

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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 and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

WELL API NO. 30-045-25261
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> (Fed)
6. State Oil & Gas Lease No. RCUD MAR 4 '08
7. Lease Name or Unit Agreement Name OIL CONS. DIV. Russell
8. Well Number DIST. 3 4E
9. OGRID Number 778
10. Pool name or Wildcat Basin Dakota & Otero Chacra

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)
1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
BP America Production Company Attn: Cherry Hlava

3. Address of Operator
P.O. Box 3092 Houston, TX 77253

4. Well Location
Unit Letter **M** : **790** feet from the **SOUTH** line and **790** feet from the **WEST** line
Section **25** Township **28N** Range **08W** NMPM **San Juan** County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5873'

Pit or Below-grade Tank Application ☐ or Closure ☐
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: **Downhole Commingle** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

BP America Production Company requests permission to recomplete the subject well into the Otero Chacra and commingle production downhole with the existing Basin Dakota as per the attached procedure.

The Basin Dakota (71599) & Otero Chacra (82329) pools are Pre-Approved for Downhole Commingling per NMOCD order R-11363. The working & all royalty interest owners in the proposed commingled pools are identical; therefore no additional notification is required.

BLM has been notified of the DHC via form 3160-5 for lease NM - 013860A.

Production is proposed to be allocated based on the subtraction method using the DK projected future decline. That production shall 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 Chacra. Attached is the future production decline estimates for the Basin Dakota.

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

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Cherry Hlava TITLE Regulatory Analyst DATE 03/03/2008

Type or print name Cherry Hlava E-mail address: hlavacl@bp.com Telephone No. 281-366-4081
For State Use Only

APPROVED BY: [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE MAR 05 2008
Conditions of Approval (if any): B

SJ Basin Recompletion, DHC & Bradenhead Repair Procedure

Well Name: Russell 4E

API #: 30-045-25261

Date: January 9, 2008

Location: T28N-R8W-Sec25

County: San Juan

State: New Mexico

Engr: Cristin Cammon
ph (281) 366-5721

Objective: Recomplete well to include Chacra formation and downhole commingle Chacra and Dakota.

1. TOH with completion.
2. Run CBL log.
3. Remedial cement job for bradenhead repair
4. Perforate and frac Chacra
5. Clean out to TD and land tubing.
6. Return well to production, downhole commingle Chacra and Dakota

Well History:

This well has been producing from the Dakota since 1982. The 2-3/8" tubing is landed at 6719' and the well is currently running with a plunger. Today the well produces approximately 20 mcf/d.

The objective is to recomplete this well to include the Chacra horizon and commingle the production with the existing Dakota horizon. The job scope is to perforate and fracture stimulate the Chacra formation, clean out to TD, and commingle production after performing a 24 hour test on the Chacra. The anticipated uplift is 200 mcf/d. A composite bridge plug will be set at 5000' to isolate the Dakota throughout the recomplete.

This well currently has bradenhead problems and we will plan on doing remedial cement work to mitigate the bradenhead issues while we are on the well to perform the recomplete.

Procedure:

1. Perform pre-rig site inspection. Check for: size of location, Gas Taps, other wells, other operators, running equipment, wetlands, wash (dikes req.), H₂S, barriers needed for equipment, Landowner issues, location of pits (buried lines in pits), Raptor nesting, critical location, check anchors. Check ID wellhead, if earth pit is required have One Call made 48 hours prior to digging.
2. Perform second site visit after lines are marked to ensure all lines clear marked pit locations. Planning and Scheduling to ready location for rig.
3. RU slickline unit or wireline unit. Pressure test lubricator and equipment. RIH and set **two** barriers (CIBP, tbg collar stop w/plug, or plug set in nipple) for isolation in tubing string.
4. Check and record tubing, casing, and bradenhead pressures. Ensure production casing has double casing valves installed. Double valve all casing strings.
5. MIRU workover rig. LO/TO all necessary equipment including but not limited to: meter run, Automation, Separators and water lines.
6. Blow down well. Kill with 2% KCL water ONLY if necessary.
7. Check all casing strings to ensure no pressure exist on any annulus. **The operations of removal of wellhead and installation of BOP's will be performed under a dispensation for one (1) barrier on the backside.**
8. Nipple down Wellhead. NU BOPs and diversion spool with 3" outlets and 3" pipe to the blow tank. Pressure test BOPs to 200 psi above BHP. Monitor flowing casing pressure with gauge (with casing flowing to blow tank) throughout workover.
9. Install stripping rubber, pull tubing hanger up above pipe rams, and shut pipe rams. Remove stripping rubber. Strip tubing hanger out of hole. Re-install stripping rubber.
10. TOH and LD 2-3/8" production tubing currently set at 6719', lay down tubing. Using approved "Under Balance Well Control Tripping Procedure". Visually inspect tubing while POOH, note any signs of pitting or corrosion and please document with pictures. Measure tubing out of hole. Recover isolation plugs from tubing.
11. TIH with 7" scraper. Check the distance between the top of the blind rams and the length of the bottom hole assembly that is being run. If the BHA is too long then the well has to be top killed and monitored prior to opening blind rams. RIH and scrape pipe to just above liner top to ~2900'. POOH. Lay down bit and scraper.
12. TIH with 4-1/2" scraper. Check the distance between the top of the blind rams and the length of the bottom hole assembly that is being run. If the BHA is too long then the well has to be top killed and monitored prior to opening blind rams. RIH and scrape pipe to PBTD (~6843'). POOH. Lay down bit and scraper.
13. RU E-line equipment. Pressure test lubricator and equipment.

