

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

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. 30-045-31381
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator BP America Production Company		6. State Oil & Gas Lease No.
3. Address of Operator 501 Westlake Park Blvd. Houston, TX 77079		7. Lease Name or Unit Agreement Name State Gas Com BW
4. Well Location Unit Letter <u>E</u> : <u>1460</u> feet from the <u>North</u> line and <u>750</u> feet from the <u>West</u> line Section <u>32</u> Township <u>32N</u> Range <u>10W</u> NMPM County <u>San Juan</u>		8. Well Number <u>RCVD SEP 11 '14</u> IS
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6111'		9. OGRID Number 000778
		10. Pool name or Wildcat Basin Fruitland Coal OIL CONS. DIV. DIST. 3

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>			
CLOSED-LOOP SYSTEM <input checked="" type="checkbox"/>			
OTHER: <u>Deepen</u> <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

BP America Production Company respectfully requests permission to deepen the subject well. Although we believe the Blanco Pictured Cliffs will be non-productive in the well without fracture stimulation, per NMOCD's request BP will also pursue downhole commingling of the Basin Fruitland Coal & Blanco Pictured Cliffs formations.

The Basin Fruitland Coal (71629) & the Blanco Pictured Cliffs (72359) pools are pre-approved for DHC per NMOCD Case No. 12346; Order No. R-11363 effective 04/26/2000. The interest owners are not identical in the subject well therefore notification is required. Dugan Production is the working interest owner in the subject well and was notified Wednesday 09/03/2014. On Wednesday 09/03/2014 we received verbal approval from Dugan Production to proceed with Deepening and DHC operations on the subject well. Please see attached Land Letter.

BP will not perforate or hydraulic fracture the subject well in the Blanco Pictured Cliffs formation. The exposed Blanco Pictured Cliffs formation will be covered by an un-cemented liner and again will not be stimulated, but we have agreed with Dugan Production to allocate the potential production as: Blanco Pictured Cliffs= Oil 10%, Gas 10%, and Water 10%, and Basin Fruitland Coal= Gas 90%, Oil 90%, and Water 90%. The basis for this allocation is solely contributed to offset production.

*DHC 3909 A2

Commingling production downhole in the subject well from the proposed pools will not reduce the value of the total remaining production. Please see attached Deepening/DHC procedure, wellbore schematics & C-102 plats.

Spud Date: 07/20/2003

Rig Release Date:

File C104 for PC & if New wells added in FC file

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Toya Colvin TITLE Regulatory Analyst DATE 09/08/2014

Type or print name Toya Colvin E-mail address: Toya.Colvin@bp.com PHONE: 281-366-7148

For State Use Only

APPROVED BY: [Signature] TITLE Deputy Oil & Gas Inspector DATE SEP 17 2014

Conditions of Approval (if any):

PN



BP America Production Co. P.O. Box 3092
North American Gas - San Juan Houston, TX 77253-3092
281-366-2761 (direct) 501 West Lake Park Blvd.
281-366-0700 (fax) Houston, TX 77079

September 4, 2014

Ms. Toya Colvin – Regulatory Analyst
BP America Production Company
501 Westlake Park Blvd.
Houston, TX 77079

RE: State Gas Com BW 1S – Commingle Application
Section 32-T32N-R10W
San Juan County, NM
API #30-045-31381

Ms. Colvin:

I have reviewed BP America Production Company's division order records and other BP files concerning the above captioned well by comparing interest records for the Basin Fruitland Coal formation against the interest records for the Blanco Pictured Cliffs formation in the N/2 of Section 32-T32N-R10W. This review indicated that ownership in the Basin Fruitland Coal and Blanco Pictured Cliffs formations are as follows:

Basin Fruitland Coal – N/2 Section 32-T32N-R10W (320 acres)

BP America Production Company	87.50% WI
Dugan Production Co.	12.50% WI

Blanco Pictured Cliffs – NW/4 Section 32-T32N-R10W (160 acres)

BP America Production Company	75.00% WI
Dugan Production Co.	25.00% WI

Please contact me at x2761 if you have any questions concerning this topic.

