

April 29, 2004

Terracon
Consulting Engineers & Scientists

Mr. Michael H. Cochran
Chief, Geology Section
Kansas Department of Health and Environment
Bureau of Water
1000 S.W. Jackson, Suite 320
Topeka, KS 66612

2111 West Harry Street
Wichita, Kansas 67213-3299
Phone 316.262.0171
Fax 316.262.6997
www.terracon.com

Re: Well 5b (Deep Observation Well) Plugging
Former Amoco Ulysses Gas Plant
Ulysses, Kansas
Terracon Project No. 01027065

Dear Mr. Cochran:

BP America has completed plugging of Deep Observation Well 5b, located near Ulysses, Kansas. Attached is the completed KDHE form "Well Plugging Report," along with supporting documentation. Terracon observed and documented the well plugging operations, which occurred on March 31, 2004.

If you have any questions or comments regarding this information, please give us a call.

Sincerely,
Terracon

Prepared by:



Jim Bruggeman, P.G.
Senior Project Manager/Hydrogeologist

Reviewed by:



Kenneth C. Wallace, P.G.
Environmental Department Manager

N:\ENV\PROJECTS\2002\01027065\Letters Well Plug\KDHE5Bplugcovltr.doc

cc: Julia Lund, BP America

DIRECTIONS : FROM HWY 160 & HWY 25 JCT AT ULYSSES 7 W - 1 S - 3/8 W - S INTO

B P / ELDREDGE
PULL / RUN REPORT

WELL NAME OBSRVATION WELL 5 - B RIG 1 DATE 03 / 30 THRU 31 / 2004
COUNTY STANTON LEGALS NE / 4 05 - 29 - 38

TBG DATA KB ?

SIZE WT / FT THREAD TYPE
GRADE JOINT COUNT NONE PUPS NONE
TBG LANDED

ROD DATA

SIZE GRADE ROD COUNT NONE
PONY RODS
S/N TAILPIPE

PERFS

TOPS 1580
BOTTOM 1600

COMMENTS: MIRUSU. UNLOADED TUBING OFF OF TRUCK, SPOTTED IN OPEN
TOP TANK. MIRU HLS. RAN GAUGE RING TO 1550. RIGGED UP CIBP. SET CIBP
AT 1510. RIGGED DOWN HLS. RIGGED UP AND INSPECTED SBR. TRIP IN HOLE
WITH TUBING. SET TUBING AT 1508. MIRU HALLIBURTON. CIRCULATED
CEMENT TO TANK. TRIP OUT OF HOLE WITH TUBING. HAD HALLIBURTON
TOP WELL OFF WITH CEMENT. RIGGED DOWN HALLIBURTON. RIGGED
DOWN AND MOVED OFF.

-PBTB-

CREW EDDIE NEITO

@

CSG SET 1657
SIZE 7" WT/FT 23 GRADE
PBTB 1610
TD 1721
OPEN HOLE 1657-1721

RIG HOURS 20 HRS
RIG COST 3380.00

HALLIBURTON

SALES ORDER

Cement to PIA

Halliburton Energy Services, Inc.

Sales Order Number: 3003633

Sales Order Date: March 30, 2004

SOLD TO:

BP AMERICA PRODUCTION COMPANY
ATTN: SCANNING DEPT S646
PO BOX 22024
TULSA, OK 74121-2024
USA

Rig Name:

Well/Rig Name: BPAMERICA OBSERVATION WELL 5B, GRAN
Company Code: 1100
Customer P.O. No.: ZJPEO2FWSV
Shipping Point: Liberal, KS, USA
Sales Office: Mid-Continent BD
Well Type: Directional Oil
Well Category: Development
Service Location: 0037
Payment Terms: Net due in 20 days
Ticket Type: Services
Order Type: ZOH

SHIP TO:

BPAMERICA OBSERVATION WELL 5B, GRAN
OBSERVATION WELL
5B
ULYSSES KS 67880
USA

Material	Description	QTY	UOM	Base Amount	Unit Amount	Gross Amount	Discount	Net Amount
7528	PSL - CMT PLUG TO ABANDON - BOM JP115	1.00	JOB					
1	*ZI-MILEAGE FROM NEAREST HES 000-117 Number of Units	150.000	MI unit		4.05	607.50	400.95-	206.55
2	MILEAGE FOR CEMENTING CREW,ZI 000-119 Number of Units	150.000	MI unit		2.38	357.00	235.62-	121.38
16094	PLUG BACK/SPOT CEMENT OR MUD,ZI 009-019 / PLUGGING BACK/SPOTTING CMT/MUD,0- 4HRS ZI DEPTH FEET/METRES (FT/M)	1.000 1,550	EA FT		2,259.00	2,259.00	1,490.94-	768.06
16096	Plugging Back, EA ADD HR, ZI 009-027 / PLUGGING BACK/SPOTTING CMT/MUD,ADD HR ZI HOURS	1.000 1.00 2	EA hr HR		453.00 453.00	453.00 1359.00	298.98-	154.02
142	AXIAL FLOW MIXER, W/O ADC, /JOB, ZI 046-070 NUMBER OF JOBS	1.000 1	EA Job		555.00	555.00	366.30-	188.70
132	PORT. DAS W/CEMWIN;ACQUIRE W/HES.	1.000	JOB		916.00	916.00	604.56-	311.44