Bradenhead Repair:

14. Pick up 7" retrievable bridge plug and TIH with packer and RBP. Set RBP at +/- 1600'. (Ensure plug is not set opposite a casing collar by doing a few passes at +/- 1600' with the CCL and then determine the setting depth.)
15. TOH 1 joint and pressure test RBP to 1000 psi to ensure it is holding.
16. Pressure test the casing above the packer to 1000 psi. Isolate the leak if any, by moving packer up hole and repeating pressure test of packer. If no casing leak is found, and cement bond log will be run to determine the top of cement.
17. **Spot 10' of sand on RBP.**
18. POOH with packer. Fill casing w/ 2% KCl. POOH.
19. **Log well w/ CBL log from 1600' to surface.** Contact engineer after determining TOC in 7" casing to determine where remedial cement work is needed to repair bradenhead leak.
20. Transmit log data to Cristin Cammon at cristin.cammon@bp.com and Mark Durio at mark.durio@bp.com and please call to confirm at 281-366-5721.
21. Temperature survey in 1982 indicated top of cement at 700'. Depending on where top of cement is determined to be from the CBL, proceed as follows.
22. Rig up wireline and perforate casing 100' above indicated cement top with 4 spf.
23. TIH with 7" packer and set 130' (5 bbl capacity) above top perforation at ~ XXXX.
24. Establish injection rate and attempt to circulate 2% KCl water to surface. If successful, prepare for cement operations. (Note: This well currently flows water from the Bradenhead, so it will need to be monitored closely to determine if we are successfully circulating.)
25. RU cementers and place cement to surface using
26. Mix and pump sufficient cement (Class B or equivalent, with a setting time of 2 hours) to circulate to surface. Shut bradenhead valve and attempt to walk squeeze to obtain a 1,000 psi squeeze pressure. WOC.
27. TIH with 7" bit and scraper. Drill cement out and test casing to 500 psi.
28. POOH and lay down bit and collars.
29. TIH with retrieving head for RBP. Circulate/ wash out 10' of sand on RBP. Swab fluid off RBP and recover RBP at 1600'.

Recomplete:

30. TIH with 4-1/2" scraper. Check the distance between the top of the blind rams and the length of the bottom hole assembly that is being run. If the BHA is too long

then the well has to be top killed and monitored prior to opening blind rams. RIH and scrape pipe to PBTD (~6843'). POOH. Lay down bit and scraper.

31. Pick up composite bridge plug and TIH. Set composite bridge plug at +/- 5000'. (Ensure plug is not set opposite a casing collar by doing a few passes at +/- 5000' with the CCL and then determine the setting depth.) Pressure test bridge plug to ensure it is holding. Fill casing w/ 2% KCl. POOH.
32. **Log well w/ CBL log from 5000' to 3000' (liner top).** Contact engineer after determining TOC in 4-1/2" liner to discuss perforation placement or need for remedial cement squeeze if cement coverage is inadequate for the pay-add or if integrity of casing appears sub-par. Contact operations geologist, Mark Durio, for final perf interval selection from the RST.
33. Replace wellhead (if needed)
34. Pressure test 4 1/2" 10.5# K-55 liner to ~3200 psi (75% of burst is 3592 psi). Monitor outer annulus pressure closely. (To perform pressure test, RIH with tension set packer, set packer in casing just below lowest casing valve and test casing to desired pressure.)
35. Prepare for explosive operations. Follow Schlumberger Explosive SOP including radio silence, suspension of welding operations, and isolation of electrical devices from the work area. Perform Pre-job Safety Meeting to review JSA and procedures. If someone has On Star on their vehicle they cannot enter closer than 300 feet. On Star cannot be turned off. PLEASE take special caution. This is in conjunction with all cell phones, pagers, radios and any electronic device that transmits a signal.
36. RIH with **3-1/8" High Shot Density casing gun loaded with Power Jet charges at 1 SPF 60 Degree Phasing** w/lubricator and perforate Chacra formation.

