Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
NMSF078566

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
STOREY LS 3

2. Name of Operator
BP AMERICA PRODUCTION CO

Contact: MARY CORLEY
E-Mail: corleyml@bp.com

9. API Well No.
30-045-07094-00-C1

3a. Address
P. O. BOX 3092
HOUSTON, TX 77253

3b. Phone No. (include area code)
Ph: 281.366.4491
Fx: 281.366.0700

10. Field and Pool, or Exploratory
BLANCO MV/ PC
OTERO CHACRA

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 26 T28N R8W SWSW 1050FSL 0950FWL
36.62787 N Lat, 107.65541 W Lon

11. County or Parish, and State
SAN JUAN COUNTY, NM

JUL 2004

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Subsurface Commingling
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

BP America Production Company request permission to Add Pay in the Mesaverde, complete the subject well into the Otero Chacra and trimingle production downhole with the existing Blanco South Pictured Cliffs and Blanco Mesaverde Pools as per the attached procedure. Application also submitted to NMOCD s Santa Fe Office for approval (copy attached).
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
— Common lease: S½ Sec 26 (SF-078566)

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #30089 verified by the BLM Well Information System
For BP AMERICA PRODUCTION CO, sent to the Farmington
Committed to AFMSS for processing by MATTHEW HALBERT on 06/28/2004 (04MXH1755SE)

Name *(Printed/Typed)* MARY CORLEY — Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission) — Date 04/28/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By Jim Lovato — Title Petr. Eng — Date 7/2/04

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office NMOCD

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #30089 that would not fit on the form

32. Additional remarks, continued

value of the total remaining production.

Storey LS # 3
Recomplete to Chacra, AddPay in Menefee Formation, & Downhole Tri-mingle Pictured Cliffs, Chacra, & Mesaverde Production

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Procedure:

1. Check anchors. MIRU workover rig.

2. Check and record tubing, casing, and bradenhead pressures.

3. Blow down well. Kill with 2% KCL water ONLY if necessary.

4. Nipple down WH. NU BOPs and diversion spool with 3" outlets and 3" pipe to the blow tank. Pressure test BOPs to 500 psi. Monitor flowing casing pressure with gauge (with casing flowing to blow tank) throughout workover.

5. RU slickline unit or wireline unit. RIH and set plug (CIBP, tbg collar stop and plug, or plug set in nipple) for isolation in both tubing strings (1-1/4" and 2-3/8").

6. TOH and LD 1-1/4" short-string production tubing currently set at 2562'.

7. Release 5-1/2" Baker 'EGJ' packer at 2790' and TOH with 2-3/8" long-string production tubing currently set at 4845' (Garrett cir. sleeve at 2570').

8. <u>Contingency:</u> *If the tubing is in poor condition, replace entire tubing string.*

9. TIH with bit and scraper for 7-5/8" to top of liner at 2683'.

10. TIH with bit and scraper for 5-1/2" casing to PBTD at 4899'. Work casing scraper across old Mesaverde perforations (4206' – 4290'), and (4792' – 4848'), then new Menefee perforations (4373'- 4746'), and then new Chacra interval (3486' – 3691').

11. RU WL unit. RIH w/ CBL and log from 4,750' to top of liner. Confirm that top of cement is no deeper than 3,000'. Contact engineer if top of cement is below 3,000' to discuss block squeeze.

12. RU WL unit. RIH with 5-1/2" CIBP. Set CIBP (+/-4769') just above Point Lookout perfs at 4792' and just below lowest Menefee perf at 4746'

13. RIH with 3-1/8" casing guns. Perforate Menefee formation (correlate to GR log), 373' gross, 20 spots @ 3 spf = 60 holes: 4746', 4735', 4727', 4719', 4667', 4657', 4650', 4643', 4623', 4605', 4582', 4565', 4505', 4499', 4484', 4472', 4460', 4455', 4432', 4373'.

14. RIH with 2-7/8" X 3-1/2" tapered frac string and 5-1/2" packer. Set packer at just below the bottom Cliffhouse perforations at 4290'. Top perf of Menefee is 4373'.

