

ABOVE THIS LINE FOR DIVISION USE ONLY

*Approved
8-03-2015*

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 _____

*- PL 431
- BP America
Production Company
778
LCEL*

*- FLOANUC 25A
30-045-22247*

*- FLOANUC 1195
30-045-32368*

- Pool

*- Basin Fruitland
Coal*

71629

*- Blanco-mesquite
72319*

[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.

Toya Colvin
 Print or Type Name

Toya Colvin
 Signature

Regulatory Analyst
 Title

07/28/15
 Date

Toya.Colvin@bp.com
 e-mail Address

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

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

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

3. Address of Operator
 501 Westlake Park Blvd., Three Eldridge Place 12.181A
 Houston, TX 77079

4. Well Location
 Unit Letter J : 1870' (#119S) 1850' (#25A) feet from the South line and 1440' (#119S), 1470' (#25A) feet from the East line
 Section 22 Township 29N Range 09W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5759'GL (#119S), 5761'GL (#25A)

WELL API NO.
 30-045-32368, 30-045-22247

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.
Federal Lease NMSF080246

7. Lease Name or Unit Agreement Name
Florance #119S, Florance #25A

8. Well Number

9. OGRID Number
 000778

10. Pool name or Wildcat
 Basin Fruitland Coal-Florance 119S
 Blanco-Mesaverde-Florance 25A

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <u>Surface Commingle</u> <input checked="" type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>	
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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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

BP America Production Company respectfully requests permission to Surface Commingle the two subject wells, Florance 119S (Basin Fruitland Coal) and Florance 25A (Blanco-Mesaverde).

Surface commingling production from the existing Florance 119S (FC) and Florance 25A (MV) will not reduce the economic life of the wells.

After separation, the production from each of the two wells is metered individually prior to commingling. The commingled gas will then be sent through compression prior to entering the sales meter. The difference between what is measured prior to commingling and what is sold through the sales meter is the fuel usage. The fuel usage is allocated back to each well based on the well production (see attached schematic).

The working interest, royalty and overriding royalty interest owners in the subject wells are not identical therefore notification is required and was sent by certified mail to Conoco Phillips/Burlington Resources. Please see the attached Land Letter. The proposed commingling of production is to reduce operating expenses between the 2 wells and will result in increased economic life of the wells.

Spud Date: 01/07/2005 #119S, 01/14/1977 #25A Rig Release Date:

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 07/28/2015

Type or print name Toya Colvin E-mail address: Toya.Colvin@bp.com PHONE: 281-366-7148

For State Use Only
 APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., 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 August 1, 2011

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: 737 North Eldridge Parkway, Houston, TX 77079
 APPLICATION TYPE:
 Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingling)
 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
<u>Florance 119S(Basin Fruitland Coal 71629)</u>	<u>1108 BTU</u>	<u>1108 BTU</u>	<u>170 mcf/d</u>	<u>170 mcf/d</u>
<u>Florance 025A(Blanco-Mesaverde 72319)</u>	<u>1273 BTU</u>	<u>1273 BTU</u>	<u>90 mcf/d</u>	<u>90 mcf/d</u>

(2) Are any wells producing at top allowables? Yes No
 (3) Have all interest owners been notified by certified mail of the proposed commingling? Yes No
 (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.