Perforated intervals will be:

- Chacra formation: 3303' – 3640' (337' gross)
3 intervals at 1 shot every other foot for 90 holes
- 3310' – 3340' (30 holes)
 - 3410' – 3440' (30 holes)
 - 3510' – 3540' (30 holes)

NOTE: Verify final perf intervals with engineer/geologist.

POOH with perforating guns.

37. TIH 2-7/8" N-80/L-80 frac string 4 1/2" x 2-7/8" packer. Configure packer assembly as 2-7/8" x 4 1/2"; 2-7/8" downhole shutoff valve; This assembly will be made up and pressure tested in the packer service shop. TIH with downhole shutoff valve in the closed position.
38. Hold Risk Assessment (JHA) meeting prior to initiating pumping services.

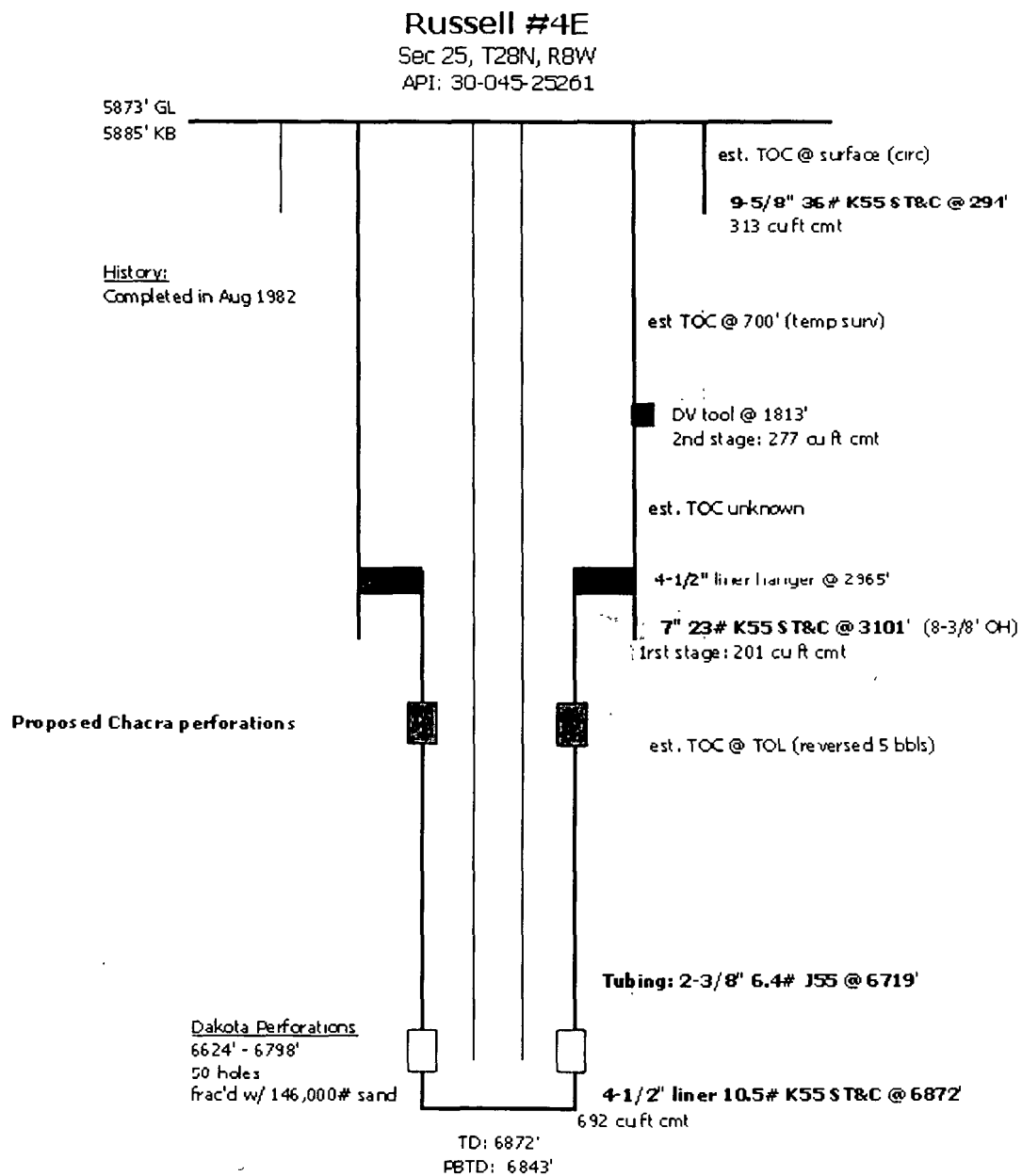
39. RU 10,000 psi frac isolation equipment (Stinger Isolation Tool).
40. RU test pump and pressure test tubing to 5000 psi for 10-15 minutes.
41. Relief pressure off of frac string. Open downhole valve and set packer at 3150'.
42. Pressure test 2-7/8" x 4-1/2" annulus with 500 psi.
43. RU Schlumberger frac equipment. **NOTE:** Frac tanks should be filled with fresh water, the KCl will be added on the fly.
44. Pressure test iron to Stinger frac valve at 5000 psi for 10 minutes. Function test treating line check valve during the prime and pressure test operation.
45. The frac is expected to pump at approximately 3000 psi. Maximum allowable treating pressure will be **3200 psi**.
46. Set stagger pump trips to **3200-3400 psi**. Function test pump trips individually.
47. Install and monitor production casing and treating pressure during entire job in frac van via pressure transducers on production casing and treating line. Be sure to monitor the casing annulus pressure throughout the duration of stimulation treatment.
48. Spearhead 1000 gal 15% HCL, establish injection rate, and proceed with fracture stimulation according to Schlumberger schedule.
49. Fracture treat Mesa Verde down casing as per Schlumberger schedule. Treat well at a **maximum surface pressure of 3200 psi during frac job**.
50. Maintain surface pressures less than 3200 psi during frac job. Flush frac with foam. Fill out GWSI scorecard.
51. Flowback frac immediately. Flow well through choke manifold on 1/4", 1/2" and 3/4" chokes slowly increasing drawdown until well dies or stabilizes. This is to aid in reducing sand flowback. Recommend 8 hours of flow for each choke size.
52. Release packer. TOH with 2-7/8" frac string and packer.
53. Rig up air package/unit, pressure test all lines (Testing procedure to be supplied from air company).
54. TIH with 2-3/8" tubing with notched collar (muleshoe) and float check valve.
55. Clean fill to CBP set at 5000'
56. POOH with tubing and float.
57. RIH with tubing and wireline retrievable pump through plug. Hang off tubing at 3500'. Retrieve plug.

