State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary Heather Riley, Division Director Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-5 form.

Operator Signature Date: Original APD 4/4/2016

Sundry Extension Date 8/23/2018

WELL INFORMATION:

API WELL #	Well Name	Well #	Operator Name	Туре	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
000,0	GALLEGOS CANYON UNIT 599 COM		BP AMERICA PRODUCTION COMPANY	G	N	San Juan	F	A	19	28	N	11	W

Conditions of Approval:

(See the below checked and handwritten conditions)

Notify Aztec OCD 24hrs prior to casing & cement.

✓ Hold C-104 for directional survey & "As Drilled" Plat

✓ Hold C-104 for NSL, NSP, DHC,

O Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned

Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:

A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A

A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A

A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C

Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string

✓ Submit Gas Capture Plan form prior to spudding or initiating recompletions operations.

Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84

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Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.

Well-bore communication is regulated under 19.15.29 NMAC. This requires well-bore Communication to be reported in accordance with 19.15.29.8.

Comply with current regulations at time of spud
Prior to production operator needs to be in compliance with RULE 19.15.5.9

NMOCD Approved by Signature

Johnic Anshi

9/6/18 Date

Form	3160-5
(June	2015)
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UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FOR!	MAI	PR	OV	ED
OMB	NO.	100	4-0	137
Expires:	Janu	iary	31.	20

S	SUN	NDR	YN	OTIC	ES	AND	REP	OR	гs с	N	WELLS	
Do r	not	use	this	form	for	propo	sals	to di	rill or	to	re-enter	an

5	Lease Serial No.	
	NMSF080844A	

SUBMIT IN TRIPLICATE - Other instructions on page 2 7. If Unit or CA/Agreement, Name and/or No. NMNM78391C 8. Well Name and No. GALLEGOS CANYON UNIT 599 COM 2H 2. Name of Operator BP AMERICA PRODUCTION COMPA⊠-Mail: Naomi.Azulai@bpx.com 3a. Address 380 AIRPORT ROAD Ph: 970-232-1439 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T28N R11W Mer NMP NENE 512FNL 642FEL 36.653537 N Lat, 108.069647 W Lon 7. If Unit or CA/Agreement, Name and/or No. NMNM78391C 8. Well Name and No. GALLEGOS CANYON UNIT 599 COM 2H 9. API Well No. 30-045-35772 9. API Well No. 30-045-35772 10. Field and Pool or Exploratory Area BASIN DAKOTA 11. County or Parish, State SAN JUAN COUNTY, NM	Do not use this form for proposals to abandoned well. Use form 3160-3 (AP	6. If Indian, Allottee or Tribe Name	
GALLEGOS CANYON UNIT 599 COM 2H 2. Name of Operator BP AMERICA PRODUCTION COMPAN-Mail: Naomi.Azulai@bpx.com 3a. Address 380 AIRPORT ROAD DURANGO, CO 81303 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T28N R11W Mer NMP NENE 512FNL 642FEL GALLEGOS CANYON UNIT 599 COM 2H 9. API Well No. 30-045-35772 10. Field and Pool or Exploratory Area BASIN DAKOTA 11. County or Parish, State SAN JUAN COUNTY, NM	SUBMIT IN TRIPLICATE - Other ins		
2. Name of Operator BP AMERICA PRODUCTION COMPA®-Mail: Naomi.Azulai@bpx.com 3a. Address 380 AIRPORT ROAD DURANGO, CO 81303 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T28N R11W Mer NMP NENE 512FNL 642FEL 9. API Well No. 30-045-35772 10. Field and Pool or Exploratory Area BASIN DAKOTA 11. County or Parish, State SAN JUAN COUNTY, NM			
BP AMERICA PRODUCTION COMPA®-Mail: Naomi.Azulai@bpx.com 30-045-35772 3a. Address 380 AIRPORT ROAD DURANGO, CO 81303 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T28N R11W Mer NMP NENE 512FNL 642FEL 30-045-35772 10. Field and Pool or Exploratory Area BASIN DAKOTA 11. County or Parish, State SAN JUAN COUNTY, NM	Oil Well 🛮 Gas Well 📗 Other		
380 AIRPORT ROAD DURANGO, CO 81303 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T28N R11W Mer NMP NENE 512FNL 642FEL BASIN DAKOTA 11. County or Parish, State SAN JUAN COUNTY, NM			
Sec 19 T28N R11W Mer NMP NENE 512FNL 642FEL SAN JUAN COUNTY, NM	380 AIRPORT ROAD		
	4. Location of Well (Footage, Sec., T., R., M., or Survey Description	1)	11. County or Parish, State
			SAN JUAN COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TIPE OF SUBMISSION	TIPEOFACTION						
■ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off			
	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	■ Well Integrity			
☐ Subsequent Report	☐ Casing Repair	■ New Construction	☐ Recomplete	⊠ Other			
☐ Final Abandonment Notice	☐ Change Plans	□ Plug and Abandon	□ Temporarily Abandon	Change to Original A PD			
	☐ 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 respectfully requests a 2 year extension on the APD for this well.

AUG 3 , 2013

2 upar extensión granted - Final extensión date oblib/2020

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #432455 verified by the BLM Well Information System

For BP AMERICA PRODUCTION COMPANY, sent to the Farmington

Committed to AFMSS for processing by VIRGINIA BARBER on 08/27/2018 ()

Name (Printed/Typed) NAOMI AZULAI

Signature (Electronic Submission) Date 08/23/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____

Title AFM- Nun.

DaAUG 2 7 2018

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.

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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 **



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