15. Spearhead 500 gal 15% HCL, establish injection rate, and proceed with fracture stimulation according to Schlumberger schedule. Maintain surface pressures ≤ 6000 psi

during frac job Flush frac with foam. Fill out GWSI scorecard.

16. Flowback frac immediately

17. Release packer and TOH with frac string and packer. LD frac string.

18. RU WL unit. RIH with 5-1/2" CIBP. Set CIBP at 3550'. Bottom perf of the Chacra formation is at 3486'.

19. RIH with 3-1/8" casing guns. Perforate Chacra formation (correlate to GR log), 205' gross, 15 spots @ 4 spf = 60 holes: 3691', 3677', 3663', 3649', 3642', 3630', 3623', 3616', 3610', 3558', 3529', 3506', 3498', 3492', 3486'.

20. RIH with tapered 3-1/2" X 2-7/8" tapered frac string and 5-1/2" packer. Set packer at +/- 3349'.

21. Spearhead 500 gal 15% HCL, establish injection rate, and proceed with fracture stimulation according to Schlumberger schedule. Maintain surface pressures ≤ 5500 psi during frac job. Flush frac with foam. Fill out GWSI scorecard.

22. Flowback frac immediately.

23. Release packer and TOH with frac string and packer. LD frac string.

24. Clean out fill to top CIBP at 3349' and get flow test on new zone for regulatory.

25. TIH with tubing and bit. Cleanout fill and drill bridge plugs set at 3550' and 4769'. Cleanout fill to PBTD at 4899'. Blow well dry at PBTD.

26. Rabbit tubing and RIH with 2-3/8" production tubing (muleshoe sub, F-nipple for 2-3/8", 4 ft pup, X-nipple with plug in place for 2-3/8" tubing). Fill tubing with water while RIH and test to 500 psi or test with air unit to 500 psi if on location.

27. Land 2-3/8" production tubing at +/-4845'. ND BOP and NU WH. During master valve placement ensure the top of hanger has spacer nipple in place to bottom of bonnet flange so plunger equipment will not hang up through tree.

28. Swab down tubing or blow dry with air foam unit.

29. RU slickline unit. Run 1.9" OD gauge ring for 2-3/8" tubing. Pull plug. Flow well up tubing long enough to verify it will not log off. Set tubing stop for plunger. Communicate plunger equipment status to IC room personnel.

30. Test well for air.

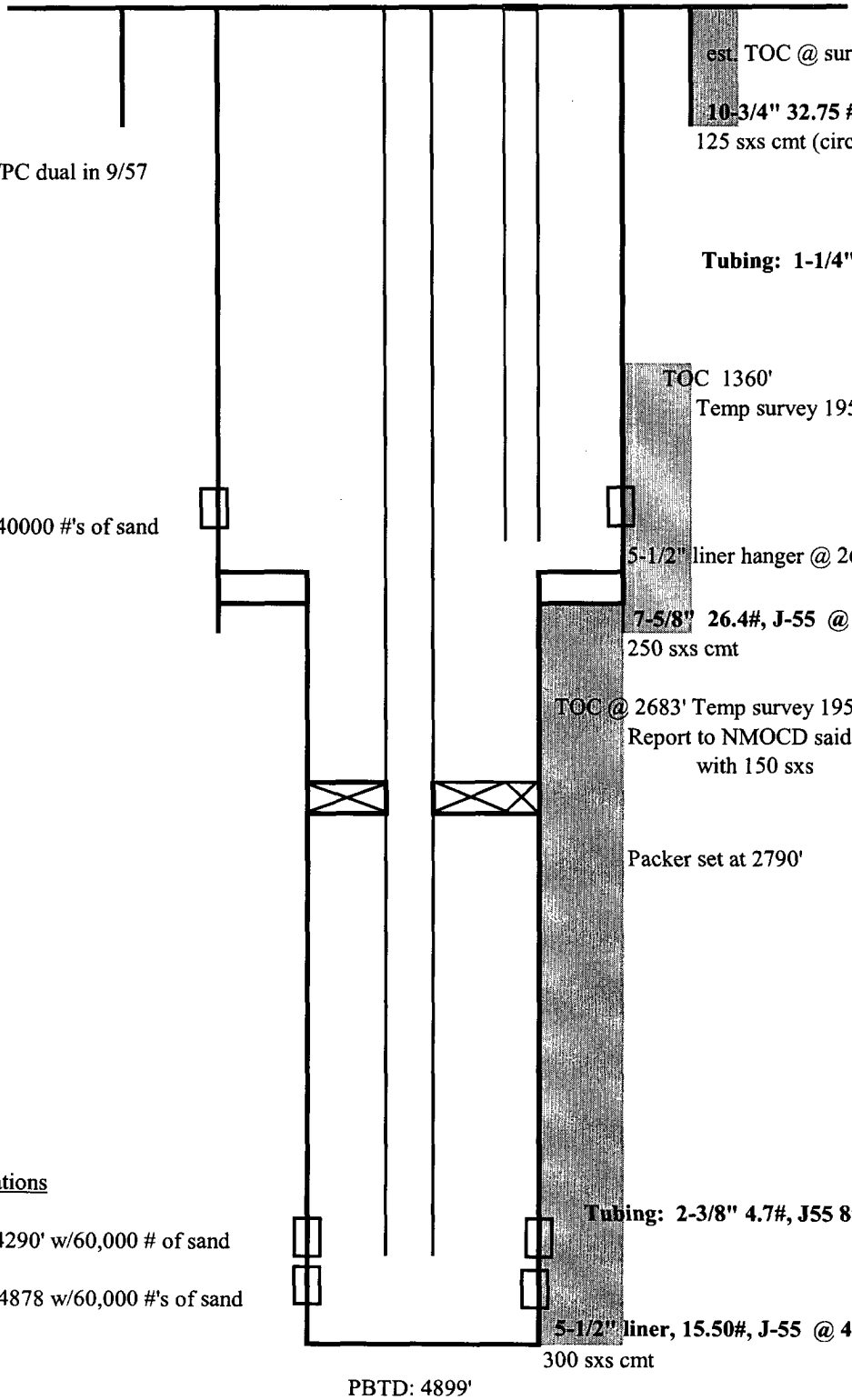
31. Return well to production.

Storey LS #3

Sec 26 T28N, R8W

API # 30-045-07094

GL: 6110'



History:
Completed as MV/PC dual in 9/57

Pictured Cliffs
2510-2533
2550-2565 2 SPF 40000 #'s of sand

Mesaverde Perforations
Cliffhouse
4206-4222, 4248-4290' w/60,000 # of sand
Point Lookout
4792-4848', 4854-4878 w/60,000 #'s of sand

3/30/04 GKC

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	[2] Pool Code	[3] Pool Name
30-045-07094	82329	Otero Chacra

[4] Property Code	[5] Property Name	[6] Well Number
001133	Storey LS	3

[7] OGRID No.	[8] Operator Name	[9] Elevation
000778	BP America Production Company	6100' GR

[10] Surface Location

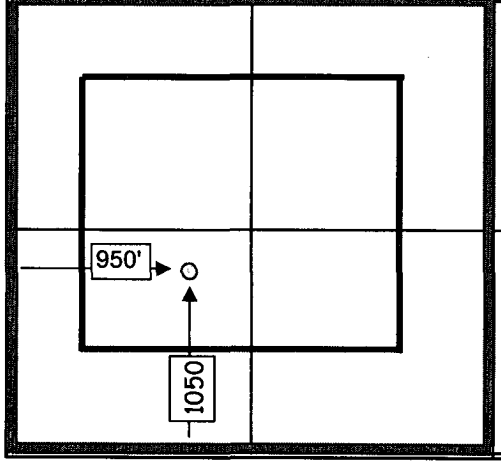
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet from	East/West	County
Unit M	26	28N	08W		1050'	South	950'	West	San Juan

[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	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
160			

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.

Mary Corley

Signature

Mary Corley

Printed Name

Sr. Regulatory Analyst

Title

04/29/2004

Date

[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.

3/19/1957

Date of Survey

Signature and Seal of Professional Surveyor:

G O Walker

Certificate Number

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

APPLICATION FOR DOWNHOLE COMMINGLING

Form C-107A
Revised May 15, 2000

APPLICATION TYPE
X Single Well
___ Establish Pre-Approved Pools
EXISTING WELLBORE
X Yes ___ No

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

Storey LS 3 **Unit M Section 26 T28N, R08W** **San Juan**
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. **000778** Property Code **001133** API No. **30-045-07094** Lease Type: X 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)	**2510' – 2565'**	**3486' - 3691**	**4206' – 4848'**
Method of Production (Flowing or Artificial Lift)	**Artificial Lift**	**Artificial Lift**	**Artificial Lift**
Bottomhole Pressure	**425**	**430**	**590**
Oil Gravity or Gas BTU (Degree API or Gas BTU)	**1164**	**1210**	**1226**
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 X 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 X No____

Will commingling decrease the value of production? Yes____ No X

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 X 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_____ TITLE **Sr. Regulatory Analyst** DATE **04/29/2004**

TYPE OR PRINT NAME **Mary Corley** TELEPHONE NO. (**281**) **366-4491**

Storey LS 3

Future Production Decline Estimate

Mesaverde Daily Rates

Month	Gas Volume
Jan-2003	**116**
Feb-2003	**114**
Mar-2003	**118**
Apr-2003	**108**
May-2003	**117**
Jun-2003	**104**
Jul-2003	**104**
Aug-2003	**110**
Sep-2003	**91**
Oct-2003	**122**
Nov-2003	**112**
Dec-2003	**121**
Jan-2004	**116**
Feb-2004	115
Mar-2004	115
Apr-2004	115
May-2004	115
Jun-2004	115
Jul-2004	115
Aug-2004	115
Sep-2004	115
Oct-2004	115
Nov-2004	114
Dec-2004	114
Jan-2005	114
Feb-2005	114
Mar-2005	114
Apr-2005	114
May-2005	114
Jun-2005	114
Jul-2005	114
Aug-2005	113
Sep-2005	113
Oct-2005	113
Nov-2005	113
Dec-2005	113

	ln(Qf/Qi) =	-dt
	Qf=	116
	Qi=	117
	rate=	116
**	time=	9
	dt=	-0.008583744
	decline=	-0.110634919

Month	Gas Volume
Jan-2006	113
Feb-2006	113
Mar-2006	113
Apr-2006	113
May-2006	112
Jun-2006	112
Jul-2006	112
Aug-2006	112
Sep-2006	112
Oct-2006	112
Nov-2006	112
Dec-2006	112
Jan-2007	112
Feb-2007	111
Mar-2007	111
Apr-2007	111
May-2007	111
Jun-2007	111
Jul-2007	111
Aug-2007	111
Sep-2007	111
Oct-2007	111
Nov-2007	110
Dec-2007	110
Jan-2008	110
Feb-2008	110
Mar-2008	110
Apr-2008	110
May-2008	110
Jul-2008	110
Aug-2008	110
Sep-2008	109
Oct-2008	109
Nov-2008	109
Dec-2008	109
Jan-2009	109

Month	Gas Volume
Feb-2009	109
Mar-2009	109
Apr-2009	109
May-2009	109
Jun-2009	108
Jul-2009	108
Aug-2009	108
Sep-2009	108
Oct-2009	108
Nov-2009	108
Dec-2009	108
Jan-2010	108
Feb-2010	108
Mar-2010	107
Apr-2010	107
May-2010	107
Jun-2010	107
Jul-2010	107
Aug-2010	107
Sep-2010	107
Oct-2010	107
Nov-2010	107
Dec-2010	106
Jan-2011	106
Feb-2011	106
Mar-2011	106
Apr-2011	106
May-2011	106
Jun-2011	106
Jul-2011	106
Aug-2011	106
Sep-2011	105
Oct-2011	105
Nov-2011	105
Dec-2011	105
Jan-2012	105

