

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☒ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☒ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

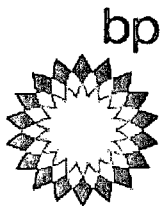
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2008 JAN 14 PM 4 22

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Toya Colvin	<i>Toya Colvin</i>	Regulatory Analyst	1/10/08
Print or Type Name	Signature	Title	Date
		Toya.colvin@bp.com	
		e-mail Address	



BP America Production Company

San Juan Performance Unit
501 Westlake Park Boulevard
Houston, Texas 77079
Room 19.144

Julie Burns-Morton
Land Negotiator

Phone: 281.366.4528
Fax: 281.366.0700

January 15, 2008

New Mexico Oil Conservation Division
Energy and Minerals Department
P. O. Box 6429
Santa Fe, New Mexico 87505

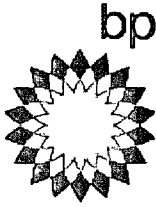
Surface Commingling Application
Warren LS 5A & Warren LS 12S
Section 24, T28N, R09W
San Juan County, New Mexico

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Please be advised that the working interest, royalty and overriding royalty interest owners are identical for each well.

Sincerely,

A handwritten signature in cursive script that reads "Julie Burns-Morton".
Julie Burns-Morton
Land Negotiator



San Juan South Asset

Cherry Hlava
WL1-19.132
281-366-4081 (direct)
281-366-0700 (FAX)
hlavac@bp.com

P. O. Box 3092
Houston, Texas 77253-3092
501 Westlake Park Boulevard
Houston, Texas 77079

January 10, 2008

New Mexico Oil Conservation Division
Energy and Minerals Department
P. O. Box 6429
Santa Fe, New Mexico 87505

Surface Commingling Notice
Warren LS 5A (MV/CH) API 3004525527
Warren LS 12S (FC/PC) API 3004532283
Section 24, T28N, R09W
San Juan County, New Mexico

BP America Production Company respectfully request authorization to surface commingle gas production from the Blanco Mesaverde, Otero Chacra, Basin Fruitland Coal, and Aztec Pictured Cliffs Formations. Surface commingling Blanco Mesaverde & Otero Chacra production will be from the Warren LS 5A DHC 1431 AZ, and Basin Fruitland Coal & Aztec Pictured Cliffs production will be from the Warren LS 12S DHC 1610 AZ. Both of these 'leases' are of the same base lease with the same ownership between formations. Therefore notification to working interest, royalty and overriding royalty interest owners is not required.

After separation, the production from each well will be metered prior to commingling. The commingled gas will then be sent through compression prior to entering the sales meter. (Please reference attached schematic)

The difference between what is measured prior to commingling and what is sold through the sales meter is the fuel usage. This fuel usage is allocated back to each well based on the well production.

Attached in support of our application and in compliance with NMOCD Rule 303(B) are the following documents:

1. Plats with lease boundaries showing all wells and facility locations.
2. Site Facility Schematic Flow Diagram
3. Forms C-103 & C-107-B

Should you have any questions concerning this matter please contact Toya Colvin at 281-366-7148.

Sincerely,

A handwritten signature in cursive script that reads 'Toya Colvin'.
Toya Colvin
Regulatory Analyst

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, 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

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION

1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: **BP America Production Company**

OPERATOR ADDRESS: **P O Box 3092 Houston, TX 77253**

APPLICATION TYPE:

☒ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Mesaverde & Chacra (Warren LS 5A)	1277 BTU	1277 BTU		180	180
Fruitland Coal & Aztec Pictured Cliffs (Warren LS 12S)	1096 BTU	1096 BTU		199	199

(2) Are any wells producing at top allowables? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☒ No. **Same Ownership**