Sincerely,

A handwritten signature in cursive script that reads "Craig A. Carley".

Craig A. Carley
Land Negotiator – San Juan Asset



State Gas Com BW 1S

30-045-31381

Unit letter E Sec 32, Town 32N, Range 10W
San Juan, NM
Fruitland Coal Formation

The purpose of this procedure is to outline the deepening and NMOCD requested downhole commingling of the State GC BW 1S to provide additional rathole for producing the Fruitland Coal Formation.

BP will not perforate or hydraulic fracture the Blanco Pictured Cliffs formation. The exposed Blanco Pictured Cliffs formation will be covered by an un-cemented liner.

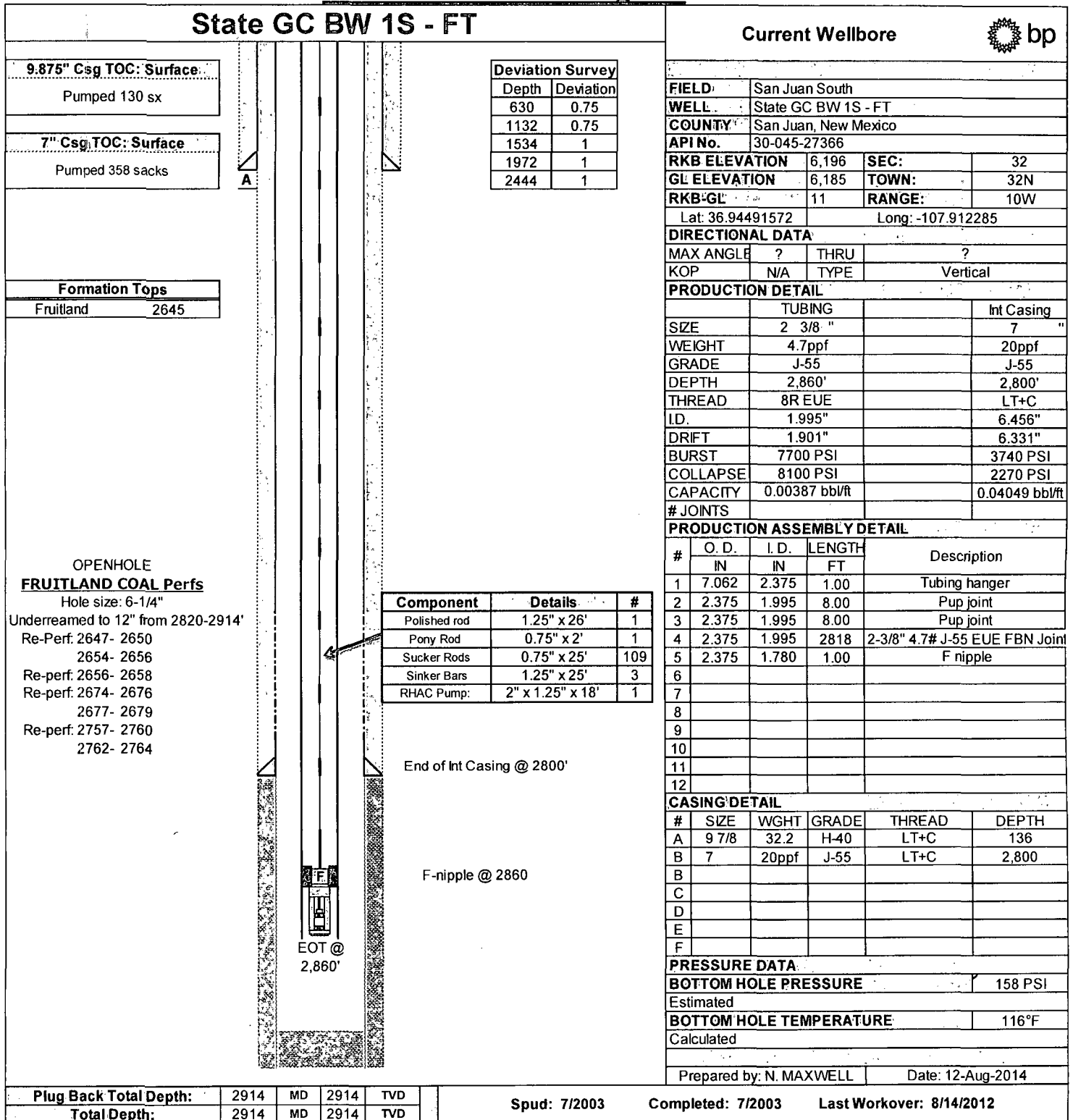
Basic Job Procedure:

