Form 3160-5 (August 2007)

Approved By ABDELGADIR ELMANDANI

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.

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

| FURM. | APPK | UVEL |
|----------|--------|--------|
| OMB N | O. 100 | 4-013: |
| Expires: | | |
| | | -, |

Lease Serial No.

| SUNDRY Do not use thi abandoned wel | | 6. If Indian, Allottee or Tribe Name | | | | | |
|---|--|--|--|--|--|--|--|
| SUBMIT IN TRI | | 7. If Unit or CA/Agreement, Name and/or No. | | | | | |
| Type of Well Oil Well | 8. Well Name and SELLERS LS | | | | | | |
| Name of Operator BP AMERICA PRODUCTION | Contact: TOY CO. E-Mail: Toya.Colvin@b | | 9. API Well No. 30-045-6020 | 98-00-S1 | | | |
| 3a. Address 200 ENERGY CT. FARMINGTON, NM 87401 | 3b. Pt | | , or Exploratory FURED CLIFFS | | | | |
| 4. Location of Well (Footage, Sec., T | ., R., M., or Survey Description) | | 11. County or Pari | ish, and State | | | |
| Sec 30 T30N R10W SWSW 0 36.777939 N Lat, 107.930283 | | | SAN JUAN (| COUNTY, NM | | | |
| 12. CHECK APPE | ROPRIATE BOX(ES) TO IN | DICATE NATURE OF N | NOTICE, REPORT, OR OTI | HER DATA | | | |
| TYPE OF SUBMISSION | | ТҮРЕ О | FACTION | | | | |
| Notice of Intent | ☐ Acidize | ☐ Deepen | ☐ Production (Start/Resume) | Water Shut-Off | | | |
| _ | ☐ Alter Casing | ☐ Fracture Treat | ☐ Reclamation | ■ Well Integrity | | | |
| ☐ Subsequent Report | ☐ Casing Repair | ☐ New Construction | ■ Recomplete | ☐ Other | | | |
| Final Abandonment Notice | ☐ Change Plans | □ Plug and Abandon | □ Temporarily Abandon | | | | |
| | ☐ Convert to Injection | ☐ Plug Back | ■ Water Disposal | | | | |
| 13. Describe Proposed or Completed Ope If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final Ab- determined that the site is ready for fi | ally or recomplete horizontally, give rk will be performed or provide the I I operations. If the operation results bandonment Notices shall be filed on inal inspection.) | subsurface locations and measu 3 ond No. on file with BLM/BIA in a multiple completion or reco lly after all requirements, includ | red and true vertical depths of all person and true vertical depths of all person in a new interval, a Forming reclamation, have been completed. | ertinent markers and zones. I be filed within 30 days 3160-4 shall be filed once | | | |
| formation & downhole commir | ngle with the existing Aztec Pi | ctured Cliffs in the subject | المبيية | AIA DILLEGA | | | |
| . The interest owners in the Azt | ec Pictured Cliffs (71280) & E | Blanco-Mesaverde (72319 |) are identical, | NS. DIV DIST. 3 | | | |
| therefore no additional notifica | ation is required prior to DHC | approval. Please see the | attached | D 0 0 2045 | | | |
| 185 | lm's approval or accier | | | P 2 3 2015 | | | |
| Production is proposed to be Cliffs projected future decline | ANGERIA DE SERVICIO DE LA COMPONIO DEL COMPONIO DE LA COMPONIO DEL COMPONIO DE LA COMPONIO DEL COMPONIO DE LA COMPONIO DEL COMPONIO DE LA COMPONIO DEL COMPONIO DEL COMPONIO DE LA COMPONIO DE LA COMPONIO DE LA COMPONIO DEL COMPO | Chien The the desire the Az | ztec Pictured | i | | | |
| from the total production for the | | nce of the predection will i | be attributed | | | | |
| | n federal and indian la | | SEE ATTACH | iem ear | | | |
| conditions of approval | | | | | | | |
| | | | | AN A MADAME | | | |
| 14. I hereby certify that the foregoing is | Electronic Submission #3167 For BP AMERICA PR | ODUCTION CO., sent to the | e Farmington | · | | | |
| | tted to AFMSS for processing b | • | ` |) | | | |
| Name (Printed/Typed) TOYA CO | LVIN | Title REGUL | ATORY ANALYST | | | | |
| | | D | | | | | |
| Signature (Electronic S | <u> </u> | Date 09/16/2 | * · · · | | | | |
| · | THIS SPACE FOR I | FEDERAL OR STATE | OFFICE USE | · | | | |
| | | | | | | | |

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.

