

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**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.5. Lease Serial No.
NMSF - 078096

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.8. Well Name and No.
MUDGE B 209. API Well No.
30-045-1320810. Field and Pool, or Exploratory
BASIN DAKOTA & BLANCO MV11. County or Parish, and State
SAN JUAN COUNTY, NM

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
BP AMERICA PRODUCTION COMPANYContact: MARY CORLEY
E-Mail: corleyml@bp.com3a. Address
P.O. BOX 3092
HOUSTON, TX 772533b. Phone No. (include area code)
Ph: 281.366.4491
Fx: 281.366.07004. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 8 T31N R11W SWNE 1450FNL 1650FEL

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

TYPE OF SUBMISSION

TYPE OF ACTION

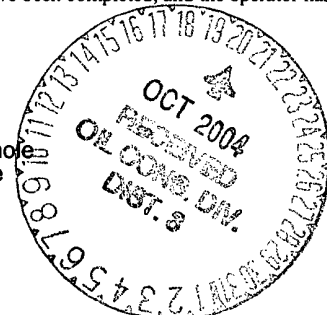
☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other
Subsurface Commingling

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 recompleate 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 recompleation 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 site is ready for final inspection.)

BP America Production Company request permission to recompleate the subject well into the Blanco Mesaverde and commingle production Downhole with the existing Basin Dakota as per the attached procedure.

The Basin Dakota (71599) and Blanco Mesaverde (72319) Pools are Pre-Approved Pools for Downhole Commingling per NMOC order R-11363. The working and overriding royalty interest owners in the proposed commingled pools are not identical, and therefore will be notified by copy of this application via certified mail return receipt requested.

Production is proposed to be allocated based on the subtraction method using the projected future decline for production from the Dakota. That production shall serve as a base for production subtracted from the total production for the commingled well. The balance of the production will



14. I hereby certify that the foregoing is true and correct.

Electronic Submission #36578 verified by the BLM Well Information System
For BP AMERICA PRODUCTION COMPANY, sent to the Farmington
Committed to AFMSS for processing by MATTHEW HALBERT on 10/13/2004 ()

Name of Titleholder: MARY CORLEY

Title: AUTHORIZED REPRESENTATIVE

Adhere to previously issued stipulations.

Signature (Electronic Submission)

Date: 09/23/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

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.

Office

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 to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED**

NMOC

Additional data for EC transaction #36578 that would not fit on the form

32. Additional remarks, continued

be attributed to the Mesaverde. Attached is the future production decline estimates for the Dakota.

Commingling Production Downhole in the subject well from the proposed Pools with not reduce the value of the total remaining production.

District I
1625 N. French Dr., Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-13208	² Pool Code 72319	³ Pool Name Blanco Mesaverde
⁴ Property Code 000906	⁵ Property Name Mudge B	⁶ Well Number 20
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation 6033'

¹⁰ Surface Location

UL or lot no. Unit G	Section 8	Township 31N	Range 11W	Lot Idn	Feet from 1450'	North/South North	Feet from 1650'	East/West East	County San Juan
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet	East/West	County
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A
NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

										¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Mary Corley Signature Mary Corley Printed Name Sr. Regulatory Analyst Title 09/23/2004 Date
										¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> 7/18/1960 Date of Survey Signature and Seal of Professional Surveyor: James P Leese 1463 Certificate Number

Mudge B #20
T31N – R11W – Sec 8 – Unit G
API # 30-045-13208

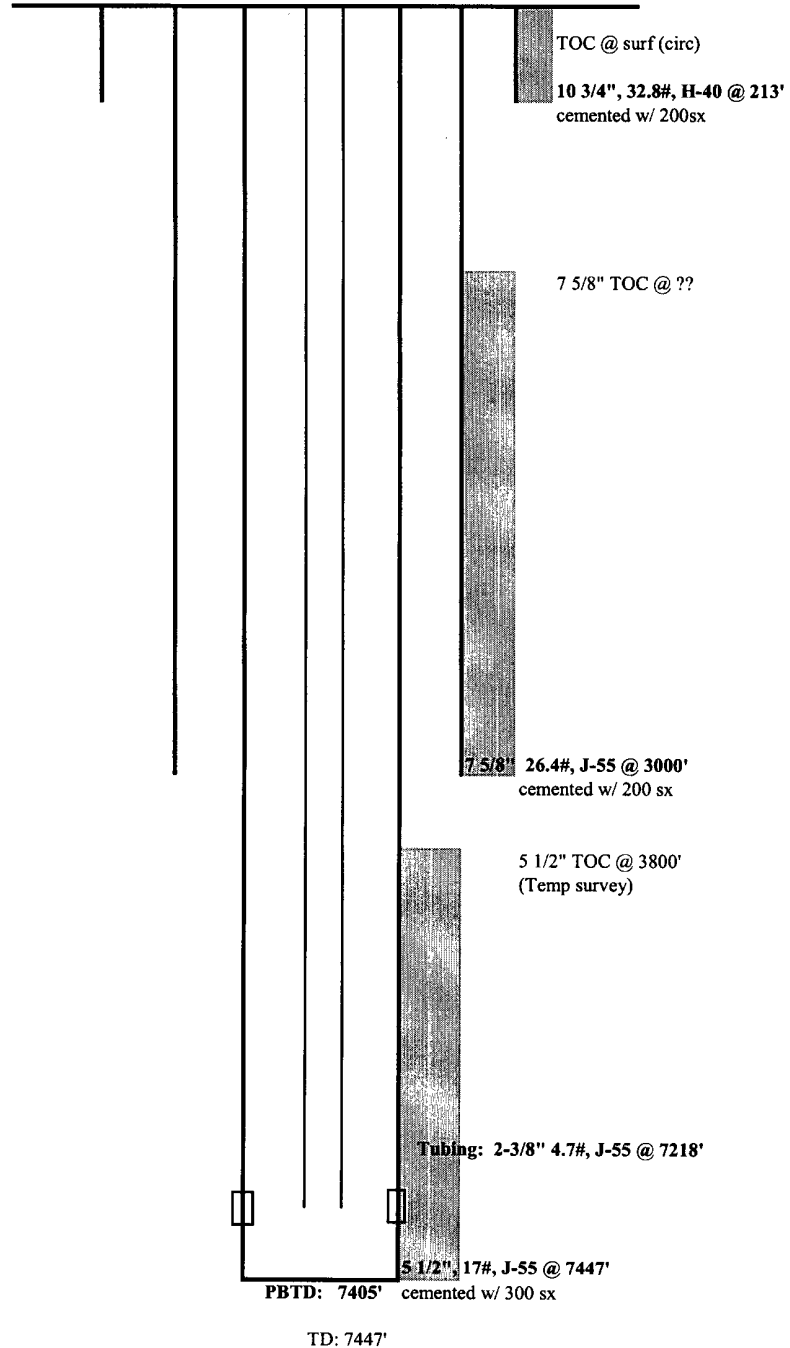
Objective: Recompletion to Mesaverde and downhole commingle with existing Dakota production.