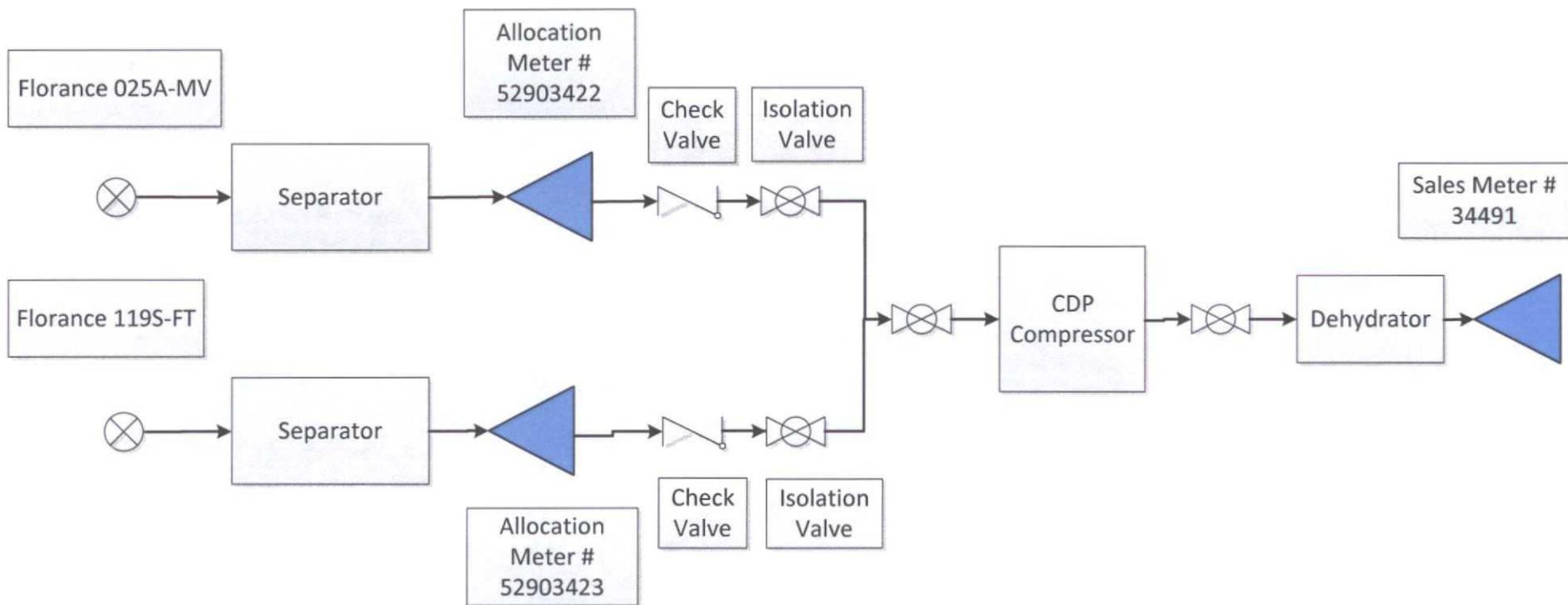
(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

(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: Toya Colvin DATE: 07/28/2015
 TYPE OR PRINT NAME: Toya Colvin TELEPHONE NO.: 281-366-7148
 E-MAIL ADDRESS: Toya.Colvin@bp.com

Florance 025A and 119S CDP Shared Compression



Note: This drawing is not to scale, actual equipment is site specific



BP America Production Co.
Lower 48 Onshore

Craig T. Ferguson
craig.ferguson@bp.com
281-366-1988 (direct)

E3, 12.173B
501 Westlake Park Boulevard
Houston, Texas 77079

July 27, 2015

Ms. Toya Colvin – Regulatory Analyst
BP America Production Company
501 Westlake Park Blvd.
Houston, TX 77079

RE: Surface Commingle
API # 30-045-22247
SE/4 Section 22-T29N-R9W
San Juan County, NM, and
API #30-045-32368
SE/4 Section 22-T29N-R9W
San Juan County, NM

Ms. Colvin:

On behalf of BP America Production Company ("BP"), operator of the Florance 025A (MV) 320.0 acre unit defined as the E/2 and the Florance 119S (Basin Fruitland Coal) 320 acre unit defined as the E/2, I have reviewed BP's division order records and other title records concerning the above reference wells and determined the following WI interest for both:

The Florance 025A and Florance 119S consist of one (1) Federal lease:

~~SF-080246: 31-1.97-Acres, 1/8th Royalty~~

Florance 025A (API #3004522247)	WI
BP America Production Cos.	50.0%
ConocoPhillips	50.0%
Florance 119S (API #3004532368)	WI
BP America Production Cos.	50.0%
Burlington Resources	50.0%

Please contact me at x1988 if you have any questions concerning this topic.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Craig', with a long, sweeping horizontal stroke extending to the right.

