

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



BP America Production CO.
Barrett A #12
Barrett LS #2B

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

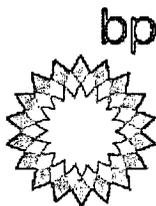
[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[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.

Cherry Hlava	<i>Cherry Hlava</i>	Regulatory Analyst	11/05/08
Print or Type Name	Signature	Title	Date
		hlavacl@bp.com	
		e-mail Address	

RECEIVED
 2008 NOV 7 PM 2 25



San Juan South Asset

Cherry Hlava
WL1-19.110B
281-366-4081 (direct)
hlavacl@bp.com

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

November 05, 2008

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

Surface Commingling Notice
Barrett A 12 (PC) API 30-045-26824
Barrett LS 2B (MV) API 30-045-31028
Section 19, T31N, R09W
San Juan County, New Mexico

BP America Production Company respectfully request authorization to surface commingle gas production from the Blanco Pictured Cliffs & the Blanco Mesaverde Formations. Surface commingling Pictured Cliffs comes from Barrett A 12 & production from the Mesaverde comes from Barrett LS 2B. Both of these 'leases' are of the same base lease with the same ownership between formations. Therefore **no notification** to working interest, royalty and overriding royalty interest owners is 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 PC & MV well locations.
2. Site Facility Schematic Flow Diagram
3. Forms C-103 & C-107-B

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

Sincerely,

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 PC (Barrett A 12)	.674 / 1143 BTU	1143 BTU	160 mcf	160
Blanco MV (Barrett LS 2B)	.716 / 1207 BTU			

(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.

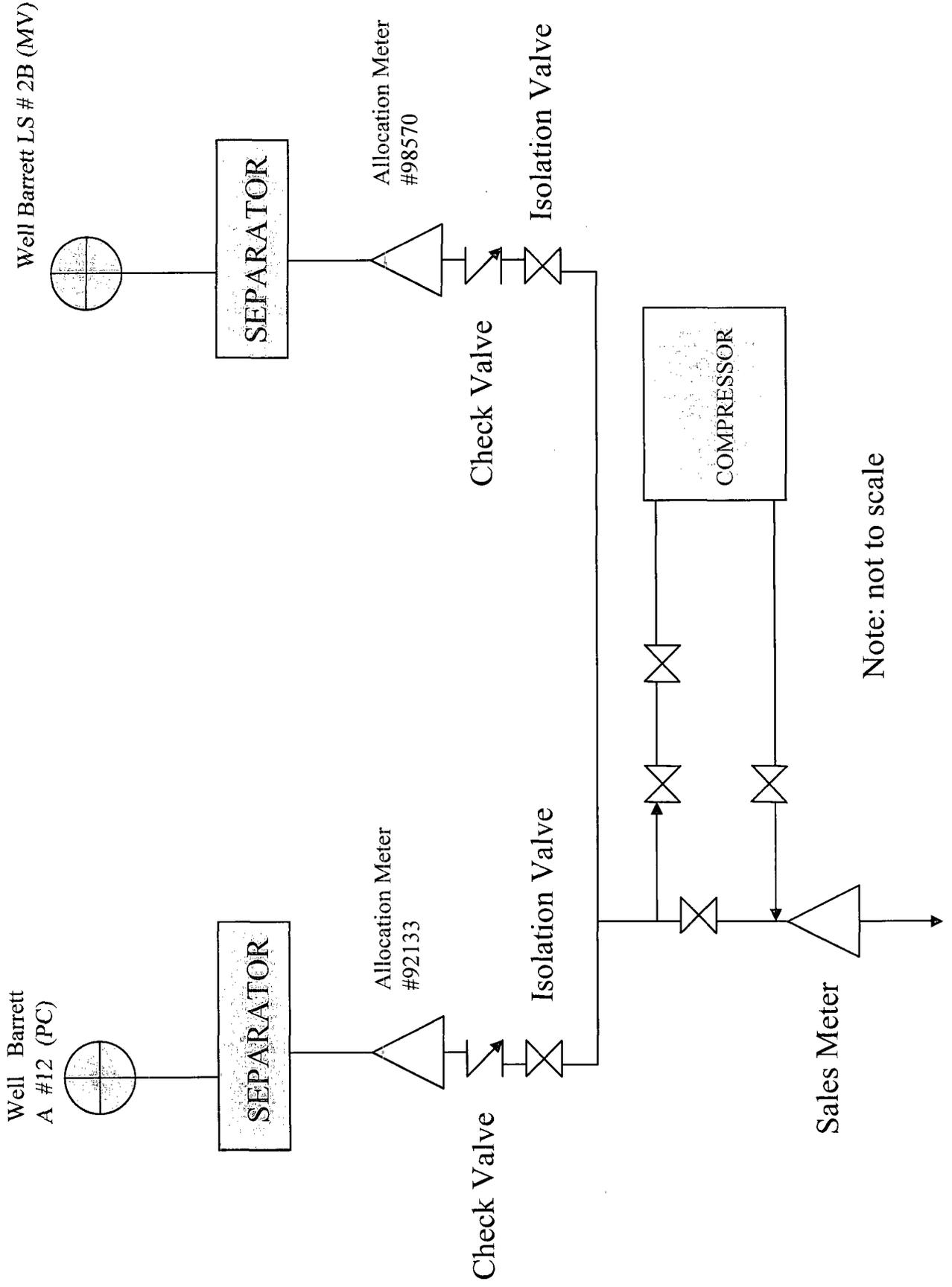
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

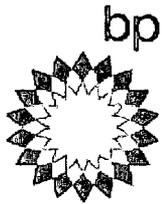
SIGNATURE: Cherry Hlava TITLE: Regulatory Analyst DATE: 11/05/08

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

E-MAIL ADDRESS: hlavacl@bp.com

Barrett A 12 & Barrett LS 2B Proposed Shared Compression





BP America Production Company

San Juan Performance Unit
501 Westlake Park Boulevard
Houston, Texas 77079
Room 19.112B

Julie Burns-Morton
Land Negotiator

Phone: 281.366.4528
Fax: 281.366.0700

October 23, 2008

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

Surface Commingling Application
Barrett A 12 (30-045-26824) & Barrett LS 2B (30-045-31028)
Section 19, T31N, R09W
San Juan County, New Mexico

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

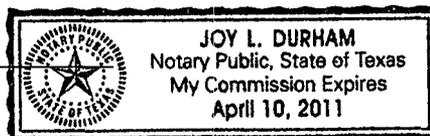
Sincerely,

A handwritten signature in black ink that reads "Julie Burns-Morton". The signature is written in a cursive, flowing style.

Julie Burns-Morton
Land Negotiator

STATE OF TEXAS
COUNTY OF HARRIS

This instrument was acknowledged before me on November 5, 2008 by Julie Burns Morton.

A handwritten signature in black ink that reads "Joy L. Durham". The signature is written in a cursive, flowing style.
Notary Public

30-045-26824

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

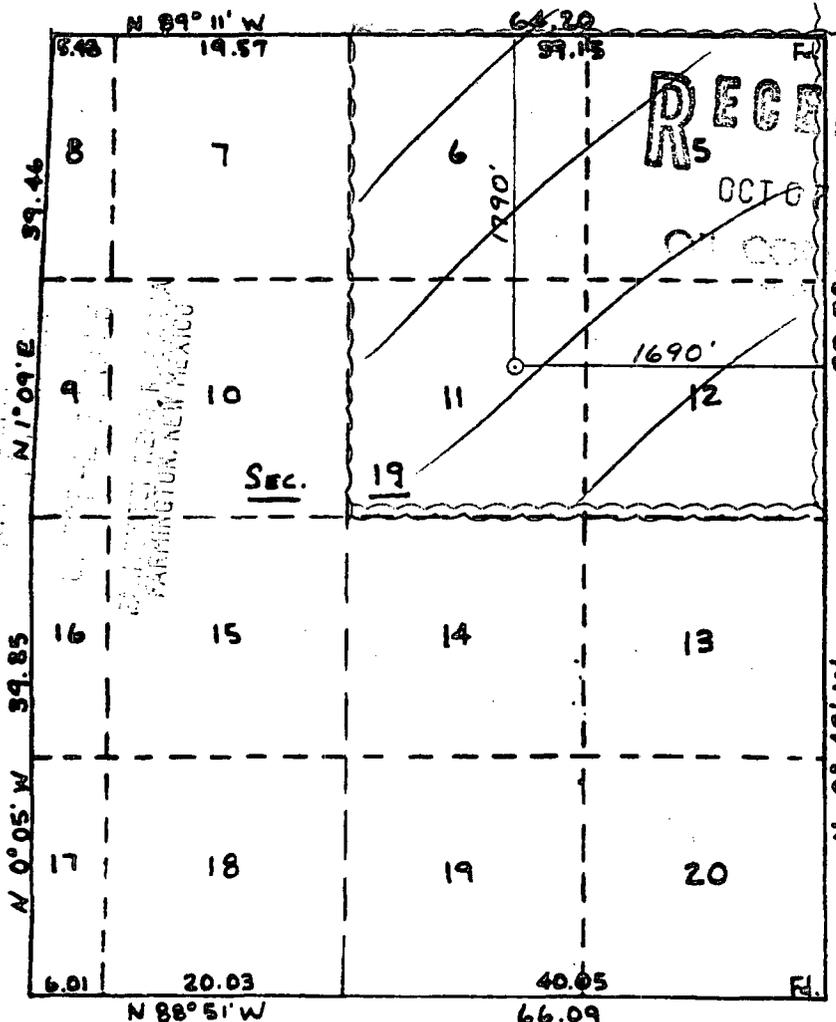
Operator TENNECO OIL COMPANY BP America		Lessee BARRETT		Well No. 12
Unit Letter G	Section 19	Township 31 N	Range 9 W	County San Juan
Actual Footage Location of Well: 1790 feet from the North line and 1690 feet from the East line				
Ground Level Elev. 6538	Producing Formation P.C.	Pool Blanco Est	Dedicated Acreage 256.44 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.