TitlePETROLEUM ENGINEER

Office Farmington

Date 09/17/2015

Additional data for EC transaction #316700 that would not fit on the form

32. Additional remarks, continued

Commingling production downhole in the subject well from the proposed pools will not reduce the value of the total remaining production.

Please see attached DHC procedure, wellbore schematics, and C-102 plats. NMOCD notified via C-103 form.

RLAYS APPENDAL DES ALCEPTANCE DE TESE ACTRON IRMES NOW CELLIUVE THE LLICETE AND OFFERATOR FEIGHE CENTRALISM AND DESARRO AL THURSLAFRIN CENTRED DUE DOPERATIONS ON FEIGHERAL AND INSTANTANTS



BP America Production Co. Lower 48 Onshore

Craig T. Ferguson craig.ferguson@bp.com 281-366-1988 (direct)

E3, 12.173B ,737 N. Eldridge Parkway Houston, Texas 77079

September 15, 2015

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

RE:

Downhole Commingle

API # 30-045-60208

Located in SW/4 Section 30-T30N-R10W

San Juan County, NM

Ms. Colvin:

On behalf of BP America Production Company ("BP"), operator of the Seller LS 5 (PC) 150.87 acre unit defined as the SW/4 and the Seller LS 5 (MV) 301.28 acre unit defined as the W/2, I have reviewed BP's division order records and other title records concerning the above reference wells and determined the following WI interest for both:

The Seller LS 5 (PC) and Seller LS 5 (MV) consist of one (1) Federal lease: SF-078195: 1/8th Royalty

Seller LS 5 (API #30-45-60208) (PC) SW/4 Section 30-T30N-R10W (150.87 acres)

BP America Production Cos.

50.0% WI

ConocoPhillips

50.0% WI

Seller LS 5 (API #30-45-60208) (MV) W/2 Section 30-T30N-R10W (301.28 acres)

BP America Production Cos.

50.0% WI

ConocoPhillips

50.0% WI

Please contact me at x1988 if you have any questions concerning this topic.

Sincerely,

Craig T. Ferguson

Craig T. Fugueton

Land Negotiator

San Juan Asset

Sellers LS 005

API # 30-045-60208-00

Location: M SEC. 30, T30N, R10W San Juan County, New Mexico

Reason/Background for Job

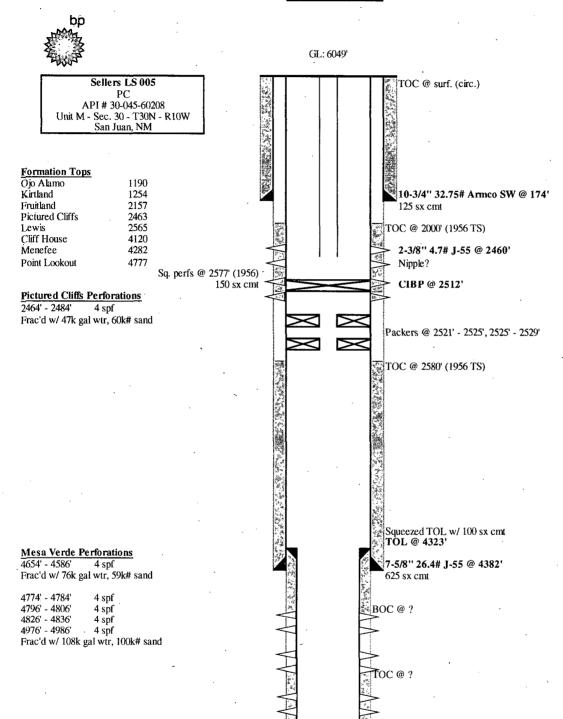
The Sellers LS 005 was originally completed as a Mesa Verde and Pictured Cliffs commingled well in 1956; however, the Mesa Verde was abandoned that same year due to spacing requirements at the time. Recently, a test compressor showed a strong uplift when applied to the PC formation in August 2015.

