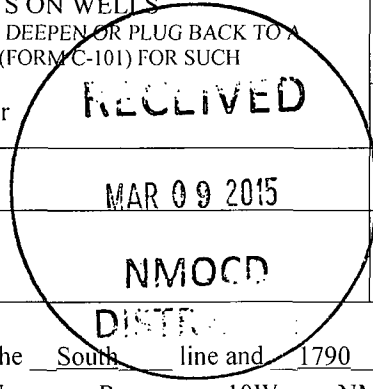


District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

WELL API NO. 30-045-25477
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name State Gas Com BX
8. Well Number 1
9. OGRID Number 000778
10. Pool name or Wildcat Basin Fruitland Coal



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.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other ☐

2. Name of Operator
BP America Production Company

3. Address of Operator
501 Westlake Park Blvd.
Houston, TX 77079

4. Well Location
Unit Letter K: 1490 feet from the South line and 1790 feet from the West line
Section 32 Township 32N Range 10W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6084'

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/Install Liner</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 to deepen & install liner in the subject well. Although we believe the Blanco Pictured Cliffs will be non-productive in the well without perforation & fracture stimulation, 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. Burlington Oil & Gas and WPC Oil & Gas are the working interest owners in the Basin Fruitland Coal of the subject well and were notified by certified mail. BP owns 100% of the Pictured Cliffs formation. 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, therefore we are allocating the production as follows: Blanco Pictured Cliffs= Oil 0%, Gas 0%, and Water 0%, and Basin Fruitland Coal= Oil 100%, Gas 100%, and Water 100%. The basis for this allocation is solely contributed to offset production.

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 procedure, wellbore schematics & C-102 plats.

Spud Date: 10/25/1982

Rig Release Date:

DHC# 3935 AZ

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 03/04/2015

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

For State Use Only
APPROVED BY: Charles L... TITLE SUPERVISOR DISTRICT #3 DATE APR 16 2015

Conditions of Approval (if any): Submit mud log prior to production
Hold C-104 for mud log

If perforations are above or below existing perfs please file: c-104 and Completion Report to include new perfs before returning to production

State GC BX 001

Coal

API # 30-045-25477-00

Unit K - Sec 32 - T32N - R10W

San Juan County, New Mexico

Reason/Background for Job

The proposed work is to deepen the well to provide additional rathole and install liner to effectively produce the Fruitland Coal formation

Basic job procedure

1. Pull tubing
2. Deepen well to 2980' \pm ; - a mudlogger will be on location while drilling
3. Run liner – either pre-slotted or perforate after installation; liner might be run with bit and sub on bottom
4. Run tubing
5. Return well to production

Current WBD



State GC BX 001

Coal

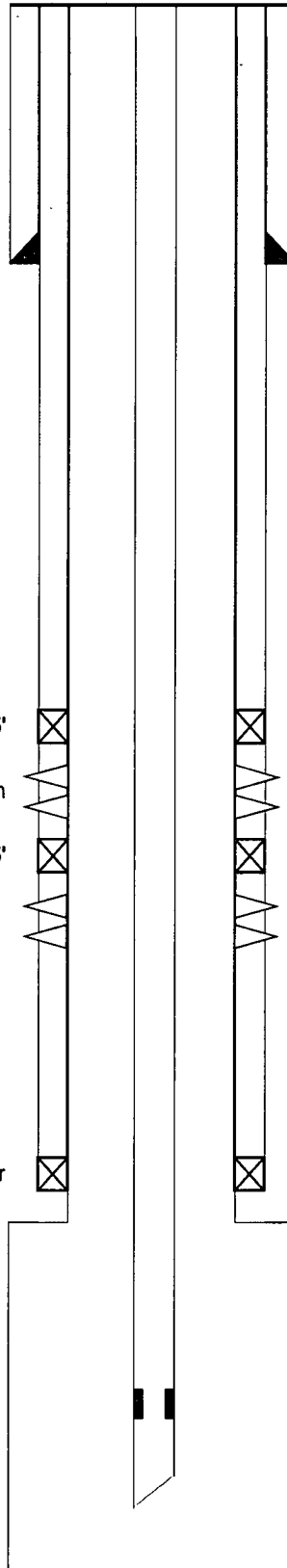
API # 30-045-25477-00

Unit K - Sec 32 - T32N - R10W

San Juan County, New Mexico

GL 6099'

