



2004 JUN 14 PM 1 19

San Juan Performance Unit

Mary Corley  
WL1-19.171  
281-366-4491 (direct)  
281-366-0700 (FAX)  
[corleym@bp.com](mailto:corleym@bp.com)

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

May 13, 2004

New Mexico Oil Conservation Division  
Energy and Minerals Department  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: William V. Jones

Application to Amend PC - 1103  
McCulley LS No. 2A  
McCulley LS No. 8  
Section 14, T28N, R09W  
San Juan County, New Mexico

Per you email request please find attached the Form C-103 for the subject application.

Sincerely,

A handwritten signature in cursive script that reads "Mary Corley".

Mary Corley

cc: Frank Chavez, Supervisor  
NMOCD District III  
1000 Rio Brazos Road  
Aztec, NM 87410

ABOVE THIS LINE FOR DIVISION USE ONLY

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



MAY 19 2004

OIL CONSERVATION  
DIVISION

**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]**

*Sent email regarding C-103 to Mary C. on 6/1/04.*

- [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

[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.

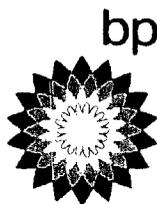
**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Mary Corley  
Print or Type Name

Mary Corley  
Signature

Sr. Regulatory Analyst 05/13/2004  
Title Date

corleym1@bp.com  
e-mail Address



San Juan Performance Unit

Mary Corley  
WL1-19.171  
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281-366-0700 (FAX)  
[corleym@bp.com](mailto:corleym@bp.com)

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May 13, 2004

New Mexico Oil Conservation Division  
Energy and Minerals Department  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Application to Amend PC - 1103  
McCulley LS No. 2A  
McCulley LS No. 8  
Section 14, T28N, R09W  
San Juan County, New Mexico

BP America Production Company request permission to amend Surface Commingle - PC Order - 1103 approved November 10, 2003, to include production from the Otera Chacra Pool.

BP proposes to surface commingling production from Aztec Pictured Cliffs from the McCulley LS Well 8; and Blanco Mesaverde and Otero Chacra production from the McCulley LS Well No. 2A. Application to complete the McCulley LS No. 2A to add production from the Chacra was submitted to the Aztec District Office on Form C-103 (copy attached).

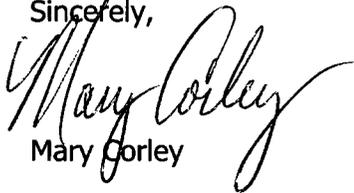
The production from each well will be metered prior to surface commingling then the commingled production will flow into through the separator where the liquids will be removed. The commingled gas will then be sent through compression prior to entering the sales meter. Please reference the attached schematics reflecting the Current Facilities Layout and the Proposed Surface Commingling Layout provided for your reference.

The working interest, royalty and overriding royalty interest owners in the subject wells are identical. The proposed commingling of production is to reduce operating expenses between the wells and will result in increased economic life of the wells.

BLM has also been notified of this proposal by copy of BLM Form 3160-5.

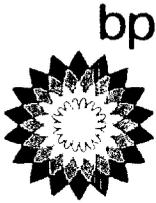
Your attention to this matter is greatly appreciated. Should you have any questions concerning this application please do not hesitate to call me at 281-366-4491.

Sincerely,

A handwritten signature in black ink that reads "Mary Corley". The signature is written in a cursive style with a large, looping initial "M".

Mary Corley

cc: Frank Chavez, Supervisor  
NMOCD District III  
1000 Rio Brazos Road  
Aztec, NM 87410



**BP America Production Company**

San Juan Performance Unit  
501 Westlake Park Boulevard  
Houston, Texas 77079  
Room 19.104

**Brett Woody**

**Land Negotiator**

Phone: 281.366.4691

Fax: 281.366.7099

May 13, 2004

New Mexico Oil Conservation Division  
Energy and Minerals Department  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Surface Commingling Application  
McCulley LS No. 2A  
McCulley LS No. 8  
Section 14, T28N, R09W  
San Juan County, New Mexico

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

A handwritten signature in cursive script that reads "Brett Woody".

