

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

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.

5. Lease Serial No.
SF-080723

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
GALLEGOS CANYON UNIT 263E

2. Name of Operator
BP AMERICA PRODUCTION COMPANY

Contact: CHERRY HLAVA
E-Mail: hlavaci@bp.com

9. API Well No.
30-045-20277 25210

3a. Address
P.O. BOX 3092
HOUSTON, TX 77253

3b. Phone No. (include area code)
Ph: 281.366.4081
Fx: 281.366.0700

10. Field and Pool, or Exploratory
BASIN DAKOTA/OTERA CHACRA

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 20 T29N R12W SENE 1700FNL 855FEL

11. County or Parish, and State
SAN JUAN COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Subsurface Commingling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall 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 requests permission to complete the subject well into the Otero Chacra Pool and commingle production downhole with the existing Basin Dakota Pool as per the attached procedure.
The Basin Dakota (71599) & the Otera Chacra Pools (82329) Pools are Pre-Approved for Downhole Commingling per NMOCD CASE NO. 12520, ORDER NO. R-11567 effective 04/26/2001. Although the interest owners are not identical between these two Pools, this same order, established approval for subsequent applications for the downhole commingling of production in wellbores within the Gallegos Canyon Unit without notice to the unit interest owners, therefore, no additional notification is required prior to downhole commingling approval.
Production is proposed to be allocated based on the subtraction method using the projected future decline for production from the Basin Dakota. That production shall serve as a base for production subtracted from the total production for the commingled well. The balance of the

RECEIVED
MAY 10 2002
BUREAU OF LAND MANAGEMENT
U.S. DEPARTMENT OF THE INTERIOR

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

Electronic Submission #11145 verified by the BLM Well Information System
For BP AMERICA PRODUCTION COMPANY, sent to the Farmington

Name (Printed/Typed) CHERRY HLAVA *Cherry Hlava*

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 05/06/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By */s/ Jim Lovato*

Title

Date MAY 28

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.

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NMOCD

Additional data for EC transaction #11145 that would not fit on the form

32. Additional remarks, continued

production will be attributed to the Otera Chacra. Attached is the future production decline estimates for the Dakota. Commingling Production Downhole in the subject well from the proposed pools will not reduce the value of the total remaining production.

GCU Well Work Procedure

Well Name: GCU 263E

Date: 4/22/02

Objective:

Recomplete in Chacra and downhole commingle with Dakota.

Pertinent Information:

Location: Sec.20, T29N-R12W

County: San Juan

State: New Mexico

Lease:

Meter No. 52900006

Horizon: Dakota/Chacra

API #: 30-045-25210

Engr: John Papageorge

Phone: W (281)366-5721

H (713)464-5053

1. Check anchors. MIRU.
2. Check and record tubing, casing and bradenhead pressures.
3. Blow down wellhead, kill if necessary with 2% KCL water.
4. Nipple down wellhead, nipple up and pressure test BOP.
5. Tag for fill. Tally out of hole and LD tubing. Replace as necessary.
6. RIH with bit and scraper. Clean out to PBTD.
7. Set CIBP at approximately 5900'. Load hole with 2%KCL and pressure test plug.
9. Perforate the following interval with 2JSPF, 120 deg. phasing: **Chacra 2660-2678'**.
10. RU frac equipment and fracture stimulate down casing according to schedule 'A'.
11. Flow back frac load on 1/4" choke until well dies or stabilized flow rate is obtained.
12. RIH with bit and tubing. Clean out fill. If sand feed-in has stabilized, drill out CIBP and cleanout to PBTD.
13. TIH with 2 3/8" production tbg. Land tubing across Dakota at approximately 6170'. RDMO.
14. Test well to pipeline.

GCU 263E

Wellbore Diagram

1700' FNL 855' FEL
Sec. 20, T29N, R12W
San Juan Co., NM

Current Configuration

Proposed

GL: 5610'
KB: 5623'

Surface Csg: 8 5/8", 24#
@ 295'

DV @ 4406'
Cement circ to surface

Tubing:
2 3/8" 4.7# J-55Tbg
@ 6183

Dakota Perforations:
6054-6068
6130-6172

Prod Csg: 4 1/2", 10.5#
@ 6260'

PBTD: 6213'
TD: 6260'

Chacra Perforations:
2660-2678'

Dakota Perforations:

1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

District II

811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-25210	² Pool Code 71599 / 82329	³ Pool Name Basin Dakota / Otero Chacra
⁴ Property Code 00570	⁵ Property Name Gallegos Canyon Unit	⁶ Well Number 263E
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation 5610 GL'

¹⁰ Surface Location


UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Unit H	20	29N	12W		1700'	North	855'	East	San Juan

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 320 DK 160 Ch	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

<div>16</div> 	<div>17</div> <div>OPERATOR CERTIFICATION</div> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <div>Signature</div> <div>Cherry Hlava</div> <div>Printed Name</div> <div>Cherry Hlava</div> <div>Title</div> <div>Regulatory Analyst</div> <div>Date</div> <div>05/01/2002</div>
	<div>18</div> <div>SURVEYOR CERTIFICATION</div> <p><i>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.</i></p> <div>Date of Survey</div> <div>1/15/1980</div> <div>Signature and Seal of Professional Surveyor:</div> <div>Fred B. Kerr Jr.</div> <div>3950</div> <div>Certificate Number</div>

Dakota

Date	MCF Forecast
1/1/02	56
2/1/02	55
3/1/02	55
4/1/02	54
5/1/02	54
6/1/02	53
7/1/02	52
8/1/02	52
9/1/02	51
10/1/02	51
11/1/02	50
12/1/02	50
1/1/03	49
2/1/03	49
3/1/03	48
4/1/03	48
5/1/03	47
6/1/03	47
7/1/03	46
8/1/03	46
9/1/03	46
10/1/03	45
11/1/03	45
12/1/03	44
1/1/04	44
2/1/04	43
3/1/04	43
4/1/04	42
5/1/04	42
6/1/04	42
7/1/04	41
8/1/04	41
9/1/04	40
10/1/04	40
11/1/04	39
12/1/04	39
1/1/05	39
2/1/05	38
3/1/05	38
4/1/05	38
5/1/05	37
6/1/05	37
7/1/05	36
8/1/05	36
9/1/05	36
10/1/05	35
11/1/05	35
12/1/05	35

Date	MCF Forecast
1/1/06	34
2/1/06	34
3/1/06	34
4/1/06	33
5/1/06	33
6/1/06	33
7/1/06	32
8/1/06	32
9/1/06	32
10/1/06	31
11/1/06	31
12/1/06	31