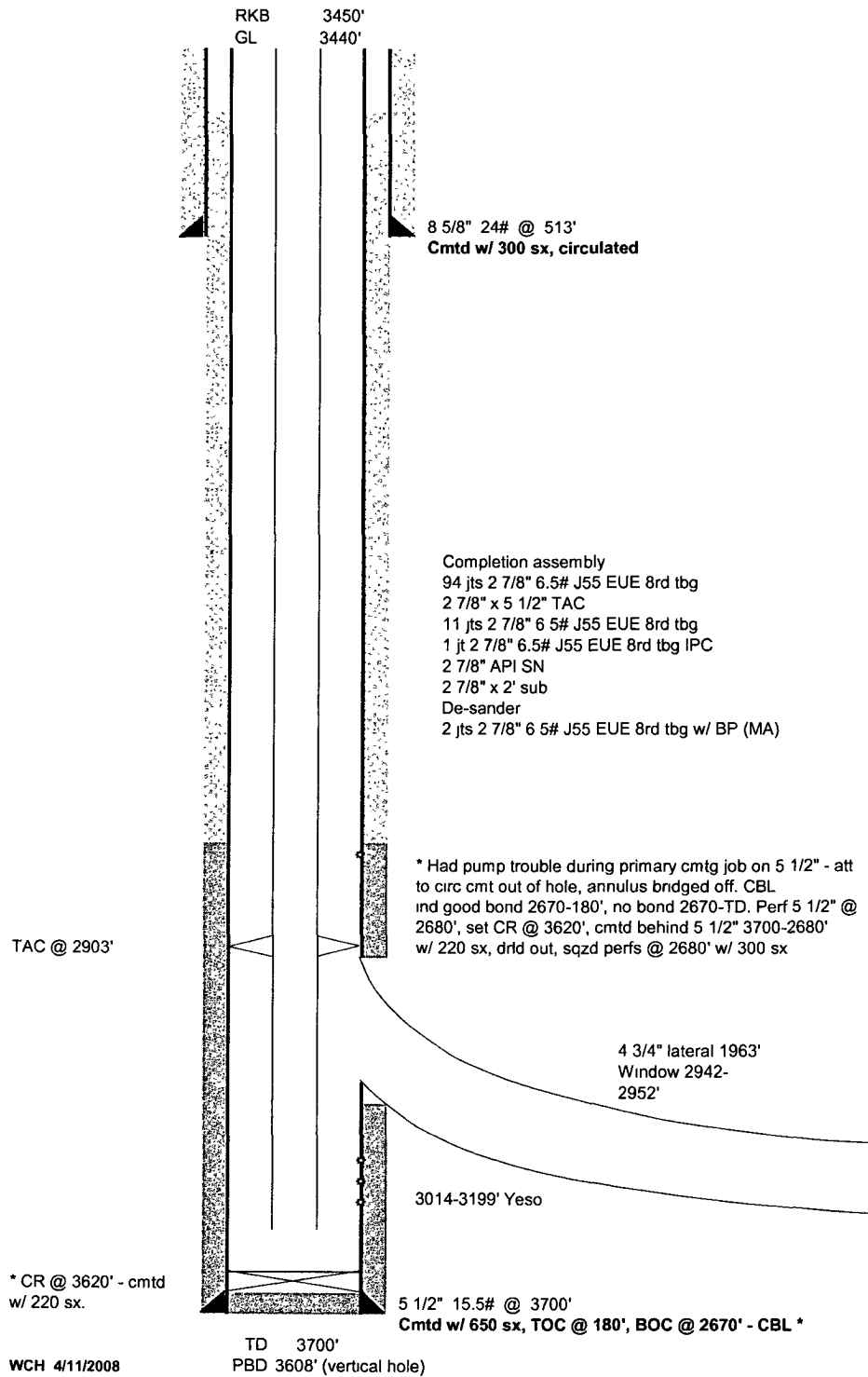
Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**Spark Plug Ridge 17 Federal #1**  
Red Lake (Glorieta-Yeso) Field