Sincerely, Brett Woody  
Land Negotiator

**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

Form C-102  
Revised August 15, 2000

**OIL CONSERVATION DIVISION**  
2040 South Pacheco  
Santa Fe, NM 87505

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

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>see below</b>		<sup>2</sup> Pool Code 71280 72359 82329		<sup>3</sup> Pool Name <b>Aztec Pictured Cliff - Blanco Mesaverde - Otero Chacra</b>			
<sup>4</sup> Property Code 000854		<sup>5</sup> Property Name McCulley LS				<sup>6</sup> Well Number 2A & 8	
<sup>7</sup> OGRID No. 000778		<sup>8</sup> Operator Name BP America Production Company				<sup>9</sup> Elevation	

<sup>10</sup> Surface Location

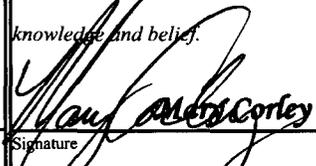
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet from	East/West	County
Unit E	14	28n	09W			North		West	San Juan

<sup>11</sup> Bottom Hole Location If Different From Surface

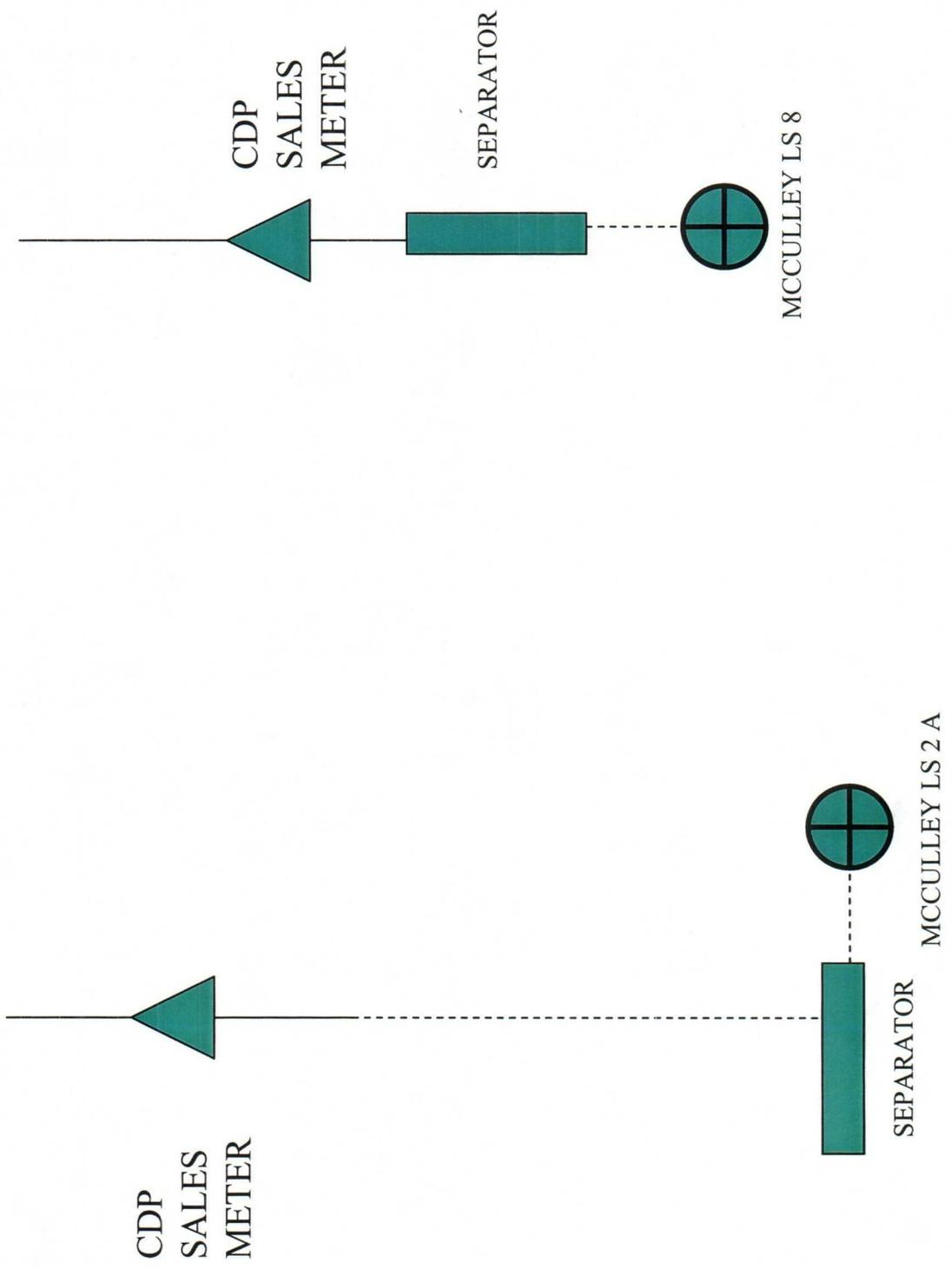
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet	East/West	County