58. Flow test the Chacra for 24 hrs for regulatory, allocation, and deliverability purposes.
59. POOH with tubing.
60. TIH w/ tubing and bit for 4-1/2" casing. Drill out CBP set at 5000'. Cleanout to PBTD at 6843'. Blow well dry.
61. RIH with 2-3/8" production tubing (with muleshoe, F-nipple with plug, 4 ft pup, X-nipple with plug).
62. Land 2-3/8" production tubing at +/- 6720' or depth determined from logs. Lock down 2-3/8" tubing hanger and bonnet.
63. Pressure test tubing to 500 psi with air unit, make sure tubing spool valves are open. Care should be taken during pressure testing of the tubing due to potential problem caused if tubing parts close to surface or above the hanger. Check all casing string for pressure. **The operations of removal of wellhead and installation of BOP's will be performed under a dispensation for one (1) barrier on the backside.**
64. ND BOP's. NU Wellhead. During Master valve placement ensure the top of hanger has spacer nipple in place to bottom of bonnet flange so plunger equipment will not hang up through tree. Pressure test Wellhead.
65. RU WL unit. Run gauge ring for 2-3/8" tubing. Pull plugs. Set tubing stop for plunger and communicate plunger equipment status to IC room personnel.
66. RD WL unit.
67. Test well for air. Hook up well to surface facilities and return well to production and downhole commingle Mesa Verde and Dakota.

