Submit 1 Copy To Appropriate District Office <u>District I</u> – (575) 393-6161 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> – (575) 748-1283 811 S. First St., Artesia, NM 88210 <u>District III</u> – (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> – (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-103 Revised July 18, 2013 WELL API NO. 30-045-23607 5. Indicate Type of Lease STATE FEE 6. State Oil & Gas Lease No. Federal Lease NMSF079511A			
SUNDRY NOTICE (DO NOT USE THIS FORM FOR PROPOSAI	ES AND REPORTS ON WELLS LS TO DRILL OR TO DEEPEN OR PLUG BACK TO A FION FOR PERMIT" (FORM C-101) FOR SUCH as Well 🛛 Other	 7. Lease Name or Unit Agreement Name Archuleta 8. Well Number 			
		2			
2. Name of Operator		9. OGRID Number 000778			
BP America Production Company		10. Pool name or Wildcat			
3. Address of Operator 737 North Eldridge Pkwy		Blanco, Pictured Cliffs, Basin Fruitland			
Houston, TX 77079		Coal			
4. Well Location		Coal			
Unit Letter_C_: 45	<u>50</u> feet from the <u>North</u> line and <u>850</u>	feet from the <u>West</u> line			
Section 19	Township 30N Range 08W N	MPM County San Juan			
	11. Elevation (Show whether DR, RKB, RT, GR, etc., 6268'				
12. Check Ap	propriate Box to Indicate Nature of Notice,	Report or Other Data			

NOTICE OF	IN	TENTION TO:	SUBSEQUENT F	REPORT OF:	
PERFORM REMEDIAL WORK		PLUG AND ABANDON		REMEDIAL WORK	ALTERING CASING
TEMPORARILY ABANDON		CHANGE PLANS		COMMENCE DRILLING OPNS.	P AND A
PULL OR ALTER CASING		MULTIPLE COMPL		CASING/CEMENT JOB	IL CONS. DIV DIST. 3
DOWNHOLE COMMINGLE	\boxtimes				DIV DIST. 3
CLOSED-LOOP SYSTEM	\boxtimes				
OTHER: Recompletion		\boxtimes		OTHER:	MAR 31 2017

 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 requests to isolate the Pictured Cliffs with a CIBP, re-complete into the Basin Fuitland Coal & produce the Fruitland Coal for a period of time, then remove the CIBP and downhole commingle production with the existing Blanco Pictured Cliffs.

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 between these two pools, therefore notification is required and sent by certified mail. Please see attached Land Letter.

During Commingle: Production is proposed to be allocated based on the subtraction method using the Pictured Cliffs projected future decline. That production will serve as a base for production subtracted from the total production for the commingled well. The balance of the production will be attributed to the Basin Fruitland Coal.

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 & C-102 plats. BLM notified via 3160-5 form for Federal lease NMSF079511A

Spud Date:	07/19/1979	Rig Release Date:	*File	C-104 2000	rbietia	n npr.
Space - and			for	Fruitland	coal	before
		HC#396-	TAZ Re	turning to	Orge	duction
I hereby certif	y that the information above is true a	and complete to the best of	f my knowledge and	l belief.		
SIGNATURE	Joya ani	TITLERegulate	ory AnalystD	ATE 03/28/2017		
Type or print i	name <u>Toya Colvin</u> I	E-mail address:	Colvin@bp.com	PHONE: <u>281-89</u>	92-5369	
For State Use			NET DISTRICT			
APPROVED		TITLEGEOLOG	SIST DISTRICT	ئ_ DATE <u>ک</u>	3/31/201	17 .
Conditions of	Approval (if any):	PV				11

Archuleta 002 - PC API # 30-045-23607

Reason/Background for Job

Archuleta 002 is currently configured as a Picture Cliffs producer originally completed in 1979. The well has been identified as a Fruitland Coal re-complete candidate

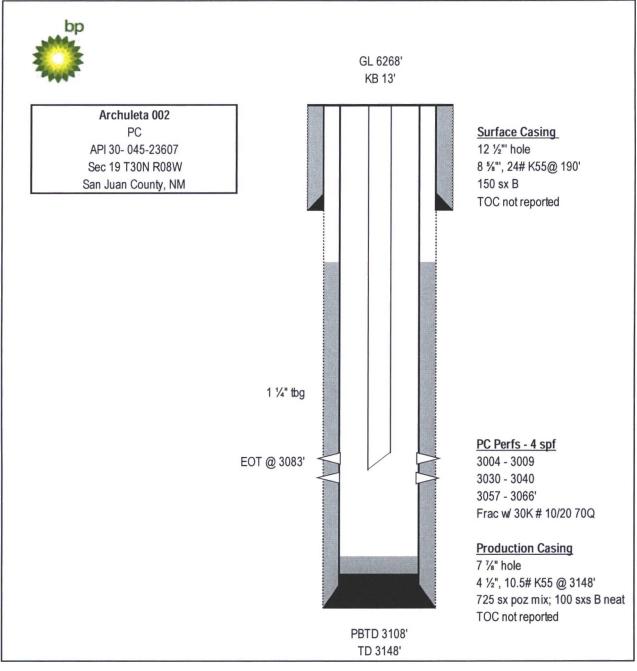
The proposed work is to isolate the current PC perforations, and recomplete to the Fruitland Coal. The PC interval will remain isolated with the possibility to be comingled with the FC at a later date