KB 6111'



Surface Casing

17 1/2" hole

13 3/8" 54.5#, K55 @ 298'

590 sxs B

TOC @ surf (circ)

Tubing String

MS 2 3/8", 4.7#, J55,

F Nipple 2 3/8" / 1.78"

Tbg 2 3/8", 4.7#, J55, 88 jts

X-over 2 3/8" x 2 3/8"

Length(ft)

4

1

2842

1

Pengo Tool @ 2615'

Sliding sleeves closed
since original completion

Pengo Tool @ 2655'

HOWCO Formation packer

F Nipple @ 2856'

EOT @ 2860'

Perf (05/1997)

2627 - 2640'

2646 - 2654'

2715 - 2722'

2729 - 2737'

Production Casing

10 3/4" hole

7", 23#, S95 @ 2840'

1371 sxs B lead; 118 sxs B tail

TOC @ surf (circ)

Production Liner

6 1/4" hole to 2878'

underream to 11"

TD 2878'

Proposed WBD



State GC BX 001

Coal

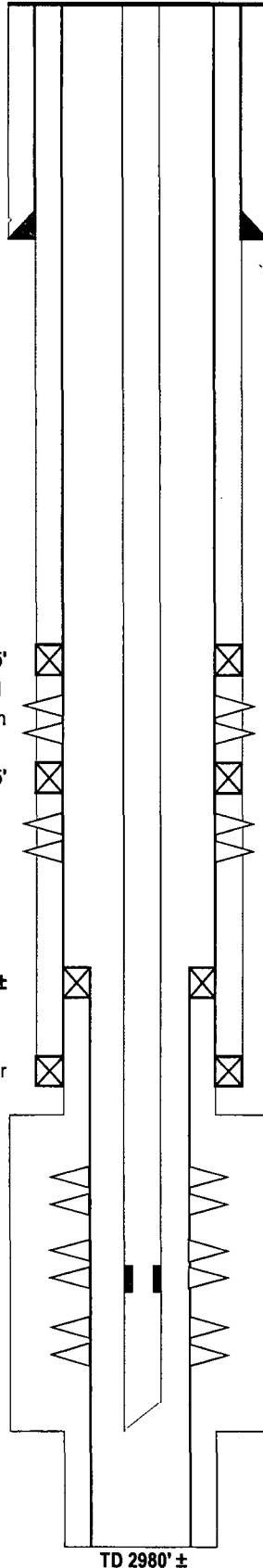
API # 30-045-25477-00

Unit K - Sec 32 - T32N - R10W

San Juan County, New Mexico

GL 6099'

KB 6111'



Surface Casing

17 1/2" hole

13 3/4" 54.5#, K55 @ 298'

590 sxs B

TOC @ surf (circ)

Tubing String

MS 2 3/8", 4.7#, J55, 4' ±

F Nipple 2 3/8" / 1.78"

Tbg 2 3/8", 4.7#, J55

add pup jts for spaceout

X-over 2 3/8" x 2 1/8"

Perf (05/1997)

2627 - 2640'

2646 - 2654'

2715 - 2722'

2729 - 2737'

Production Casing

10 5/8" hole

7", 23#, S95 @ 2840'

1371 sxs B lead; 118 sxs B tail

TOC @ surf (circ)

Production Liner

6 1/4" hole to 2878'

underream to 11"

6 1/4" hole to 2980' ±

5 1/2", 15.50#, J55 Hydrill 511 @ 2980' ±

Pengo Too! @ 2615'

Sliding sleeves closed
since original completion

Pengo Tool @ 2655'

TOL @ 2800' ±

HOWCO Formation packer

F Nipple @ 2856'

EOT @ 2950' ±

TD 2980' ±

District I
1625 N. French Dr., Hobbs, NM 88240
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1301 W. Grand Avenue, Artesia, NM 88210
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1000 Rio Brazos Rd., Aztec, NM 87410
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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 30-045-25477	² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 001108	⁵ Property Name State Gas Com BX	
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	
		⁶ Well Number 1
		⁹ Elevation 6084

¹⁰ Surface Location

UL or lot no. K	Section 32	Township 32N	Range 10W	Lot Idn	Feet from the 1490	North/South line South	Feet from the 1790	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.

