

ATP OIL & GAS CORPORATION

LEASE OCS-G 16661, WELL NO. A-1 MISSISSIPPI CANYON BLOCK 941

PROPOSED PROCEDURE

March 14, 2011

TOTAL DEPTH: 17,089' MD/14,444 TVD

CASING PROGRAM: 13.625" casing to 12,220' MD
7.625" x 10.750" Tieback 8,500' MD to surface
7.625" Tieback from 11,910' MD to surface
7.625" Liner from 11,910' to 17,089' MD
4.5" Tubing to 15,618' MD

PRESENT PERFORATIONS: Yellow "C" Sand
16,330 – 16,440' MD

Yellow "D" Sand
16,650' – 16,720' MD

LAST DAY OF PRODUCTION: **3/14/2011**
3/9/2011: SITP = 2652 psi, FTP = 1858 psi, 10,694 MCFD, 9974 BOPD, 598 BWPD

MASP: 4,772 psi

MAWP OF WELLHEAD: 10,000 psi

GENERAL DISCRIPTION OF OPERATIONS:

ATP was granted approval in 2010 to commingle the Yellow C and Yellow D Sands of MC 941 well #A-1. The subject well began producing water on February 24, 2011. The oil/water contact of the Yellow C Sand was logged downdip in the Vastar #1 ST1 well. The Yellow D Sand however was logged wet in the Vastar #1 ST1 well and therefore it is believed the water production is coming from the Yellow D Sand. The oil production from the Yellow C Sand, and the recoverable reserves, is being negatively affected by the water production from the Yellow D Sand. As a result, ATP respectfully requests approval to temporarily close the Yellow D Sand in MC 941 #A-1 by setting a wireline retrievable "PX" plug in the X-nipple located at 16,634' MD. When the Yellow C Sand begins producing water, we will perform a wireline intervention to retrieve the PX plug and go back to producing the commingled Yellow C & Yellow D Sands.

**BOEM
OCS-G 16661 Well No. A-1
Mississippi Canyon 941
Proposed Procedure**

3-14-11

Procedure:

1. Rig up wireline.
2. Test lubricator to 250 psi low and 5000 psi high.
3. RIH with wireline and set "PX" plug in X-nipple at 16,634' MD. POOH.
4. RIH with wireline and set prong in the "PX" plug at 16,634' MD. POOH
5. Since Yellow C Sand is open, there is no way to test the plug. Plug holding to be confirmed by flow test of the well.
6. Flowback the Yellow C Sand and confirm water free production.
7. Rig down wireline.
8. Turn well over to production.