API No. 30-015-32271

2310' FNL & 1650' FEL  
Sec 17 - T18S - R27E  
Eddy County, New Mexico

**Current Status**

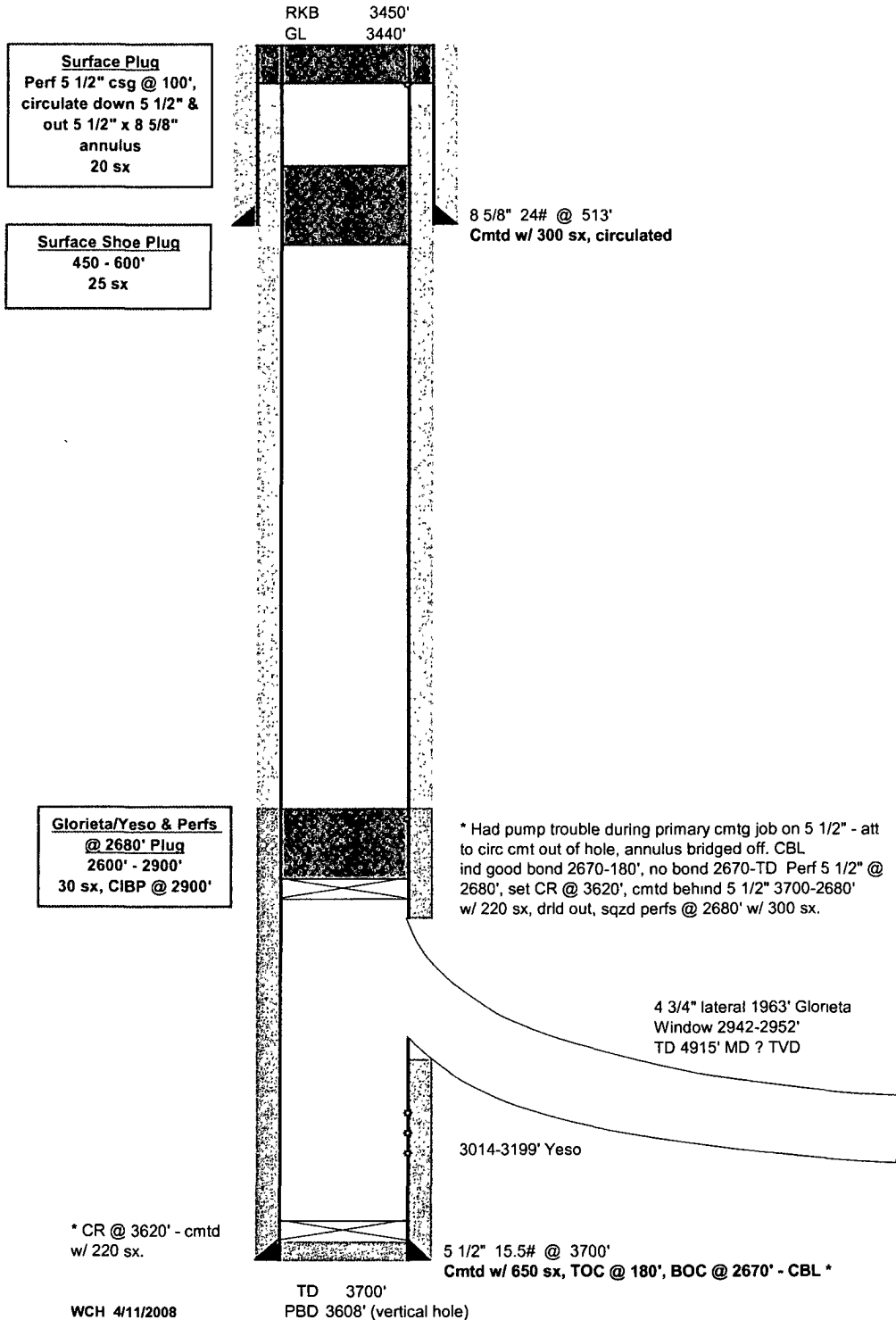


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**Red Lake (Glorieta-Yeso) Field**

API No. 30-015-32271

2310' FNL & 1650' FEL  
 Sec 17 - T18S - R27E  
 Eddy County, New Mexico

**Proposed P & A**



**Sparkplug Ridge 17 Fed 1  
BP America Production Co.  
30-015-32271  
August 28, 2008  
Conditions of Approval**

**Steps in the following conditions reference the numbered steps in the proposed procedure.**

- 1. Prior to setting CIBP at 2900' (step 4), cement is to be placed on the cement retainer at 3620'. If bailed 35', if pumped 25 sacks.**
- 2. Circulate hole with mud laden fluid and then set CIBP at 2900'.**
- 3. Prior to spotting the cement in step 5, tag CIBP set in step 4 and record depth.**
- 4. Plug from 2900-2600' will need to be tagged to verify that it is covering the squeezed perforations at 2680'. Tag should be at 2600' or shallower.**
- 5. Additional plug required from 1170' – 1060' to protect water formations above 1120'.**
- 6. In step 7; plug to be tagged at 450' or shallower. Tagging is recommended since actual depth will be recorded.**

**WWI 082808**

**BUREAU OF LAND MANAGEMENT**  
**Carlsbad Field Office**  
**620 East Greene Street**  
**Carlsbad, New Mexico 88220**  
**575-234-5972**

**Permanent Abandonment of Federal Wells**  
**Conditions of Approval**

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

**If you are unable to plug the well by the 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.**

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.