Form 3160-5 (March 2012)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 Expires: October 31, 2014

5. Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELL Earmington Field OM/WM013686

Sundry Notices and Reports of Well or to read of Land Manageries, Allottee or Tribe Name of Use this form for proposals to drill or to read of Land Manageries.

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. 1. Type of Well 8. Well Name and No. Oil Well ✓ Gas Well Other Pritchard SWD 1 Name of Operator
 America Production Company 9. API Well No 30-045-28351 3a. Address 737 North Eldridge Parkway, 12.181A Houston, TX 77079 10. Field and Pool or Exploratory Area 3b. Phone No. (include area code) SWD; Morrison Bluff Entrada 281-366-7148 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)
Sec. 34 T31N R09W NENW 615FNL 1840FWL 11. County or Parish, State San Juan, NM 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off ✓ Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Other Step Rate Test New Construction Casing Repair Recomplete Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal 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 recomplete 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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 respectfully requests to perform a step rate test on the subject disposal well. Please see the attached plan of operations. See Attached OCD Step rate test Guidelines OIL CONS. DIV DIST. 3 MAY 02 2016 Notify NMOCD 24 hrs prior to beginning operations 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Toya Colvin Title Regulatory Analyst Signature Date 04/21/2016 THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by 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 Office

entitle the applicant to conduct operations thereon 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.

(Instructions on page 2)

PRITCHARD 001 SWD

Mörrison, Bluff, Entrada – Water injection

API# 30-045-28351

Unit C – Sec 34 – T31N – R09W

San Juan County, New Mexico

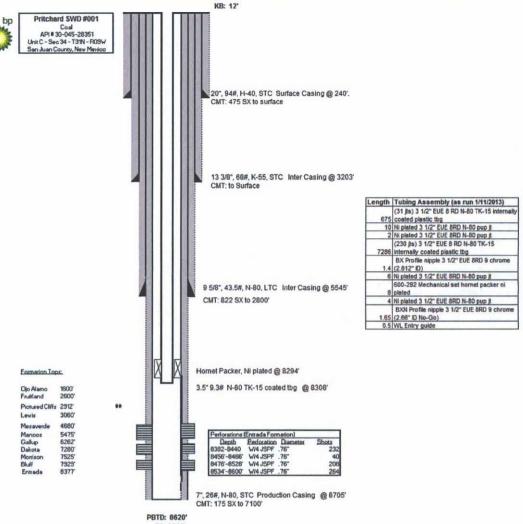
Step Rate Test Procedure:

Prior to performing the step rate test, the building setting over the wellhead must be removed by a roustabout crew. Ensure that water storage tanks are completely full before initiating the step rate tests. Water storage capacity on location is 2000 bbls, available capacity for the test is 1000+ bbls. Must contact the NMOCD prior to the step rate test so that they can have a representative witness the test.

- 1. Shut-in well for 24 hours prior to running step rate tests.
- RU wireline unit and lubricator. Trip in hole with tandem pressure bombs capable of measuring pressure from 0 psig to 10,000 psig. Land bombs in 2.66" ID XN-seating nipple at approx. 7994'.
 Record the exact time that the gauge is set in the seating nipple.
 - The gauge should allow water to pass by
 - Program bombs to take readings every 5 seconds throughout the test.
- RU pump trucks (if required provide second pump truck to span range of injection rates for step rate test). Tie suction to disposal tanks and discharge to tubing. Pressure test lines and connections. Monitor casing and bradenhead pressures during the test.
- 4. Perform step rate test as follows:

Step	<u>Time</u>	Injection Rate		Cum Inj Vol
		(BPM)	(BWPD)	BW
1	20 min	0.3	432	6
2	20 min	0.6	864	12
3	20 min	0.9	1296	18
4	20 min	1.2	1728	24
5	20 min	1.5	2160	30
6	20 min	1.8	2592	36
7	20 min	2.1	3024	42
8	20 min	2.4	3456	48
9	20 min	2.7	3888	54
10	20 min	3.0	4720	60
11	20 min	3.3	4752	66
12	20 min	3.6	5184	72
13	20 min	3.9	5616	78
14	20 min	4.2	6048	84
Elapsed time: 280 min				Total = 630 bbls

- Continuously monitor surface injection pressure and rate in a digital format.
- It is critical to maintain the set time-steps. Do not shorten or lengthen the time steps.
- Once an injection rate has been established at or near the requested rate, every effort must be made to keep the rate constant.
- 5. Shut down and record ISIP.
- 6. After performing the step rate test, trip out of hole with pressure gauges.
- 7. Return well to injection.



TD: 8705

OCO Guidelines for conducting step-rate tests

The operator must submit a written procedure and rig-up diagram to the OCD at least 24 hours before starting the test. The procedure will contain the following information:

A description of the mechanical configuration of the well.

The history of injection pressures and volumes.

The history of any fracture treatments and pressures especially ISIP.

A bottom hole pressure recorder will be required for wells deeper than 2000' and injection rates greater than 1 BPM.

A pressure gauge and recorder of the appropriate range will be used during the test.

Wells currently injecting must be shut-in at least 24 hours before the test unless the shut-in pressures indicate that the well has not adequately stabilized and a longer time is necessary.

Starting pump rates and pressures must be lower than the current rates and pressures if the well is currently injecting and there must be at least 3 steps below the .2psi/ft gradient and 3 steps above the break-over point. Wells that are not fractured should not be tested at pressures that exceed the fracture gradient.

Pumping equipment must be able to pump at the rates and pressures needed for the test.

Rate changes will be .5bpm or smaller unless the OCD witness determines that bigger rate changes are necessary due to small incremental increases in pressure.

Each step will be at least 15 minutes in duration unless otherwise determined by the OCD. Step duration must not be changed during the test.

The operator must have enough water on hand for the test.

The casing and bradenhead pressures will be monitored during the test.

All wellhead equipment must be rated for the anticipated pressures.