Cristin Cammon

Production Engineer
BP America - San Juan South
Office: 281-366-5721
Cell: 303-913-6468
Email: Cristin.Cammon@bp.com

Wellbore Diagram:

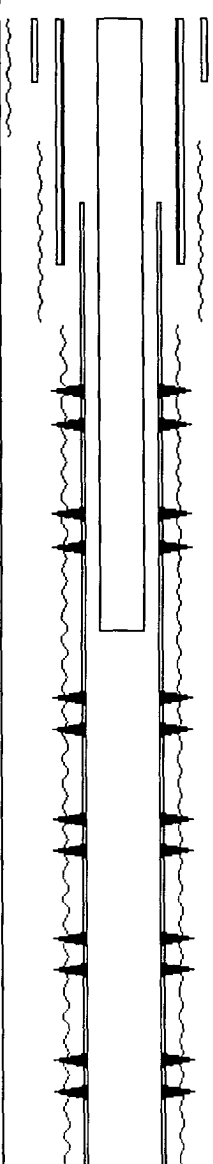


NOTES:

updated: 9/11/02 jad

Other Well Information:

San Juan - San Juan South									
Country:	UNITED STATES	County:	SAN JUAN	Event:	COMPLETION	Wellbore:	OW	Orig FB Elev:	5882.00 ft
Region:	NORTH AMERICA	State:	NEW MEXICO	Event Start:	7/27/1982	Top TMD:	12.0 ft	Ground Elev:	5873.00 ft
Bas. Unit:	NAG CPU	District:	FARMINGTON	Event End:	8/10/1982	Bottom TMD:	8872.0 ft	FB to GL:	12.0 ft
Perf Unit:	SAN JUAN			Objective:	OPALD_HISTORICAL DATA IMPROV	Perf Date:	7/27/1982	Mid Line Elev:	0.00 ft
Acct:	SAN JUAN SOUTH			Contractor:	no data				
Field:	BASIN-D-KOTA/345								

Tubing CTR Comments	Mh ID	Top	Wellbore	Perf Interval - C/P - Plug In
216 - TUBING, 2.375, 4.75, J-55, EUETO	1995 IN	12.0 ft		<p>5624.0 ft-5636.0 ft-2 ft-0.0 "</p> <p>5705.0 ft-5709.0 ft-2 ft-0.0 "</p> <p>5739.0 ft-5744.0 ft-2 ft-0.0 "</p> <p>5755.0 ft-5770.0 ft-2 ft-0.0 "</p> <p>5788.0 ft-5790.0 ft-2 ft-0.0 "</p> <p>5795.0 ft-5796.0 ft-2 ft-0.0 "</p>

District I

1625 N French Dr , Hobbs, NM 88240
Phone (505) 393-6161 Fax (505) 393-0720

District II

1301 W Grand Ave , Artesia, NM 88210
Phone (505) 748-1283 Fax (505) 748-9720

District III

1000 Rio Brazos Rd , Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170

District IV

1220 S St Francis Dr , Santa Fe, NM 87505
Phone (505) 476-3470 Fax (505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
Permit 51714

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number <i>30-045-25261</i>	2 Pool Code 82329	3 Pool Name OTERO CHACRA (GAS)
4 Property Code 997	5 Property Name RUSSELL	6 Well No 004E
7 OGRID No 778	8 Operator Name BP AMERICA PRODUCTION COMPANY	9 Elevation

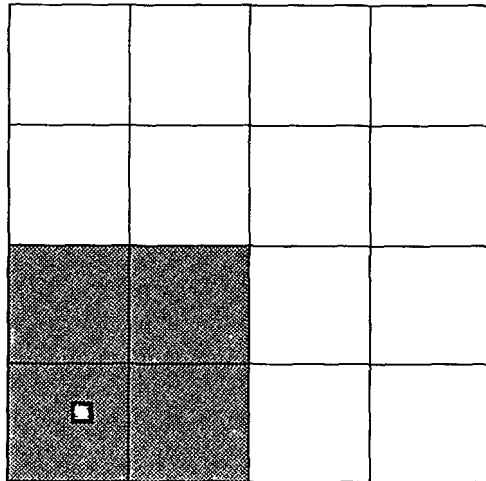
10. Surface Location

UL - Lot M	Section 25	Township 28N	Range 08W	Lot Idn	Feet From 790	N/S Line S	Feet From 790	E/W Line W	County SAN JUAN
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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12 Dedicated Acres 160.00		13 Joint or Infill		14 Consolidation Code		15 Order No			

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



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 mineral interest in the land including the proposed bottom hole location(s) 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 order heretofore entered by the division.

E-Signed By: *Cherry Hlawa*
Title: *Regulatory Analyst*
Date: *1-14-08*

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

Surveyed By: Fred Kerr
Date of Survey: 7/9/1981
Certificate Number: 3950