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

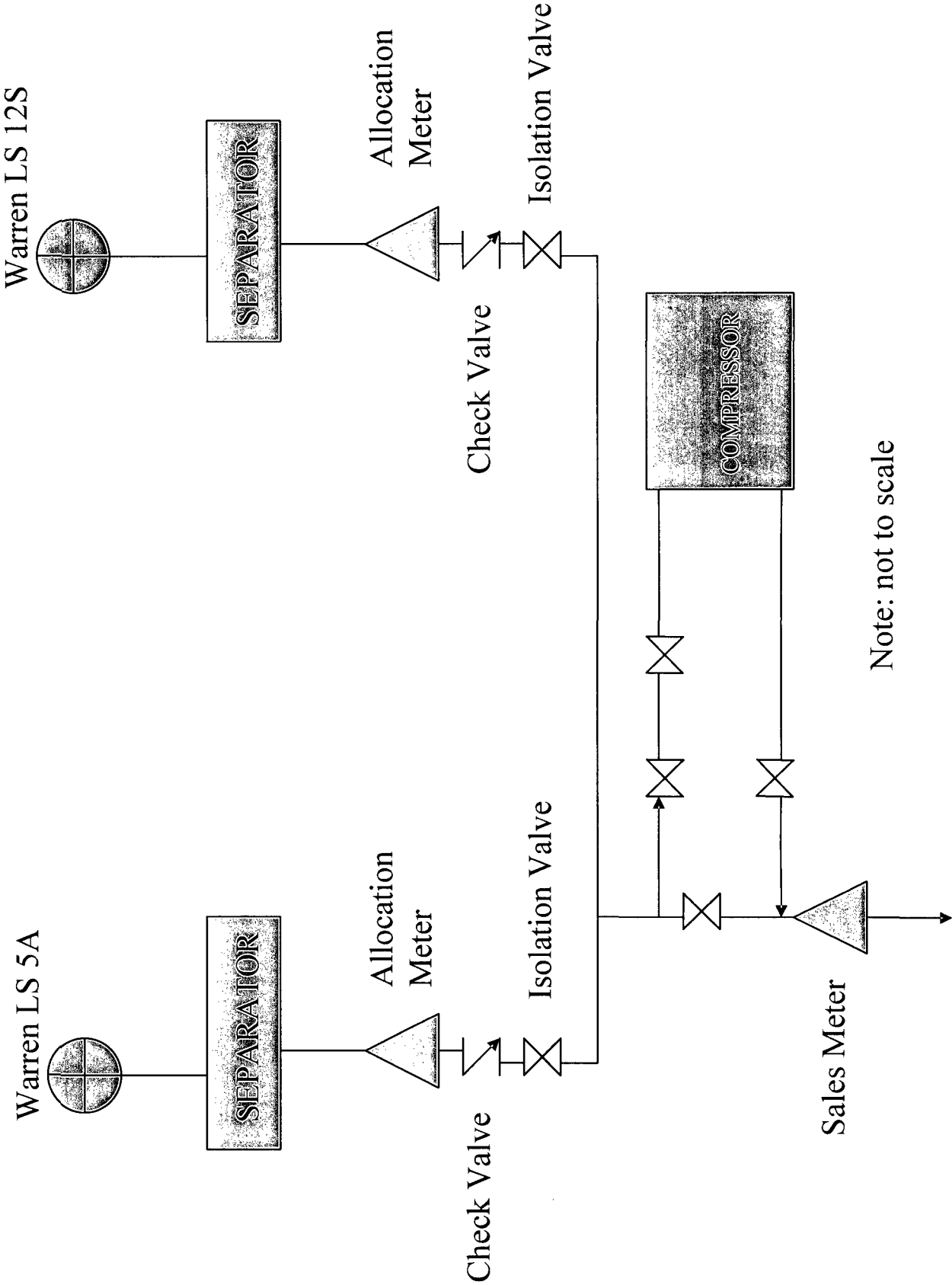
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Toya Colvin TITLE: Regulatory Analyst DATE: 1/10/08

TYPE OR PRINT NAME Toya Colvin TELEPHONE NO.: 281-366-7148

E-MAIL ADDRESS: hlavacl@bp.com

GCU Shared Compression



OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-107
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

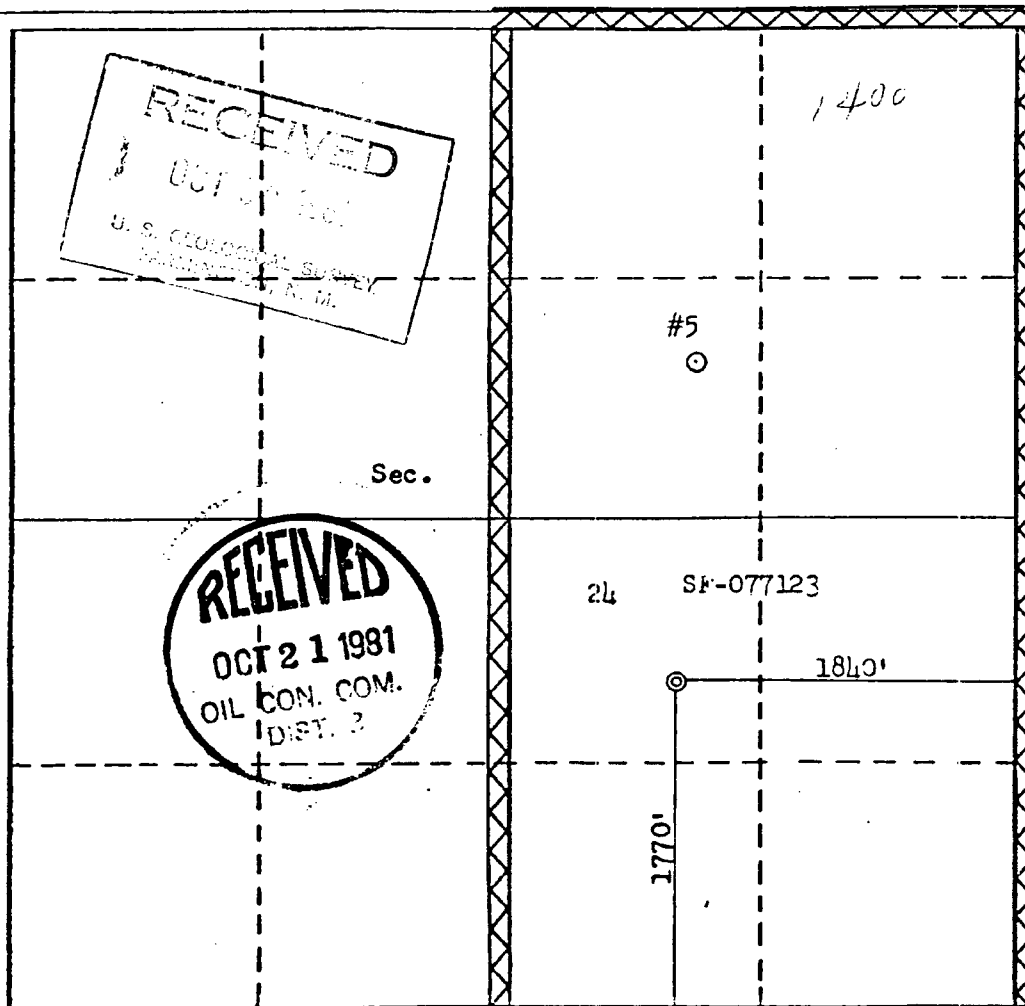
Operator EL PASO NATURAL GAS COMPANY			Lease WARREN (SF-077123)		Well No. 5A
Unit Letter J	Section 24	Township 28N	Range 9W	County San Juan	
Actual Footage Location of Well: 1770 feet from the South line and 1840 feet from the East line					
Ground Level Elev. 5850	Producing Formation MESA VERDE		Pool BLANCO MESA VERDE	Dedicated Acreage: 320.00 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