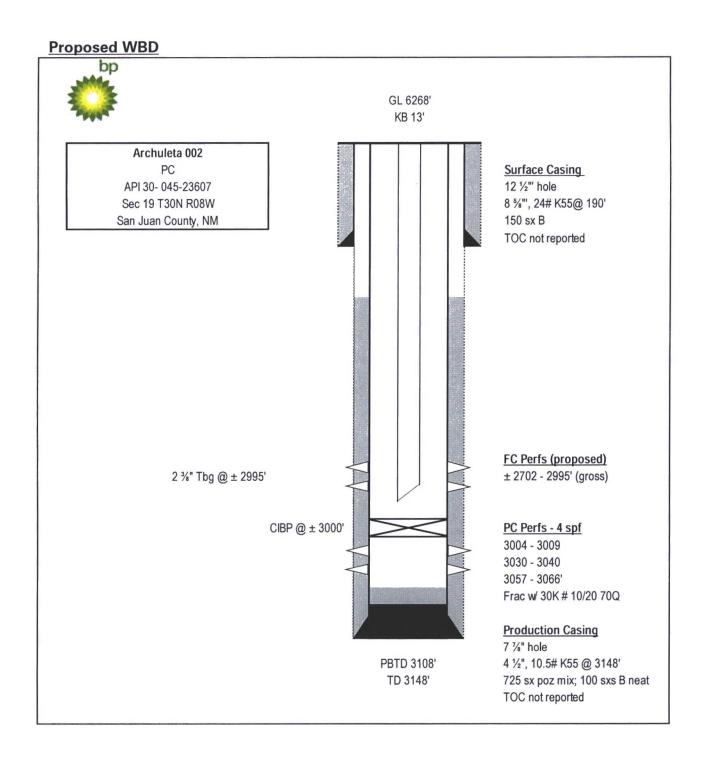
Basic job procedure

- 1. Pull completion
- 2. Set CIBP @ ± 3000'
- 3. MIT casing
- 4. Perforate FC ± 2702 2995'(gross)* and frac in multiple stages
- 5. Drill out stage isolation plugs (if used) to CIBP @ ± 3000'
- 6. Run completion and return well to production

* Actual perforated intervals will be reported in the post operations report

Current WBD





District J 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

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

AMENDED REPORT

1 A	PI Numbe	r		² Pool Code	2	³ Pool Name					
30-	-045-2360	7		72359 Blanco Pictured Cliffs							
⁴ Property C	Code		⁵ Property Name						6 V	⁶ Well Number	
000268					Archul	eta				2	
⁷ OGRID N	No.				8 Operator	Name			9	⁹ Elevation	
000778	3			BP	America Produc	ction Company				6268	
	¹⁰ Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County	
С	19	30N	08W		450	North	850	We	West San Juan		
			¹¹ Bo	ottom Ho	le Location I	f Different From	n Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East	East/West line County		
¹² Dedicated Acres	13 Joint of	1.60 14 0	analidation	asolidation Code 15 Order No.							
169.64	Joint of		onsondation	Code Or	der 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</i>
450'	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
850'	the proposed bottom hole location or has a right to drill this well at this
050	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.
1	
	Signature Date
	Toya Colvin Printed Name
2	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.
8	
-	Data of Surgery
	Date of Survey
	Signature and Seal of Professional Surveyor:
	Previously Filed
	Conference Marchan
	Certificate Number

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> 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 A	PI Numbe	r		² Pool Code	vool Code ³ Pool Name						
30-	045-2360	7		71629 Basin Fruitland Coal							
⁴ Property C	Code		⁵ Property Name ⁶ Well Number							Well Number	
000268	.				Archul	eta				2	
⁷ OGRID N	lo.				⁸ Operator	Name				⁹ Elevation	
000778				BP	America Produ	ction Company				6268	
	¹⁰ Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County	
C	19	30N	08W		450	North	850	We	West San Juan		
			¹¹ Bo	ottom Ho	le Location I	f Different From	n Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East	East/West line County		
¹² Dedicated Acres	13 Joint of	r Infill ¹⁴ Co	⁴ Consolidation Code ¹⁵ Order No.								
228.06				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
10			¹⁷ OPERATOR CERTIFICATION
	450'		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
850'			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
1			order heretofore entered by the division.
			Signature Date 3/27/17
			Toya Colvin Printed Name
2			Tova.Colvin@bp.com E-mail Address
8			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

