

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 _____

2005 SEP 6 PM 1 16

- [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.

<u>Cherry Hlava</u> Print or Type Name	<u>Cherry Hlava</u> Signature 281-366-4081	<u>Regulatory Analyst</u> Title	<u>08/22/2005</u> Date
		<u>hlavacl@bp.com</u> e-mail Address	

Hlava, Cherry L

From: Woody, Brett C
Sent: Tuesday, August 02, 2005 9:50 AM
To: Hlava, Cherry L; McCown, Tim C (VECO)
Subject: ~~Day B-2 and Day B-12 surface commingle~~

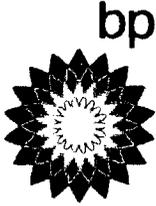
Cherry,

Please file a surface commingle application for the two referenced wells. They are both located in the SE/4 NE/4 of Section 7-29N-8W. The ownership for both wells is the exact same. The B-2 produces from the MV and the B-12 produces from the EC.

Brett Woody
x4691

Brett Woody
Landman

8/2/2005



San Juan South Asset

Cherry Hlava
WL1-19.178
281-366-4081 (direct)
281-366-0700 (FAX)
hlavacl@bp.com

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

August 16, 2005

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

Surface Commingling Notice
Day B Wells 2 & 12
Section 07, T29N, R08W
San Juan County, New Mexico

BP America Production Company respectfully request authorization to surface commingle gas production from the Blanco Mesaverde and Basin Fruitland Coal Pools. Surface commingling Blanco Mesaverde production will be from the Day B 2 and Basin Fruitland Coal production will be from the Day B 12. Both of these 'leases' are of the same base lease with same royalty ownership between formations.

The production from each well will be metered prior to 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.

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

1. A Plat with lease boundaries showing all well and facility locations.
2. Site Facility Schematic Flow Diagram
3. Form C-107-B

Should you have any questions concerning this matter please contact me at 281-366-4081.

Yours very truly

A handwritten signature in cursive script that reads "Cherry Hlava".

Cherry Hlava
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
Blanco Mesaverde (#B 2) 72319	1285 BTU	1285 BTU	280 MCFD	280
Basin Fruitland Coal (B 12) 71629	1109 BTU	1109 BTU	200 MCFD	200

(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 in both reservoirs

(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: Cherry Hlava TITLE: Regulatory Analyst DATE: 08/17/2005

TYPE OR PRINT NAME Cherry Hlava TELEPHONE NO.: 281-366-4081-

E-MAIL ADDRESS: hlavacl@bp.com

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 see below	² Pool Code 72319 & 71629	³ Pool Name Blanco Mesaverde - Basin Fruitland Coal
⁴ Property Code 000421	⁵ Property Name Day B	
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁶ Well Number 2 & 12
		⁹ Elevation (aprx) 6208'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet from	East/West	County
H	7	29N	08W			North		East	San Juan

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 320		¹³ Joint or Infill		¹⁴ Consolidation Code			¹⁵ Order No.		

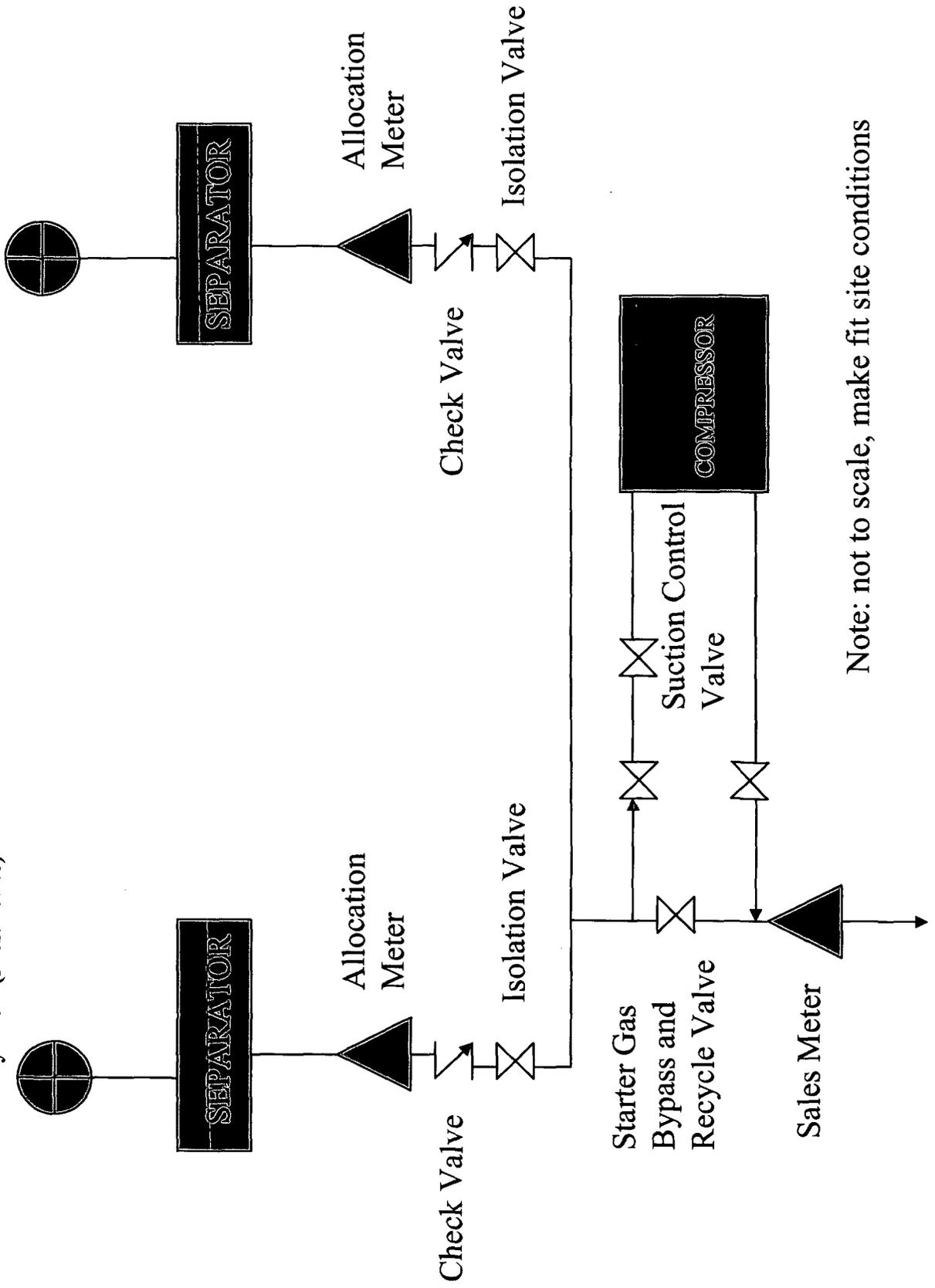
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	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>
	Cherry Hlava
	Signature
	Cherry Hlava
	Printed Name
	Regulatory Analyst
	Title
	8/16/2005
	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

Day B Shared Compression

Day B 12 (Fruitland Coal)

Day B 2 (Mesaverde)



SHARED COMPRESSOR SCHEMATIC FOR DAY B2 AND DAY B12

SECTION 7, T29N, R8W

Access Road

DAY B12 FT