1. Check anchors. MIRU workover rig.
2. Blow down well. Kill with 2% KCL water ONLY if necessary.
3. ND wellhead. NU BOPs.
4. TOH with production tubing.
5. TIH with bit and scraper and clean out to PBTD.
6. TIH and set bridge plug at least 30' above top perforation.
7. Pressure test bridge plug and casing. If casing fails to test contact engineer for squeeze procedure.
8. Correlate to log. TIH with casing guns and perforate Mesaverde formation.
9. RU frac equipment and frac down casing according to frac schedule. If casing failed to test then frac down frac string to prevent breaking down squeeze job.
10. Flowback frac immediately.
11. TIH with tubing and bit. Drill out bridge plug. Clean out fill and blow well dry at PBTD.
12. Rabbit tubing and TIH with production tubing.
13. Land production tubing at least 30' above bottom perforation.
14. ND BOPs. NU wellhead.
15. Swab down and run gauge ring for tubing.
16. Test well for air. Return well to production. RDMO workover rig.

Mudge B #20
T31N - R11W - Sec 8 - Unit G
API # 30-045-13208

History:
Spud 8-7-60

DK perforations
7130' - 7350'



Mudge B 20 Future Production Decline Estimate Dakota Daily Rates

9/23/2004

Month	Gas Volume
Jan-2003	35
Feb-2003	50
Mar-2003	55
Apr-2003	55
May-2003	54
Jun-2003	52
Jul-2003	55
Aug-2003	50
Sep-2003	47
Oct-2003	49
Nov-2003	46
Dec-2003	46
Jan-2004	46
Feb-2004	41
Mar-2004	120
Apr-2004	91
May-2004	76
Jun-2004	76
Jul-2004	75
Aug-2004	75
Sep-2004	75
Oct-2004	74
Nov-2004	74
Dec-2004	74
Jan-2005	73
Feb-2005	73
Mar-2005	73
Apr-2005	72
May-2005	72
Jun-2005	72
Jul-2005	71
Aug-2005	71
Sep-2005	71
Oct-2005	70
Nov-2005	70
Dec-2005	70

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 $Q_f = 46$
 $Q_i = 47$
 $rate = 46$
 $time = 3$
 $dt = -0.021506205$
 $decline = -0.329761813$

Month	Gas Volume
Jan-2006	69
Feb-2006	69
Mar-2006	69
Apr-2006	68
May-2006	68
Jun-2006	68
Jul-2006	67
Aug-2006	67
Sep-2006	67
Oct-2006	66
Nov-2006	66
Dec-2006	66
Jan-2007	65
Feb-2007	65
Mar-2007	65
Apr-2007	64
May-2007	64
Jun-2007	64
Jul-2007	63
Aug-2007	63
Sep-2007	63
Oct-2007	62
Nov-2007	62
Dec-2007	62
Jan-2008	61
Feb-2008	61
Mar-2008	61
Apr-2008	61
May-2008	60
Jun-2008	60
Jul-2008	60
Aug-2008	60
Sep-2008	59
Oct-2008	59
Nov-2008	59
Dec-2008	58
Jan-2009	58

Month	Gas Volume
Feb-2009	58
Mar-2009	57
Apr-2009	57
May-2009	57
Jun-2009	56
Jul-2009	56
Aug-2009	56
Sep-2009	55
Oct-2009	55
Nov-2009	55
Dec-2009	54
Jan-2010	54
Feb-2010	54
Mar-2010	53
Apr-2010	53
May-2010	53
Jun-2010	52
Jul-2010	52
Aug-2010	52
Sep-2010	51
Oct-2010	51
Nov-2010	51
Dec-2010	50
Jan-2011	50
Feb-2011	50
Mar-2011	49
Apr-2011	49
May-2011	49
Jun-2011	48
Jul-2011	48
Aug-2011	48
Sep-2011	47
Oct-2011	47
Nov-2011	47
Dec-2011	46
Jan-2012	46