<sup>12</sup> Dedicated Acres 160 PC /CH 320 MV		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code			<sup>15</sup> Order No.		
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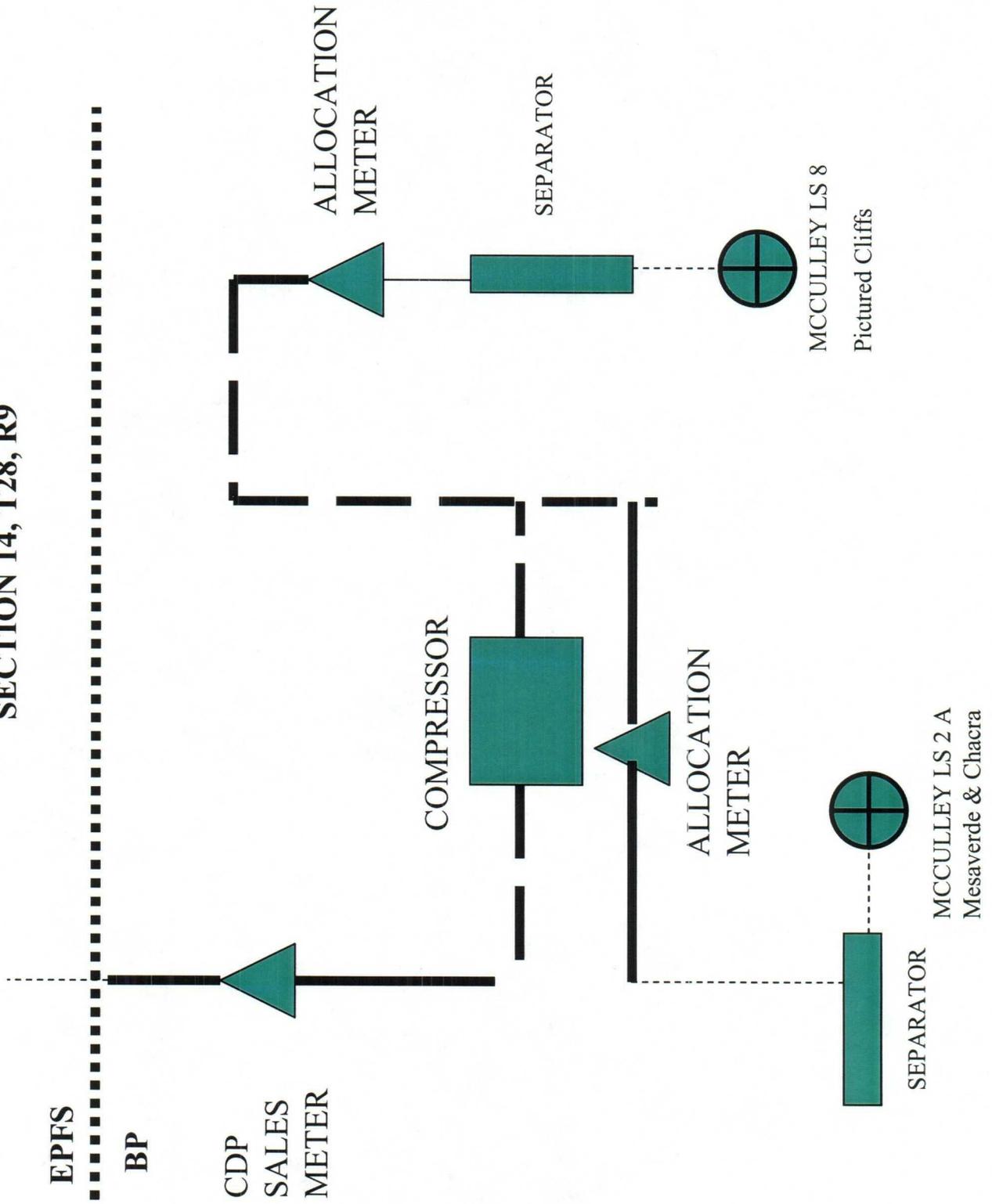
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;">                 McCulley LS 2A                  API # 30-045-29305                  1545' FNL &amp; 895' FWL                  Blanco Mesaverde &amp;                  Otero Chacra             </div> <div style="text-align: center;"> </div> <div style="border: 1px solid black; padding: 5px;">                 McCulley LS 8                  API # 30-045-20456                  1590' FNL &amp; 800' FWL                  Aztec Pictured Cliffs             </div>					<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature <b>Mary Corley</b> Printed Name <b>Sr. Regulatory Analyst</b> Title <b>04/27/2004</b> Date

**EXISTING SITE LAYOUT FOR MCCULLEY LS 2 A AND MCCULLEY LS 8  
SECTION 14, T28, R9**



SHARED COMPRESSOR SCHEMATIC FOR MCCULLEY LS 2 A AND MCCULLEY LS 8  
SECTION 14, T28, R9



Submit 3 Copies To Appropriate District Office  
 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  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised March 25, 1999