Craig T. Ferguson
Land Negotiator
San Juan Asset

District I *
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised July 16, 2010
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-22247		² Pool Code 72319		³ Pool Name Blanco-Mesaverde	
⁴ Property Code 000518		⁵ Property Name Florance			⁶ Well Number 25A
⁷ OGRID No. 000778		⁸ Operator Name BP America Production Company			⁹ Elevation 5761

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
J	22	29N	09W		1850	South	1470	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
¹² Dedicated Acres 311.97		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.

16				<p>¹⁷ 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 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.</p> <p><i>Toya Colvin</i> 7/28/15 Signature Date</p> <p>Toya Colvin Printed Name</p> <p>Toya.Colvin@bp.com E-mail Address</p>	
				<p>¹⁸ 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>Date of Survey Signature and Seal of Professional Surveyor:</p> <p>Previously Filed</p>	
				<p>Certificate Number</p>	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee X</p> <p>B. Received by (Printed Name) C. Date of Delivery</p>
<p>1. Article Addressed to:</p> <p>Conoco Phillips/Burlington Resources Attn: Land Dept. PO Box 4289 Farmington, NM 87499-4289</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (7 digits) 7014 1820 0000 2635 5547</p>	
<p>PS Form 3811, July 2013 Domestic Return Receipt</p>	

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE.
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U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only	
For delivery information, visit our website at www.usps.com ®. OFFICIAL USE	
Postage \$ Certified Fee Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required) Total Postage & Fees \$	Postmark Here
Sent To Conoco Phillips/Burlington Resources Street & Apt. No. or PO Box No. PO BOX 4289 City, State, ZIP+4 Farmington, NM 87499-4289 PS Form 3800, July 2014 See Reverse for Instructions	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete Items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee X
1. Article Addressed to: Bureau of Land Management 6251 College Blvd. Suite A Farmington, NM 87402	B. Received by (Printed Name) C. Date of Delivery
2. Art (Tr) 7014 1820 0000 2635 5523	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
PS Form 3811, July 2013	3. Service Type <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE
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U.S. Postal Service™ CERTIFIED MAIL® RECEIPT <i>Domestic Mail Only</i>											
For delivery information, visit our website at www.usps.com ®.											
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<table border="1"> <tr><td>Postage</td><td>\$</td></tr> <tr><td>Certified Fee</td><td></td></tr> <tr><td>Return Receipt Fee (Endorsement Required)</td><td></td></tr> <tr><td>Restricted Delivery Fee (Endorsement Required)</td><td></td></tr> <tr><td>Total Postage & Fees</td><td>\$</td></tr> </table>	Postage	\$	Certified Fee		Return Receipt Fee (Endorsement Required)		Restricted Delivery Fee (Endorsement Required)		Total Postage & Fees	\$	Postmark Here
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Sent To											
Bureau Land Management											
Street & Apt. No., or PO Box No. 6251 College Blvd., Suite A											
City, State, ZIP+4 Farmington, NM 87402											
PS Form 3800, July 2014	See Reverse for Instructions										

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Bureau of Land Management
6251 College Blvd. Suite A
Farmington, NM 87402

2. Article Identification Number (AIDN) **7008 1140 0001 9414 9368**

PS Form 3811, July 2013

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Addressee
X

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
 Certified Mail® Priority Mail Express™
 Registered Return Receipt for Merchandise
 Insured Mail Collect on Delivery

4. Restricted Delivery? (Extra Fee) Yes

Domestic Return Receipt

PS Form 3800, August 2006
See Reverse for Instructions

Street, Apt. No., or PO Box No. **Bureau Land Management**
City, State, ZIP+4 **Farmington, NM 87402**

Postage	\$	Certified Fee	Return Receipt Fee (Endorsement Required)	Restricted Delivery Fee (Endorsement Required)	Total Postage & Fees

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