David Hiatt

Name
David Hiatt
Position
Sr. Administrative Analyst
Company
Tenneco Oil Company
Date
9/29/87

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
9-29-87
William W. Mahner, II
Registered Professional Engineer and Surveyor
#8466
Certificate No. _____
PROFESSIONAL LAND SURVEYOR

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

Form C-102
 Revised February 21, 1994

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

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

MAY 2002

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-31028	² Pool Code 72319	³ Pool Name BLANCO MESA VERDE
⁴ Property Code 000305	⁵ Property Name Barrett LS	
⁷ OGRID No. 000778	⁶ Operator Name BP AMERICA PRODUCTION COMPANY	⁸ Well Number # 2B
		⁹ Elevation 6533

¹⁰ Surface Location

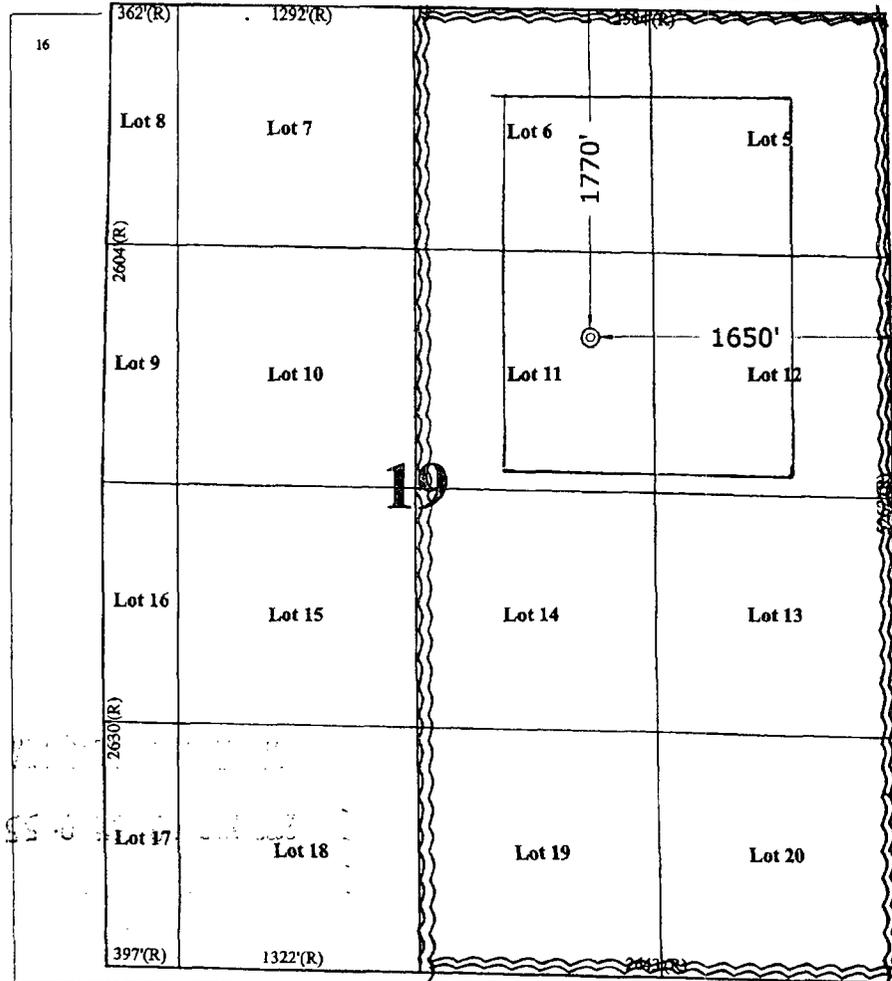
UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G (Lot 11)	19	31 N	9 W		1770	NORTH	1650	EAST	SAN JUAN

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: 315.08
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 hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Mary Corley*
 Printed Name: MARY CORLEY
 Title: SR REGULATORY ANALYST
 Date: 03.18.2002

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.

March 5, 2002
 Date of Survey

Signature and Seal of Professional Surveyor

GARY D. VANN
 NEW MEXICO
 REGISTERED PROFESSIONAL LAND SURVEYOR
 7016
 Certificate Number