BP America Production Co. Lower 48 Onshore

> Craig T. Ferguson craig.ferguson@bp.com 281-892-5743 (direct)

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

BP America Production Company 737 N. Eldridge Parkway Houston, TX 77079

RE: Archuleta 002 – Commingle Application NENW Section 19-T30N-R08W San Juan County, NM API #30-045-23607

Hello:

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 Pictured Cliffs formation in the NW/4 of Sec 19-T30N-R08W against the interest records for the Fruitland Coal formation as produced from the Archuleta GC B 001 FC (API 300-45-28268) in the W/2 of Sec 19-T30N-R08W.

This review indicated that ownership in the Pictured Cliffs; Fruitland Coal formations are as follows:

Pictured Cliffs - NW/4 Section 19-T30	N-R08W (160.0 acres)
BP America Production Company	50.00% WI
ConocoPhillips Cos.	50.00% WI
TOTAL	100.00% WI
Fruitland Coal - W/2 Section 19-	Г30N-R08W (320.0 acres)
BP America Production Company	44.63299% WI
Burlington Resources Oil and G	as 52.37691% WI
John B. Pierce	.64880% WI
Osprey Resources Inc.	2.16570% WI
Tab Riley Smith	.17560% WI
TOTAL	100.00000%

Archuleta 002 (PC), (API # 300-45-23607) consists of one (1)

Federal lease: SF 079511, 1/8th Royalty

Please note that the affected parties will have 20 days to respond by mailing a protest to the above mentioned operator or the NMOCD Aztec office of the downhole commingle request.

Please contact me at 281-892-5743 if you have any questions concerning this topic.

Sincerely,

Maig T. Fugudm

Craig T. Ferguson- Land Negotiator



District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department

Submit Original to Appropriate District Office

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

GAS CAPTURE PLAN

Date: March 27, 2017

⊠ Original

Operator & OGRID No.: BP America Production Company - 778

□ Amended - Reason for Amendment:

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

Note: A C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
Archuleta 002	30-045-23607	C-19-30N-8W	450 FNL 850 FWL	225	Vented	Venting will occur during post-frac cleanout operations. Rate listed in 'Expected MCF/D' column is hydrocarbon portion of vented gas only. Majority of vented gas will be inert (Nitrogen from stimulation, air for cleanout, small amount of hydrocarbon gas)

Gathering System and Pipeline Notification

This is a re-completion of a producing gas well. Gas production, sales and transportation infrastructure is already in place. The gas produced is dedicated to <u>Enterprise</u> and will be connected to their gathering system located in San Juan County, New Mexico.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback/cleanout operations, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, N2 and/or O2, the well will be routed to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on <u>Enterprise</u> system at that time. Based on current information, it is <u>BP's</u> belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

COMPLETE THIS SECTION ON DELIVERY **SENDER:** COMPLETE THIS SECTION A. Signature Complete items 1, 2, and 3. □ Agent Print your name and address on the reverse X Addressee so that we can return the card to you. B. Received by (Printed Name) C. Date of Delivery Attach this card to the back of the mailpiece, or on the front if space permits. D. Is delivery address different from item 1? □ Yes 1. Article Addressed to: Tab Riley Smith Po Box 2247 Bellaire, TX 17402 If YES, enter delivery address below: T No 3. Service Type □ Priority Mail Express® □ Registered Mail™ Adult Signature Registered Mail^{***}
 Registered Mail Restricted
 Delivery
 Return Receipt for
 Merchandise Adult Signature Restricted Delivery
 Certified Mail® Certified Mail Restricted Delivery 9590 9402 1758 6074 6818 67 Collect on Delivery
Collect on Delivery Restricted Delivery ☐ Signature Confirmation™
 ☐ Signature Confirmation
 Restricted Delivery Article Number (Transfer from service label) 0 ared Mail ared Mail Restricted Delivery 7008 1140 0001 9414 8729 \$500) PS Form 3811, July 2015 PSN 7530-02-000-9053 **Domestic Return Receipt SENDER: COMPLETE THIS SECTION** COMPLETE THIS SECTION ON DELIVERY A. Signature Complete items 1, 2, and 3. □ Agent Print your name and address on the reverse х so that we can return the card to you. Addressee B. Received by (Printed Name) C. Date of Delivery Attach this card to the back of the mailpiece. or on the front if space permits. 1. Article Addressed to: D. Is delivery address different from item 1? □ Yes If YES, enter delivery address below: T No Conoco Phillips / Burlington Resources Ben Mitchell, Landman 3401 E. 30th Street Farmington, NM 87402 3. Service Type Priority Mail Express® Adult Signature □ Registered Mail™ Registered Mail Restricted Delivery
 Receipt for Merchandise Adult Signature Restricted Delivery
 Certified Mail® Certified Mail Restricted Delivery 9590 9402 1758 6074 6818 29 Collect on Delivery
Collect on Delivery Restricted Delivery □ Signature Confirmation™ 2. Article Number (Transfer from service label) ured Mail ured Mail Restricted Delivery Signature Confirmation 7008 1140 0001 9414 8736 **Restricted Delivery** er \$500)