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Sales Order Number: 3003633

Sales Order Date: March 30, 2004

Material	Description	QTY	UOM	Base Amount	Unit Amount	Gross Amount	Discount	Net Amount
	043-030 NUMBER OF DAYS	1	Days					
7	ENVIRONMENTAL SURCHARGE,/JOB,ZI	1.000	JOB		66.24	66.24	43.72-	22.52
	000-130							
16104	LO TORC*VLV 2",W/HES 019-205 / LO TORC*VLV 2",W/HES,/DAY,5DAYS,ZI	1.000	EA	214.31	214.31	214.31	141.44-	72.87
	DAYS OR FRACTION (MINS)	1	Days					
16105	LEAD-OFF SWING,2",W/HES 019-306 / LEAD-OFF SWING,2",W/HES,/DAY,5 DAYS,ZI	1.000	EA	124.37	124.37	124.37	82.08-	42.29
	DAYS OR FRACTION (MINS)	1	Days					
16106	STL HOSE 2"W/HES 019-207 / STL HOSE 2"W/HES,/SECT,/DAY,5DAYS,ZI	2.000	EA		255.00	510.00	336.60-	173.40
	DAYS OR FRACTION (MINS)	5	Days					
16108	DISCHARGE LINE,2",W/HES 019-209 / DISCHARGE LINE,2",W/HES,5DAYS,ZI	40.000	EA	221.20	5.53	221.20	145.99-	75.21
	DAYS OR FRACTION (MINS)	1	Days					
96	*CMTG SWAGES,4.5"-6 5/8",0-5 DAY, 019-276	1.000	EA	482.00	482.00	482.00	318.12-	163.88
	DAYS OR FRACTION (MINS)	1	Days					
3993	BULK CEMENT BLOW HOSE,/DAY ZI 500-678	20.000	EA	181.00	9.05	181.00	119.46-	61.54
	DAYS OR FRACTION (MINS)	1	Days					
15075	SBM 40/60 POZ PREMIUM 504-137	350.000	SK		13.19	4,616.50	3,046.89-	1,569.61
100003682	CHEMICAL - BENTONITE (PER 100 LB) /// 506-121516.00259 / CHEMICAL - BENTONITE - HALLIBURTON GEL / BULK	6.000	SK		26.19	157.14	103.71-	53.43
3965	HANDLE&DUMP SVC CHRGS, 500-207	375.000	CF		2.47	926.25	611.33-	314.92

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Sales Order Number: 3003633

Sales Order Date: March 30, 2004

Material	Description	QTY	UOM	Base Amount	Unit Amount	Gross Amount	Discount	Net Amount
	NUMBER OF EACH	1	each					
76400	ZI MILEAGE,CMT MTL5 DEL/RET MIN 500-306 / MILEAGE,CMTG MTL5 DEL/RET PER/TON MI.MIN	783.000	MI		1.51	1,182.33	780.34-	401.99
	NUMBER OF TONS	1.00	ton					
45	SUGAR FOR STEEL PITS 019-000	10.000	LB		3.58	35.80	23.63-	12.17
SALES ORDER AMOUNT						13,864.64	9,150.66-	4,713.98
Sales Tax - State								86.02
SALES ORDER TOTAL								4,800.00
Total Weight: 31,650.00 LB								US Dollars

INVOICE INSTRUCTIONS:

OBSERVATION 5-B PO BOX 1598 LIBERAL KS 67905

Operator Name:
Customer Agent:

Halliburton Approval: X _____
Customer Signature: X _____



KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT

WELL PLUGGING REPORT
(Authorized by K.S.A. 65-171d)

Company Name: BP America Production Company	Type of Well: Former salt cavity storage well & deep observation well.
Company Address: 2225 W. Oklahoma Ave. Ulysses, KS 67880	Well No: 5B
	Permit No: None
Contact Person: Joe Eudey	Location: S 5 , T 29 S, R 38 E/W 720' FNL 2120' FWL
Phone: 620-356-1237	County: Grant
1. Surface pipe seat depth: 543 Size: 10 3/4" Cemented Interval: 0 to ~545' Production casing seat depth: 1661' Size: 7" Cemented Interval: 0 to ~1665' Total depth of well: TD 1728' PBD 1602'	
2. Reason for abandonment and plugging: Observation period has ended.	
3. Has all of the tubing been removed from the well from the base of the production casing to the surface? Yes If not, give explanation and indicate to what depth the production casing is clear of tubing and other obstructions.	

4. Describe plugging procedure:

Halliburton rig ran junk basket and gauge ring. Junk basket returns empty. Reviewed gauge ring data; selected depth for CIBP at 1510' based upon a previously run Cement Bond Log and gauge ring (collar locator). Set CIBP at 1510.'

Halliburton cementing crew begins rigging up, including lines to annular fluids tank. Confirm cement specs with Halliburton Supervisor. Workover crew begins running tubing into well, and tags CIBP. Halliburton configures wellhead equipment.

Began pumping cement. Observed cement returns in fluids tank approximately 20-minutes after cement pumping began. Pumped 263 sacks of 40/60 Poz Premium. Halliburton tears down wellhead equipment. Workover crew pulls tubing. Halliburton tops off casing with cement after tubing is removed.

Cement sat overnight. Welder on location to cut off flanged riser and weld steel plate over casing.

5. Plugging contractor: Halliburton

Plugging supervisor: John Woodrow

Date plugging commenced: 3/31/04

Date plugging completed: 3/31/04

6. A copy of the service company cementing report for this well plugging must be attached to this plugging report.

CERTIFICATION

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information. K.A.R. 28-46-22 requires this certification and that this report be signed by an executive officer of a level of at least Vice-President or other authorized signatory as described at the Code of Federal Regulations 40 CFR 144.32 in effect on April 1, 1993.

SENIOR PROJECT MANAGER/HYDROGEOLOGIST TERRACON

Title of Authorized Signatory

Company

JIM BRUGGEMAN, P. G.

Printed Name of Authorized Signatory

Jim Bruggeman

Signature of Authorized Signatory

4/29/04

Date