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

WELL API NO. <b>30-045-29305</b>
5. Indicate Type of Lease STATE FEE
6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:  
**McCulley LS**  
 (Also filed on BLM Form 3160-5 Federal Lease NM - 04208)

8. Well No. **2A**

9. Pool name or Wildcat  
**Blanco Mesaverde & 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: **Mary Corley**

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

4. Well Location  
 Unit Letter **E** **1545** feet from the **North** line and **895** feet from the **West** line  
 Section **14** Township **28N** Range **09W** NMPM **San Juan** County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)  
**5881' GR**

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <b>Recomplete &amp; Downhole Commingle</b> <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. 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 recompilation.

**BP America Production Company request permission to recomplete the subject well into the Otero Chacra and commingle production Downhole with the existing Blanco Mesaverde as per the attached procedure.**

**The Blanco Mesaverde (72319) & Otero Chacra (82329) Pools are Pre-Approved Pools for Downhole Commingling per NMOCDC order R-11363. The working and overriding royalty interest owners in the proposed commingled pools are identical, therefore no further notification of this application is required.**

**Production is proposed to be allocated based on the subtraction method using the projected future decline for production from the Mesaverde. 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 Mesaverde.**

**Commingling Production Downhole in the subject well from the proposed Pools with 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.

SIGNATURE *Mary Corley* TITLE Sr. Regulatory Analyst DATE 04/22/2004  
 Type or print name Mary Corley Telephone No. 281-366-4491

(This space for State use)  
 APPROVED BY Original Signed by STEVEN N. HAYDEN TITLE DEPUTY OIL & GAS INSPECTOR, DIST. # DATE APR 30 2004

Conditions of approval, if any: obtain approval of modification to PC 1103 from OGDSP to include Otero Chacra

District I  
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

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District IV  
2040 South Pacheco, Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-29305		<sup>2</sup> Pool Code 82329	<sup>3</sup> Pool Name Otero Chacra	
<sup>4</sup> Property Code 000854	<sup>5</sup> Property Name McCulley LS			<sup>6</sup> Well Number 2A
<sup>7</sup> OGRID No. 000778	<sup>8</sup> Operator Name BP America Production Company			<sup>9</sup> Elevation 5881' GR

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet from	East/West	County
Unit E	14	28N	09W		1545'	North	895'	West	San Juan

<sup>11</sup> Bottom Hole Location If Different From Surface

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

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

	<p><sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Mary Corley</i> Signature Mary Corley Printed Name Sr. Regulatory Analyst Title 04/26/2004 Date</p>
	<p><sup>18</sup> 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.</p> <p>10/17/1995 Date of Survey Signature and Seal of Professional Surveyor: Gary D Vann 7016 Certificate Number</p>

**McCulley LS 2A**  
**Complete into the Chacra and Downhole Commingle Chacra and Mesaverde**

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**Procedure:**

1. Check and record casing, and bradenhead pressures.
2. RU WL unit. RIH with 2-7/8" CIBP. Set composite bridge plug at 3900'.
3. RIH with 3-1/8" casing guns. Perforate Chacra formation (correlate to GR log).

Chacra perforations, 2 spf (15 shots/ 30 holes):  
interval to be determined (+/- 3150-3350)

4. Spearhead 500 gal 15% HCL, establish injection rate, and proceed with fracture stimulation according to Schlumberger schedule. Maintain surface pressures  $\leq 5500$  psi during frac job. Flush frac with foam. Fill out GWSI scorecard.
5. Flowback frac immediately.
6. TIH with motor and mill on CTU. Cleanout fill and drill bridge plug set at 3900'. Cleanout to PBSD at 4650'. Blow well dry.
7. Test well for air. Return well to production and downhole co-mingle Chacra, and Mesaverde.

# McCulley LS 2A

Sec 14, T28N, R9W

API # 30-045-29305

GL: 5881'

## History:

Completed in MV in 5/96

9-5/8", 24# @ 139'

75 sxs cmt  
circulated cement to surface

TOC at surface

5.5", 14#, @ 2628'

300 sxs cmt lead and 100 sxs tail

TOC @ 2552'

## Mesaverde Perforations

4010' - 4422' w/ 46,000 #'s sand

4488' - 4810 w/ 76,000 #'s sand

2-7/8", 6.5# @ 5057'

205 sxs cmt

PBTD: 5024'

TD: 5057'

Formation tops: Cliff House 3877

Menefee 3896

Point Lookout 4473

updated: 4/6/04 CFR