¹⁶ 	¹⁷ OPERATOR CERTIFICATION 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. Signature 3/04/2015 Date Toya Colvin Printed Name Toya.Colvin@bp.com E-mail Address	
	¹⁸ SURVEYOR CERTIFICATION 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. Date of Survey Signature and Seal of Professional Surveyor: Previously Filed Certificate Number	

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
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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 30-045-25477	² Pool Code 72359	³ Pool Name Blanco Pictured Cliffs
⁴ Property Code 001108	⁵ Property Name State Gas Com BX	⁶ Well Number I
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation 6084

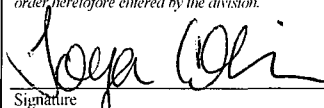
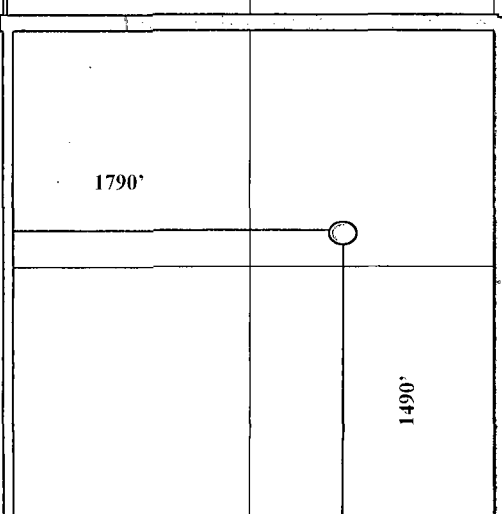
¹⁰ Surface Location

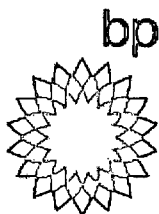
UL or lot no. K	Section 32	Township 32N	Range 10W	Lot Idn	Feet from the 1490	North/South line South	Feet from the 1790	East/West line West	County San Juan
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¹¹ Bottom Hole Location If Different From Surface

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 3/04/2015 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



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

March 3, 2015

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

RE: State Gas Com BX #1 – Commingle Application
Section 32-T32N-R10W
San Juan County, NM
API #30-045-25477

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 S/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 – S/2 Section 32-T32N-R10W (320 acres)

BP America Production Company	75.17% WI
Burlington Oil & Gas	14.28% WI
WPC Oil & Gas	10.55% WI

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

BP America Production Company	100% WI
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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

SENDER: COMPLETE THIS SECTION

- ☒ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- ☒ Print your name and address on the reverse so that we can return the card to you.
- ☒ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Burlington Oil & Gas
Attn: Land Dept.
PO Box 4289
Farmington, NM 87499-4289

2. Article Number
(Transfer from service label)

7008 1140 0001 9414 9429

PS Form 3811, July 2013

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail® ☐ Priority Mail Express™
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ Collect on Delivery4. Restricted Delivery? (Extra Fee) ☐ Yes

SENDER: COMPLETE THIS SECTION

- ☒ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- ☒ Print your name and address on the reverse so that we can return the card to you.
- ☒ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

WPC Oil & Gas LP
8100 Lomo Alto, NO 125
Dallas, TX 75225-5897

2. Article Number
(Transfer from service label)

7008 1140 0001 9414 9399

PS Form 3811, July 2013

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail® ☐ Priority Mail Express™
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ Collect on Delivery4. Restricted Delivery? (Extra Fee) ☐ Yes