It is proposed to remove the bridge plug and packers isolating the Mesa Verde and commingle the two formations. Additionally, a permanent compressor will be installed.

Basic Job Procedure

- 1. Pull tubing
- 2. Clean out to CIBP
- 3. Drill out CIBP and open MV
- 4. Run tubing
- 5. Return well to production

Current WBD

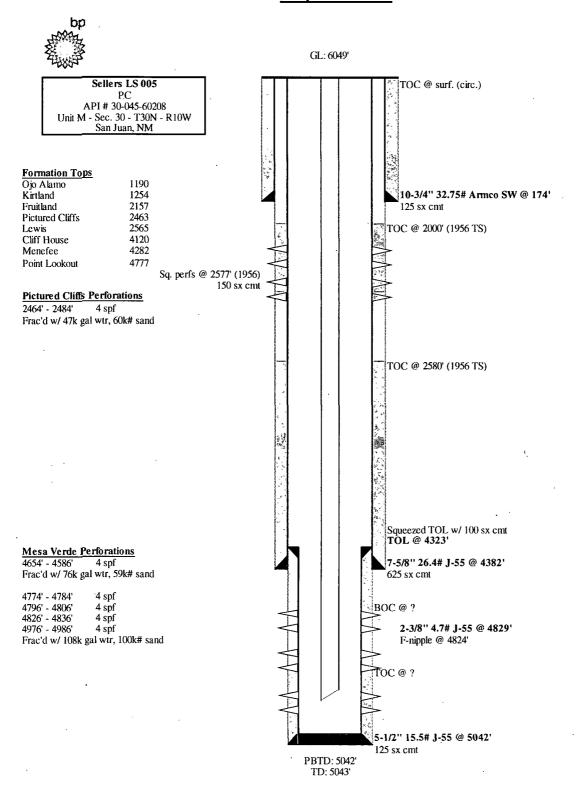


5-1/2" 15.5# J-55 @ 5042'

125 sx cmt

PBTD: 5042' TD: 5043'

Proposed WBD



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 | |
|---|---|
| | _ |
| | 4 |
| | |

| · · | API Number | r | - 1 | . Pool Code | | Pool Name | | | • | | |
|----------------------------|---|--------------|---------------|-------------------------------|-----------------------|------------------|---------------|----------------|-------------|--|--|
| 30-045-60208 | | | | 72319 | · | Blanco-Mesaverde | | | | | |
| ⁴ Property Code | | | | <u></u> | 5 Property P | Name | • | 6 V | Well Number | | |
| 001039 | | | | Sellers LS | | | | | 5 | | |
| ⁷ OGRID | ⁷ OGRID No. *Operator Name 9 | | | | Elevation | | | | | | |
| 000778 | | | | BP America Production Company | | | 6049 | | | | |
| | | | | | ¹⁰ Surface | Location | | | | | |
| UL or lot no. | Section | Township | Range | Lút lán | Feet from the | North/South line | Feet from the | East/West line | County | | |
| М | 30 | 30N | 10W | | 890 | South | 890 | West, | San Juan | | |
| | | | 11 Вс | ottom Ho | le Location If | f Different Fron | n Surface | | | | |
| UL or lot no. | Section | Township | Range | Lôt lần | Feet from the | North/South line | Feet from the | East/West line | County | | |
| | | | | | | | | | | | |
| 12 Dedicated Acres | s ¹³ Joint o | r Iofill 📑 🤇 | Consolidation | Code 15 On | der No. | | | | | | |
| 301.28 | | l | | | | | | | | | |