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. 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: John & Picrce 232 S. Anasazi Dr. 	A. Signature
PO BOX 5025 Creenhaven, AZ 84040 9590 9402 1758 6074 6819 59 2 Article Number (Transfer from sentise 14-14 7008 1240 0001 9424 8705	3. Service Type □ Priority Mail Express® □ Adult Signature □ Registered Mail™ □ Adult Signature Restricted Delivery □ Registered Mail™ □ Certified Mail® □ Priority Mail Express® □ Certified Mail® □ Registered Mail™ □ Collect on Delivery □ Preturn Receipt for Merchandise □ Collect on Delivery Restricted Delivery □ Signature Confirmation™ ■ ed Mail ed Mail □ Signature Confirmation □ (over \$500) □ Priority Mail Express®
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt
 SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. 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. Article Addressed to: Osprey Resources Inc. PO ISOX 56449 Houston, TX 71256-6449 	COMPLETE THIS SECTION ON DELIVERY A. Signature X
9590 9402 1758 6074 6819 42 2. Article Number (Transfer from service labo) 7008 1140 0001 9414 8712 PS Form 3811 http://www.com/com/com/com/com/com/com/com/com/com/	3. Service Type □ Priority Mail Express® □ Adult Signature Restricted Delivery □ Registered Mail™ □ Adult Signature Restricted Delivery □ Registered Mail™ □ Certified Mail® □ Registered Mail™ □ Collect on Delivery □ Redistered Mail™ □ Collect on Delivery Restricted Delivery □ Signature Confirmation™ □ Signature Mail □ Signature Confirmation™ □ sured Mail □ Signature Confirmation™ □ sured Mail □ Restricted Delivery □ transform □ Signature Confirmation™

PS Form 3811, July 2015 PSN 7530-02-000-9053

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Domestic Return Receipt

Form 3160-5 FORM APPROVED UNITED STATES (June 2015) OMB NO. 1004-0137 DEPARTMENT OF THE INTERIOR Expires: January 31, 2018 BUREAU OF LAND MANAGEMENT 5. Lease Serial No. NMSF079511A 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. 6. If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2 1. Type of Well 8. Well Name and No. ARCHULETA 2 🖸 Oil Well 🛛 Gas Well 🔲 Other 9. API Well No. Name of Operator Contact: **TOYA COLVIN** BP AMERICA PRODUCTION COMPANMail: Toya.Colvin@bp.com 30-045-23607 3b. Phone No. (include area code) Ph: 281-892-5369 10. Field and Pool or Exploratory Area BLANCO PICTURED CLIFFS 3a Address 737 NORTH ELDRIDGE PARKWAY 12.181A HOUSTON, TX 77079 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State Sec 19 T30N R08W NENW 450 FNL 850FWL SAN JUAN COUNTY, NM 36.482000 N Lat. 107.432000 W Lon 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION □ Acidize □ Production (Start/Resume) □ Water Shut-Off Deepen Notice of Intent □ Alter Casing □ Well Integrity Hydraulic Fracturing □ Reclamation □ Subsequent Report □ Other Casing Repair □ New Construction Recomplete Final Abandonment Notice Plug and Abandon Temporarily Abandon Change Plans 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 requests to isolate the Pictured Cliffs formation with a CIBP, re-complete into the Basin Fruitland Coal formation and produce the Fruitland Coal for a period of time, then remove the CIBP and downhole commingle production with the existing Pictured Cliffs. 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 between these two pools, therefore notification is required and has been sent by certified mail. Please see attached Land Letter. During Commingle: Production is proposed to be allocated based on the subtraction method using the Pictured Cliffs projected future decline. That production will serve as a base for production subtracted from the total production for the commingled well. The balance of the production will be 14. I hereby certify that the foregoing is true and correct. Electronic Submission #371226 verified by the BLM Well Information System For BP AMERICA PRODUCTION COMPANY, sent to the Farmington Name (Printed/Typed) TOYA COLVIN Title **REGULATORY ANALYST** (Electronic Submission) Signature Date 03/28/2017 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. (Instructions on page 2) ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **