

DATE IN 8/8/03	SUSPENSE	ENGINEER WVI	LOGGED IN 8/8/03	TYPE DHC	APP NO. DHC-3174
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

220 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

[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

Signature

Sr. Regulatory Analyst 08/04/2003
 Title Date

corleyml@bp.com
 e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
2000
District II
811 South First Street, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
Pools
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15,

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

APPLICATION TYPE

☒ Single Well

☐ Establish Pre-Approved

EXISTING WELLBORE

☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

BP America Production Company P. O. Box 3092 Houston, TX 77253

Operator Address
Florance C LS 4 Unit K Section 29 T28N, R08W San Juan
Lease Well No. Unit Letter-Section-Township-Range County
OGRID No. 000778 Property Code 000527 API No. 30-045-07130 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Blanco Pictured Cliffs S.	Otero Chacra	Blanco Mesaverde
Pool Code	72439	82329	72319
Top & Bottom of Pay Section (Perforated or Open-Hole Interval)	2276' - 2314'	3220' - 33363	4190' - 4756'
Method of Production (Flowing or Artificial Lift)	Flowing	Flowing	Flowing
Bottomhole Pressure	280	430	490
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1290	1210	1258
Producing, Shut-In or New Zone	Producing	New Zone	Producing
Date and Oil/Gas/Water Rates of Last Production.	Date: Rates:	Date: Rates:	Date: Rates:
Fixed Allocation Percentage	Oil % Gas %	Oil % Gas %	Oil % Gas %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐

Will commingling decrease the value of production? Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☐ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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 08/04/2003
TYPE OR PRINT NAME Mary Corley TELEPHONE NO. (281) 366-4491

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 30-045-07130	² Pool Code 82329	³ Pool Name Otero Chacra
⁴ Property Code 000527	⁵ Property Name Florance C LS	
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	
		⁶ Well Number 4
		⁹ Elevation 5960' GR

¹⁰ Surface Location

UL or lot no. Unit K	Section 29	Township 28N	Range 08W	Lot Idn	Feet from 1600'	North/South South	Feet from 2161'	East/West West	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>
	Signature <i>Mary Corley</i> Mary Corley
	Printed Name Sr. Regulatory Analyst
	Title 7/23/2003
	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>
	Date of Survey 3/18/1957
	Signature and Seal of Professional Surveyor: C O WALKER
	Certificate Number

Allocation Method
Florance C LS 4

BP America Production Company request permission to complete the subject well into the Otero Chacra and trimingle production downhole with the existing South Blanco Pictured Cliffs and Blanco Mesaverde Pools as per the attached procedure.

The interest owners are identical between these three Pools, 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 Pictured Cliffs and Mesaverde Pools. This 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 are the future production decline estimates for the Pictured Cliffs & Mesaverde Pools.

Commingling Production Downhole in the subject well from the proposed pools with not reduce the value of the total remaining production.

Application has also been submitted to BLM on Form 3160-5, Federal Lease No. NM – 03549.

Pre Approved Pools:

Blanco-Mesaverde (72319) & South Blanco-Pictured Cliffs (72439) Pools

Blanco-Mesaverde (72319) & Otero-Chacra (82329) Pools

South Blanco-Pictured Cliffs (72439) & Otero-Chacra (82329) Pools

Future Production Decline Estimate Mesaverde

Daily Rates

Month	Gas Volume
Jan-2002	54
Feb-2002	85
Mar-2002	66
Apr-2002	67
May-2002	67
Jun-2002	62
Jul-2002	74
Aug-2002	63
Sep-2002	65
Oct-2002	50
Nov-2002	63
Dec-2002	52
Jan-2003	33
Feb-2003	63
Mar-2003	61
Apr-2003	58
May-2003	60
Jun-2003	60
Jul-2003	59
Aug-2003	59
Sep-2003	58
Oct-2003	58
Nov-2003	57
Dec-2003	57
Jan-2004	56
Feb-2004	56
Mar-2004	55
Apr-2004	55
May-2004	54
Jun-2004	54
Jul-2004	53
Aug-2004	53
Sep-2004	52
Oct-2004	52
Nov-2004	52
Dec-2004	51

$\ln(Q_f/Q_i) = -dt$
 $Q_f = 60$
 $Q_i = 63$
 $rate = 60$
 $time = 6$
 $dt = -0.048790164$
 $decline = -0.487901642$

Month	Gas Volume
Jan-2005	51
Feb-2005	50
Mar-2005	50
Apr-2005	49
May-2005	49
Jun-2005	48
Jul-2005	48
Aug-2005	47
Sep-2005	47
Oct-2005	46
Nov-2005	46
Dec-2005	45
Jan-2006	45
Feb-2006	44
Mar-2006	44
Apr-2006	43
May-2006	43
Jun-2006	42
Jul-2006	42
Aug-2006	41
Sep-2006	41
Oct-2006	40
Nov-2006	40
Dec-2006	39
Jan-2007	39
Feb-2007	38
Mar-2007	38
May-2007	37
Jun-2007	37
Jul-2007	36
Aug-2007	36
Sep-2007	35
Oct-2007	35
Nov-2007	34
Dec-2007	34
Jan-2008	33

Month	Gas Volume
Feb-2008	33
Mar-2008	32
Apr-2008	32
May-2008	32
Jun-2008	31
Jul-2008	31
Aug-2008	30
Sep-2008	30
Oct-2008	29
Nov-2008	29
Dec-2008	28
Jan-2009	28
Feb-2009	27
Mar-2009	27
Apr-2009	26
May-2009	26
Jun-2009	25
Jul-2009	25
Aug-2009	24
Sep-2009	24
Oct-2009	23
Nov-2009	23
Dec-2009	22
Jan-2010	22
Feb-2010	21
Mar-2010	21
Apr-2010	20
May-2010	20
Jun-2010	19
Jul-2010	19
Aug-2010	18
Sep-2010	18
Oct-2010	17
Nov-2010	17
Dec-2010	16
Jan-2011	16