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.

| | 100 m | | | |
|--|--|-----------|-------------|---|
| 16 | | <u>j</u> | , | 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 numeral interest in the land including |
| | | | | the proposed bottom hole location or has a right to drill this well at this |
| | | OIL CONS. | DIV DIST. 3 | 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 |
| | | SEP 2 | 3 2015 | order heretofore entered by the division. |
| | | | | 11.000 9/11 |
| | | | | (Joua Me / 1/16/15 |
| | | | | Signature Date |
| ` . | · | | | - |
| | | | | Toya Colvin |
| | | | | Printed Name |
| | : | | | Toya Colvin@bp.com |
| | | | , | E-mail Address |
| · | | | | |
| | | | · | 18SURVEYOR CERTIFICATION |
| | | • | | I hereby certify that the well location shown on this |
| | | | · | plat was plotted from field notes of actual surveys |
| | | | | |
| , | | <u>]</u> | | 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. |
| | | | | |
| | | | | |
| 1 | | | | Previously Filed |
| 890* | ' | | | |
| .068 | | | | Certificate Number |
| ∞ | | | | Ceruncale Number |
| The second secon | The state of the s | | I | L |

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Form C-102 Revised July 16, 2010 Submit one copy to appropriate District Office

☐ AMENDED REPORT

| ¹ API Number 30-045-60208 | | | ² Pool Cude | | ³ Pool Name Aztec Pictured Cliffs | | | | |
|---|---------------|---------------------------------------|--------------------------------------|--------------|---|------------------|---------------|---|-------------|
| | | | | | | | | | |
| ⁴ Property Code | | | | 5 Property (| perty Name | | | ⁶ Well Number | |
| 001039 | | | Sellers LS | | | | | 5 | |
| OGRID No. | | | ⁸ Operator Name | | | | , | ⁹ Elevation | |
| 000778 | | | BP America Production Company | | | · | | 6049 | |
| | | | | | 10 Surface | Location | | *************************************** | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| M: | 30 | 30N | 10W | | 890 | South | 890 | West | San Juan |
| | | · · · · · · · · · · · · · · · · · · · | 11 Bot | tom Hol | e Location It | f Different Fron | n Surface | | |
| UL or let no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| 12 Dedicated Acres | i 13 Joint or | r Infill 14 C | onsolidation C | uile 15 Oro | ler No. | | : | | |
| 150.87 | | 1. | | | | r | | | * |

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.

| 890. | | Date of Survey Signature and Seal of Professional Surveyor: Previously Filed |
|--|--|--|
| ormoni, ki majiri, naji Ti, maji <u>ki ti ti ti maji makan makan makan</u> mani. | | 18SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plut 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. |
| | | Toya Colvin Printed Name Toya Colvin@bp.com E-mâil/Address |
| 6 | | 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 mans a working interest or unleaved mineral interest in the loyd including the proposed bottom hole location or has a right to drill this well at this location pursuant to a controls with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a computary pooling order heretofore emered by the division. AMITA AMI AMIS THE STATES AND TH |

BLM CONDITION OF APPROVAL

CASING REPAIR, WORKOVER AND RECOMPLETION OPERATIONS:

- 1. If casing repair operations are needed, obtain prior approval from this office before commencing repairs. If a CBL or other logs are run, provide this office with a copy.
- 2. After any casing repair operations, test cement squeeze to a minimum of 500# for 30 minutes with no more than 10 % pressure fall off in the 30 minute test period. Provide test chart with your subsequent report of operations
- 3. A properly functioning BOP and related equipment must be installed prior to commencing workover, casing repair, and/or recompletion operations.
- 4. Contact this office at (505) 564-7750 prior to conducting any cementing operations

SPECIAL STIPULATIONS:

- 1. Pits will be fenced during work-over operation.
- 2. All disturbance will be kept on existing pad.
- 3. All pits will be pulled and closed immediately upon completion of the recompletion and work-over activities.
- 4. Pits will be lined with an impervious material at least 12 mils thick.