1. Pull Rods
2. Pull tubing
3. Deepen well to $\pm 3,015'$
 - a. Estimated top of Pictured Cliffs is at ~~3,054'~~ **2914'**
4. Run liner
 - a. Liner will either be pre-slotted or after running will be perforated in similar intervals as before:
 - i. $\pm 2650 - 2680'$
 - ii. $\pm 2750 - 2765'$
 - iii. $\pm 2800 - 2850'$
5. Land tubing at $\pm 2,960'$
6. Run pump and rods

Policy Reminder

Any changes to the written procedure requires an approved MoC
MoC (except BoD/SoR) approvals during execution have been delegated to the OTL

Current Wellbore Diagram



Plug Back Total Depth:	2914	MD	2914	TVD
Total Depth:	2914	MD	2914	TVD

Spud: 7/2003 Completed: 7/2003 Last Workover: 8/14/2012

Proposed Wellbore Diagram

State GC BW 1S - FT

Proposed Wellbore



FIELD	San Juan South		
WELL	State GC BW 1S - FT		
COUNTY	San Juan, New Mexico		
API No.	30-045-27366		
RKB ELEVATION	6,196	SEC:	32
GL ELEVATION	6,185	TOWN:	32N
RKB-GL	11	RANGE:	10W
Lat: 36.94491572		Long: -107.912285	

DIRECTIONAL DATA

MAX ANGLE	?	THRU	?
KOP	N/A	TYPE	Vertical

PRODUCTION DETAIL

	TUBING	Prod Liner	Int Casing
SIZE	2 3/8 "	5 1/2 "	7 "
WEIGHT	4.7ppf	20ppf	20ppf
GRADE	J-55	L-80	J-55
DEPTH	2,960'	3,015'	2,800'
THREAD	8R EUE	Hydri	LT+C
I.D.	1.995"	4.778"	6.456"
DRIFT	1.901"	4.653"	6.331"
BURST	7700 PSI	9190 PSI	3740 PSI
COLLAPSE	8100 PSI	8830 PSI	2270 PSI
CAPACITY	0.00387 bbl/ft	0.02218 bbl/ft	0.04049 bbl/ft

JOINTS

PRODUCTION ASSEMBLY DETAIL

#	O. D. IN	I. D. IN	LENGTH FT	Description
1	2.375	1.780	1.00	F-Nipple
2	2.375	1.995	18	Pup w/Mule Shoe Collar and 0.5" weep hole at top
3				
4				
5				
6				
7				
8				
9				
10				
11				

CASING DETAIL

#	SIZE	WGHT	GRADE	THREAD	DEPTH
A	9 5/8	36	K-55	LT+C	136
B	7	20ppf	J-55	LT+C	2,800
B	5 1/2	20ppf	L-80	Hydri	3,015
C					
D					
E					
F					

PRESSURE DATA

BOTTOM HOLE PRESSURE	158 PSI
Estimated	
BOTTOM HOLE TEMPERATURE	118°F
Calculated	

Prepared by: N. MAXWELL Date: 12-Aug-2014

Deviation Survey	
Depth	Deviation
630	0.75
1132	0.75
1534	1
1972	1
2444	1

Component	Details	#
Polished rod	1.25" x 22'	1
Sucker Rods	0.75" x 25'	118
Sinker Bars	1.25" x 25'	3
RHAC Pump	2" x 1.25" x 18'	1

