

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-045-21147
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator BP America Production Company - Attn: Mary Corley		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 3092 Houston, TX 77253		7. Lease Name or Unit Agreement Name Candeleria Gas Com
4. Well Location Unit Letter <u>A</u> : <u>870</u> feet from the <u>North</u> line and <u>830</u> feet from the <u>East</u> line Section <u>18</u> Township <u>29N</u> Range <u>09W</u> NMPM <u>San Juan</u> County		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>5552' GR</u>		9. OGRID Number <u>000778</u>
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Aztec Pictured Cliffs
Pit type <u>Workover</u> Depth to Groundwater <u>>100'</u> Distance from nearest fresh water well <u>>1000'</u> Distance from nearest surface water		
Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☒ PLUG AND ABANDON ☒
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

BP request permission to Restore Production to the above mentioned well or P&A the wellbore.

Please see attached Well Work Procedure.

Construct a lined workover pit per BP America – San Juan Basin Drilling/ Workover Pit Construction Plan issued date of 11/17/2004. Pit will be closed according to closure plan on file.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Cherry Hlava TITLE Regulatory Analyst DATE 07/13/2005
Type or print name Cherry Hlava E-mail address: hlavac@bp.com Telephone No. 281-366-4081

For State Use Only
APPROVED BY: H. Villanueva TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 50 DATE JUL 18 2005
Conditions of Approval (if any):

SJ Basin Well Work Procedure

Well Name: Candelaria GC 1

Date: July 5, 2005

Repair Type: Test Flow / P&A

Objective: Restore Production or P&A of wellbore.

1. TOH with completion.
 2. Ensure wellbore is clean of obstructions (cleanout).
 3. Test flow well if good restore to production, if not step 4.
 4. Pump cement plugs and remove wellhead.
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Location: T29N-R9W-Sec18

API #: 30-045-21147

County: San Juan

State: New Mexico

Horizon: PC

Engr: Anne Fickinger

ph (505) 326-9483

mobile: 713-823-4280

fax (505) 326-9251

Procedure:

1. Perform pre-rig site inspection. Check for: size of location, Gas Taps, other wells, other operators, running equipment, wetlands, wash (dikes req.), H2S, barriers needed for equipment, Landowner issues, location of pits (buried lines in pits), Raptor nesting, critical location, check anchors. Check ID wellhead; if earth pit is required have One Call made 48 hours prior to digging.
2. Perform second site visit after lines are marked to ensure all lines clear marked pit locations. Planning and scheduling to ready location for rig.
3. RU slickline unit or wireline unit. Pressure test lubricator and equipment. RIH and set **two** barriers (CIBP, tbg collar stop w/plug, or plug set in nipple) for isolation in tubing string.
4. Check and record tubing, casing, and bradenhead pressures. Ensure production casing has double casing valves installed. Double valve all casing strings.
5. Notify BLM and NMOCD 24 hours prior to beginning operations. Based on the results of the flow test this could be a restore to production or a P&A operation.
6. MIRU workover rig. LOTO all necessary equipment including but not limited to: meter run, automation, separator, and water line.
7. Blow down well.

8. Check all casing strings to ensure no pressure exist on any annulus. **The operations of removal of wellhead and installation of BOP's will be performed under a dispensation for one (1) barrier on the backside.**
9. Nipple down Wellhead. NU BOPs and diversion spool with 3" outlets and 3" pipe to the blow tank. Pressure test BOPs to 200 psi above BHP.
10. Install stripping rubber, pull tubing hanger and shut pipe rams. Strip tubing hanger out of hole.
11. TOO H and LD 1-1/4" production tubing currently set at 2042' (tubing has pin and saw tooth).
12. TIH with bit and scraper for 4-1/2" casing to PBTD at 2131' with approved barrier. Check the distance between the top of the blind rams and the length of the bottomhole assembly that is being run. If the BHA is too long then the well has to be top killed and monitored prior to opening blind rams. Work casing scraper down to and thru old Pictured Cliffs perforations (1972' - 2019'). POOH.
13. If necessary, rig up air package/unit, pressure test all lines (Testing procedure to be supplied from air company), TIH with tubing and bit for 4-1/2" casing. Cleanout fill to PBTD 2131'. Blow well dry. Reference Under Balanced Well Control Tripping Procedure.
14. Test flow well. See attached flowback chart for choke settings and minimum flow rates (page 5 of 5). If well flow **above** minimum flow rates proceed to step 15. If well **does not** flow at minimum flow rates proceed to step 23.

Restore well back to production

15. RIH with 2-3/8" production tubing (with muleshoe, F-nipple with plug, 4 ft pup, X-nipple with plug).
16. Land 2-3/8" production tubing at +/- 1990'. Lock down tubing hanger.
17. Pressure test tubing to 500 psi with air unit, make sure tubing spool valves are open. Care should be taken during pressure testing of the tubing due to potential problem caused if tubing parts close to the surface. Check all casing string for pressure. **The operations of removal of wellhead and installation of BOP's will be performed under a dispensation for one (1) barrier on the backside.**
18. ND BOP's. NU Wellhead. During Master valve placement ensure the top of hanger has spacer nipple in place to bottom of bonnet flange so plunger equipment will not hang up through tree. Pressure test Wellhead.
19. RU WL unit. Run gauge ring for 2-3/8" tubing. Pull plugs and set tubing stop for plunger. Communicate plunger equipment status to IC room personnel.
20. RD slickline unit.

21. Test well for air. Return well to production. RD and release all equipment. Remove all LOTO equipment.
22. Ensure all reports are loaded into DIMS. Print out summary of work and place in Wellfile. Have discussion with production about particulars of well when handing off the well file.

CONTACT STATE AGENCY PRIOR TO STARTING P&A WORK (NMOCD Charlie Perrin, 505-334-6178 x16)

P&A of wellbore

23. RIH with workstring and set CIBP just above PC perforations +/- 1920'. Load well with fluid. Pressure test casing. If casing doesn't test RIH with Retrievable plug and find hole in casing. Contact production engineer if squeezes are required. Once casing is tested, run CBL to verify TOC on 4-1/2" casing. If casing test, pump and displace 320' plug on top of CIBP (1920'-1600').
24. POOH to 1100'. Pump and displace a 350' plug from 1100' to 750'. This should put cement across the Ojo Alamo.
25. POOH to 266'. Pump and displace a 266' plug from 266' to surface'. This should put cement across surface casing shoe all the way to surface.
26. Perform underground disturbance and hot work permits. Cut off tree.
27. Install 4' well marker and identification plate per NMOCD requirements.
28. RD and release all equipment. Remove all LOTO equipment.
29. Ensure all reports are loaded into DIMS. Print out summary of work and place in Wellfile.

API: 30-045-21147

updated: 7/5/05 AF

1. Record SICP and SITP (during rig up and every morning), then record FTP and FCP hourly and before and after each choke adjustment
2. Begin flow on 3/4" choke to sustain 50+ psi WHP
3. Switch to 5/8" choke to remain above 50+ psi WHP
4. Repeat process on 1/2", 3/8", 1/4", and 1/8" chokes to remain above 50+ psi WHP
5. If 1/8" choke is installed and WHP drops below 50+ psi, continue to flow until well dies
6. Target gas rate is to remain above 40 mcf/d with 50+ psi WHP for duration of test