Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Secretary **Gabriel Wade**, Acting 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 <u>3160-5</u> form.

Operator Signature Date: **Original APD 6/17/2016** Sundry Extension Date 12/21/2018

WELL INFORMATION: BP AMERICA PRODUCTION COMPANY 30-045-35778 NORTHEAST BLANCO UNIT 602 COM #003H

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
- O 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

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.

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✓ 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

Retheric Phila

NMOCD Approved by Signature

<u>2/15/19</u> Date

| | Form 3160-5 (June 2015) UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 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. | | | | FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018 5. Lease Serial No. | | |
|---|--|---|---|---|--|---|--|
| | | | | | NMNM0335 | 6. If Indian, Allottee or Tribe Name | |
| | SUBMIT IN TRIPLICATE - Other instructions on page 2 | | | | 7. If Unit or CA/ | Agreement, Name and/or No. | |
| | 1. Type of Well □ Oil Well ⊠ Gas Well □ Oth | | 8. Well Name and No. NEBU 602 COM 3H | | | | |
| | 2. Name of Operator BP | AI | 9. API Well No. | 9. API Well No. 30-045-35778 | | | |
| | 3a. Address 1199 MAIN AVENUE SUITE 1 | 3b. Phone No. Ph: 970-23 | (include area code) 2-1439 | 10. Field and Po | 10. Field and Pool or Exploratory Area BASIN MANCOS | | |
| | DURANGO, CO 81301 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | | in the second | 11. County or Pa | 11. County or Parish, State | |
| | Sec 12 T31N R7W Mer NMP NWNW 656FNL 718FWL | | | | SAN JUAN COUNTY, NM | | |
| | 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | | | | |
| | TYPE OF SUBMISSION | | | | TYPE OF ACTION | | |
| | 🛛 Notice of Intent | Acidize | Deep | | Production (Start/Resum Recompetion | | |
| | Subsequent Report | Alter Casing Casing Repair | | raulic Fracturing Construction | Reclamation Recomplete | Well Integrity Other | |
| | Final Abandonment Notice | | | g and Abandon | Temporarily Abandon | 5 | |
| | | | | Back | UWater Disposal | | |
| R | Bescribe 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 recompleted. 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 two year extension on the APD for the subject well. | | | | | | |
| | | | | | NMOCD | | |
| + | | * | * | | FEB 0 4 2 | D19 | |
| | | | | | | DISTRICT III | |
| | APD extension approved. Inal extension 12/20/2020 | | | | | | |
| | 14. I hereby certify that the foregoing is true and correct. Electronic Submission #448777 verified by the BLM Well Information System For BP, sent to the Farmington Committed to AFMSS for processing by VIRGINIA BARBER on 01/29/2019 () Name (Printed/Typed) NAOMI AZULAI Title REGULATORY ANALYST | | | | | | |
| | | | | | | | |
| | Signature (Electronic Submission) Date 12/21/2018 THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | | | | | |
| | Dave Mankiewicz | | | | | | |
| | Approved By Conditions of approval, if any, are attached. Approval of this notice does not wan | | | Title AT-1 | M- Minerals | Date 1 29/19 | |
| | 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 ** | | | | | | |
| | NMOCDA | | | | | | |