Storey LS 3

Future Production Decline Estimate

Mesaverde Daily Rates

Month	Gas Volume
Feb-2012	105
Mar-2012	105
Apr-2012	105
May-2012	104
Jun-2012	104
Jul-2012	104
Aug-2012	104
Sep-2012	104
Oct-2012	104
Nov-2012	104
Dec-2012	103
Jan-2013	103
Feb-2013	103
Mar-2013	103
Apr-2013	103
May-2013	103
Jun-2013	103
Jul-2013	102
Aug-2013	102
Sep-2013	102
Oct-2013	102
Nov-2013	102
Dec-2013	102
Jan-2014	102
Feb-2014	101
Mar-2014	101
Apr-2014	101
May-2014	101
Jun-2014	101
Jul-2014	101
Aug-2014	101
Sep-2014	101
Oct-2014	100
Nov-2014	100
Dec-2014	100
Jan-2015	100

Month	Gas Volume
Feb-2015	100
Mar-2015	100
Apr-2015	100
May-2015	99
Jun-2015	99
Jul-2015	99
Aug-2015	99
Sep-2015	99
Oct-2015	99
Nov-2015	99
Dec-2015	98
Jan-2016	98
Feb-2016	98
Mar-2016	98
Apr-2016	98
May-2016	98
Jun-2016	98
Jul-2016	97
Aug-2016	97
Sep-2016	97
Oct-2016	97
Nov-2016	97
Dec-2016	97
Jan-2017	97
Feb-2017	96
Mar-2017	96
Apr-2017	96
May-2017	96
Jun-2017	96
Jul-2017	96
Aug-2017	96
Sep-2017	95
Oct-2017	95
Nov-2017	95
Dec-2017	95
Jan-2018	95

Blanco Pictured Cliffs.

Month	Gas Volume
Jan-2003	**19**
Feb-2003	**13**
Mar-2003	**4**
Apr-2003	**9**
May-2003	**21**
Jun-2003	**10**
Jul-2003	**7**
Aug-2003	**1**
Sep-2003	**5**
Oct-2003	**26**
Nov-2003	**21**
Dec-2003	**24**
Jan-2004	**18**
Feb-2004	18
Mar-2004	18
Apr-2004	18
May-2004	17
Jun-2004	17
Jul-2004	17
Aug-2004	16
Sep-2004	16
Oct-2004	16
Nov-2004	15
Dec-2004	15
Jan-2005	15
Feb-2005	14
Mar-2005	14
Apr-2005	14
May-2005	14
Jun-2005	13
Jul-2005	13
Aug-2005	13
Sep-2005	12
Oct-2005	12
Nov-2005	12
Dec-2005	11

ln(Qf/Qi) = -dt
Qf= 18
Qi= 21
rate= 18
** time= 9
dt= -0.15415068
decline= -0.30830136

**

Month	Gas Volume
Jan-2006	11
Feb-2006	11
Mar-2006	10
Apr-2006	10
May-2006	10
Jun-2006	10
Jul-2006	9
Aug-2006	9
Sep-2006	9
Oct-2006	8
Nov-2006	8
Dec-2006	8
Jan-2007	7
Feb-2007	7
Mar-2007	7
Apr-2007	6
May-2007	6
Jun-2007	6
Jul-2007	6
Aug-2007	5
Sep-2007	5
Oct-2007	5
Nov-2007	4
Dec-2007	4
Jan-2008	4
Feb-2008	3
Mar-2008	3
Apr-2008	3
May-2008	2
Jul-2008	2
Aug-2008	2
Sep-2008	2
Oct-2008	1
Nov-2008	1
Dec-2008	1
Jan-2009	0

Month	Gas Volume
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
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