A. J. Brisco

Name

Drilling Clerk

Position

El Paso Exploration Co.

Company

October 8, 1981

Date

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 knowledge and belief.

Date Surveyed

July 23, 1980

Registered Professional Engineer
and/or Land Surveyor*Fred B. Kerr Jr.*
Fred B. Kerr Jr.

Certificate No.

3950

District I
1625 N. French Dr., Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-25227	² Pool Code 82329	³ Pool Name Otero Chacra
⁴ Property Code 001212	⁵ Property Name Warren LS	⁶ Well Number 5A
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation 5850' GR

¹⁰ Surface Location

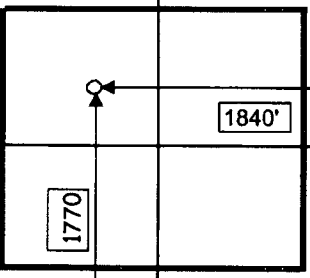
UL or lot no. Unit J	Section 24	Township 28N	Range 09W	Lot Idn	Feet from 1770'	North/South South	Feet from 1840'	East/West East	County San Juan
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet	East/West	County
¹² Dedicated Acres 160	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

				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Mary Corley Signature Mary Corley Printed Name Sr. Regulatory Analyst Title 2/18/2004 Date
				¹⁸ SURVEYOR CERTIFICATION <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> on file Date of Survey Signature and Seal of Professional Surveyor: Certificate Number



District I-
PO Box 1980, Hobbs NM 88241-1980
District II
PO Drawer KK, Artesia, NM 87211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-045-32283		2 Pool Code 71629		3 Pool Name Basin Fruitland Coal		
4 Property Code 001212		5 Property Name Warren LS			6 Well Number # 12S	
7 OGRID No. 000 778		8 Operator Name BP AMERICA PRODUCTION COMPANY			9 Elevation 5854	

10 Surface Location

UL or Lot No. J	Section 24	Township 28 N	Range 9 W	Lot Idn	Feet from the 1750	North/South line SOUTH	Feet from the 1945	East/West line EAST	County SAN JUAN
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Bottom Hole Location If Different From Surface

11 UL or lot no.	12 Section	13 Township	14 Range	15 Lot Idn	16 Feet from the	17 North/South line	18 Feet from the	19 East/West line	20 County
21 Dedicated Acres 320		22 Joint or Infill		23 Consolidation Code		24 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. Signature: <u>Cherry Hlava</u> Printed Name: <u>Cherry Hlava</u> Title: <u>Regulatory Analyst</u> Date: <u>3-25-04</u>
	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: <u>February 26, 2004</u> Signature and Seal of Professional Surveyor: <u>GARY D. VANN</u> Certificate Number: <u>7016</u>

(R) - GLO Record

				17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>
				<i>Mary Corley</i> Signature Mary Corley Printed Name Sr. Regulatory Analyst Title 08/10/2004 Date
				18 SURVEYOR CERTIFICATION <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>
				2/26/2004 Date of Survey Signature and Seal of Professional Surveyor: Gary D Vann 7016 Certificate Number

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Monday, January 14, 2008 6:48 PM
To: 'Colvin, Toya'
Cc: Ezeanyim, Richard, EMNRD
Subject: Surface Commingle Application from BP: Warren LS lease

Hello Toya:

This sounds perfect - but our rules require a Landman or Attorney signature stating the ownership is identical over this E/2 for all those Pools.

Please corner one of your Landman's or Attorneys and get one to sign your statement and fax or mail it to my attention.

Regards,

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

1/14/2008