Future Production Decline Estimate Mesaverde

Daily Rates

Month	Gas Volume
Feb-2011	15
Mar-2011	15
Apr-2011	14
May-2011	14
Jun-2011	13
Jul-2011	13
Aug-2011	12
Sep-2011	12
Oct-2011	12
Nov-2011	11
Dec-2011	11
Jan-2012	10
Feb-2012	10
Mar-2012	9
Apr-2012	9
May-2012	8
Jun-2012	8
Jul-2012	7
Aug-2012	7
Sep-2012	6
Oct-2012	6
Nov-2012	5
Dec-2012	5
Jan-2013	4
Feb-2013	4
Mar-2013	3
Apr-2013	3
May-2013	2
Jun-2013	2
Jul-2013	1
Aug-2013	1
Sep-2013	0
Oct-2013	0
Nov-2013	0
Dec-2013	0
Jan-2014	0

Future Production Decline Estimate Pictured Cliffs Daily Rates

Month	Gas Volume
Jan-2002	0
Feb-2002	0
Mar-2002	0
Apr-2002	0
May-2002	76
Jun-2002	23
Jul-2002	86
Aug-2002	0
Sep-2002	123
Oct-2002	0
Nov-2002	0
Dec-2002	0
Jan-2003	0
Feb-2003	0
Mar-2003	0
Apr-2003	0
May-2003	0
Jun-2003	0
Jul-2003	0
Aug-2003	0
Sep-2003	0
Oct-2003	0
Nov-2003	0
Dec-2003	0
Jan-2004	0
Feb-2004	0
Mar-2004	0
Apr-2004	0
May-2004	0
Jun-2004	0
Jul-2004	0
Aug-2004	0
Sep-2004	0
Oct-2004	0
Nov-2004	0
Dec-2004	0

$\ln(Q_f/Q_i) = -dt$
 $Q_f = 0$
 $Q_i = 0$
 $rate = 0$
 $time = 4$
 $dt = 0$
 $decline = 0$

Month	Gas Volume
Jan-2005	0
Feb-2005	0
Mar-2005	0
Apr-2005	0
May-2005	0
Jun-2005	0
Jul-2005	0
Aug-2005	0
Sep-2005	0
Oct-2005	0
Nov-2005	0
Dec-2005	0
Jan-2006	0
Feb-2006	0
Mar-2006	0
Apr-2006	0
May-2006	0
Jun-2006	0
Jul-2006	0
Aug-2006	0
Sep-2006	0
Oct-2006	0
Nov-2006	0
Dec-2006	0
Jan-2007	0
Feb-2007	0
Mar-2007	0
May-2007	0
Jun-2007	0
Jul-2007	0
Aug-2007	0
Sep-2007	0
Oct-2007	0
Nov-2007	0
Dec-2007	0
Jan-2008	0

Month	Gas Volume
Feb-2008	0
Mar-2008	0
Apr-2008	0
May-2008	0
Jun-2008	0
Jul-2008	0
Aug-2008	0
Sep-2008	0
Oct-2008	0
Nov-2008	0
Dec-2008	0
Jan-2009	0
Feb-2009	0
Mar-2009	0
Apr-2009	0
May-2009	0
Jun-2009	0
Jul-2009	0
Aug-2009	0
Sep-2009	0
Oct-2009	0
Nov-2009	0
Dec-2009	0
Jan-2010	0
Feb-2010	0
Mar-2010	0
Apr-2010	0
May-2010	0
Jun-2010	0
Jul-2010	0
Aug-2010	0
Sep-2010	0
Oct-2010	0
Nov-2010	0
Dec-2010	0
Jan-2011	0

Future Production Decline Estimate Pictured Cliffs Daily Rates

Month	Gas Volume
Feb-2011	0
Mar-2011	0
Apr-2011	0
May-2011	0
Jun-2011	0
Jul-2011	0
Aug-2011	0
Sep-2011	0
Oct-2011	0
Nov-2011	0
Dec-2011	0
Jan-2012	0
Feb-2012	0
Mar-2012	0
Apr-2012	0
May-2012	0
Jun-2012	0
Jul-2012	0
Aug-2012	0
Sep-2012	0
Oct-2012	0
Nov-2012	0
Dec-2012	0
Jan-2013	0
Feb-2013	0
Mar-2013	0
Apr-2013	0
May-2013	0
Jun-2013	0
Jul-2013	0
Aug-2013	0
Sep-2013	0
Oct-2013	0
Nov-2013	0
Dec-2013	0
Jan-2014	0

Month	Gas Volume
Feb-2014	0
Mar-2014	0
Apr-2014	0
May-2014	0
Jun-2014	0
Jul-2014	0
Aug-2014	0
Sep-2014	0
Oct-2014	0
Nov-2014	0
Dec-2014	0
Jan-2015	0
Feb-2015	0
Mar-2015	0
Apr-2015	0
May-2015	0
Jun-2015	0
Jul-2015	0
Aug-2015	0
Sep-2015	0
Oct-2015	0
Nov-2015	0
Dec-2015	0
Jan-2016	0
Feb-2016	0
Mar-2016	0
Apr-2016	0
May-2016	0
Jun-2016	0
Jul-2016	0
Aug-2016	0
Sep-2016	0
Oct-2016	0
Nov-2016	0
Dec-2016	0
Jan-2017	0