9.875" Csg TOC: Surface
Pumped 130 sx

7" Csg TOC: Surface
Pumped 358 sacks

5.5" Lnr TOC: N/A
Not Cemented

Formation Tops
Fruitland 2645

FRUITLAND COAL Perfs

Liner perfs TBD pending log

Re-Perf: 2647- 2650

2654- 2656

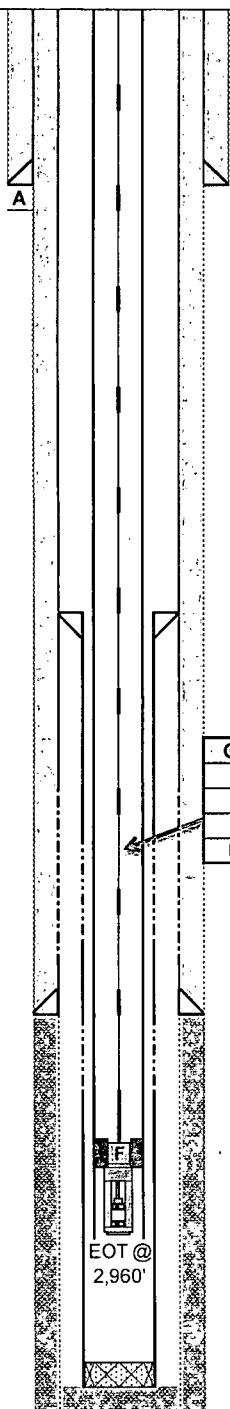
Re-perf: 2656- 2658

Re-perf: 2674- 2676

2677- 2679

Re-perf: 2757- 2760

2762- 2764



Plug Back Total Depth:	3015	MD	3015	TVD		Spud: 7/2003	Completed: 7/2003	Last Workover:
Total Depth:	3015	MD	3015	TVD				

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-31381		² Pool Code 71629		³ Pool Name Basin Fruitland Coal					
⁴ Property Code 001082		⁵ Property Name State Gas Com BW						⁶ Well Number IS	
⁷ OGRID No. 000778		⁸ Operator Name BP America Production Company						⁹ Elevation 6111	

¹⁰ Surface Location

UL or lot no. E	Section 32	Township 32N	Range 10W	Lot Idn	Feet from the 1460	North/South line North	Feet from the 750	East/West line West	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 the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No. R- 11363			

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.

<div> <div>16</div> <div>1460'</div> <div>750'</div> </div>					<div> <div>¹⁷ OPERATOR CERTIFICATION</div> <div> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. </div> <div> <div> <div><i>Toya Colvin</i></div> <div>Signature</div> </div> <div> <div>9/04/14</div> <div>Date</div> </div> </div> <div> <div>Toya Colvin</div> <div>Printed Name</div> </div> <div> <div>Toya.Colvin@bp.com</div> <div>E-mail Address</div> </div> </div>
					<div> <div>¹⁸ SURVEYOR CERTIFICATION</div> <div> 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. </div> <div> <div>Date of Survey</div> <div>Signature and Seal of Professional Surveyor:</div> </div> <div> <div>Previously Filed</div> </div> <div> <div>Certificate Number</div> </div> </div>

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, 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 & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised July 16, 2010

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-31381		² Pool Code 72359		³ Pool Name Blanco Pictured Cliffs	
⁴ Property Code 001082		⁵ Property Name State Gas Com BW			⁶ Well Number 1S
⁷ OGRID No. 000778		⁸ Operator Name BP America Production Company			⁹ Elevation 6111

¹⁰ Surface Location

UL or lot no. E	Section 32	Township 32N	Range 10W	Lot Idn	Feet from the 1460	North/South line North	Feet from the 750	East/West line West	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 the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 160		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No. R- 11363			

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.

¹⁶ 			¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> Signature Date 9/04/14 Toya Colvin Printed Name Toya.Colvin@bp.com E-mail Address	
			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> Date of Survey Signature and Seal of Professional Surveyor: Previously Filed Certificate Number	