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.
NMSF078390

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.
JONES A LS 2A

2. Name of Operator
BP AMERICA PRODUCTION CO
Contact: MARY CORLEY
E-Mail: CORLEYML@BP.COM

9. API Well No.
30-045-23850-00-D1

3a. Address
PO BOX 3092
HOUSTON, TX 77253

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

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

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 11 T28N R8W SWSE 0930FSL 1830FEL
36.67111 N Lat, 107.64700 W Lon

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

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
	☐ 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 complete the subject well into the Otero Chacra and tricommingle 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.

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

ORC 3413

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #54475 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 03/10/2005 (05MXH0453SE)

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

Signature (Electronic Submission) — Date 02/24/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By — Title Pet. Eng — Date 3/11/05

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 #54475 that would not fit on the form

32. Additional remarks, continued

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

Jones A LS 2 A API #: 30-045-23850
Complete into the Chacra & DHC with Mesaverde & Pictured Cliffs
February 4, 2005

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1. Perform pre-rig site inspection. Check for: size of location, Gas Taps, other wells, other operators, running equipment, wetlands, wash (dikes req.), H2S, barriers needed for equipment, Landowner issues, location of pits (buried lines in pits), Raptor nesting, critical location, check anchors. Check ID wellhead, if earth pit is required have One Call made 48 hours prior to digging.

2. Perform second site visit after lines are marked to ensure all lines clear marked pit locations. Planning and Scheduling to ready location for rig.

3. RU slickline unit or wireline unit. Pressure test lubricator and equipment. RIH and set **two** barriers (CIBP, tbg collar stop w/plug, or plug set in nipple) for isolation in tubing strings.

4. Check and record tubing, casing, and bradenhead pressures. Ensure production casing has double casing valves installed. Double valve all casing strings.

5. MIRU workover rig. LO/TO all necessary equipment including but not limited to: meter run, Automation, Separators and water lines.

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

7. Check all casing strings to ensure no pressure exist on any annulus. **The operations of removal of wellhead and installation of BOP's will be performed under a dispensation for one (1) barrier on the backside.**

8. Nipple down Wellhead. NU BOPs and diversion spool with 3" outlets and 3" pipe to the blow tank. Pressure test BOPs to 200 psi above BHP. Monitor flowing casing pressure with gauge (with casing flowing to blow tank) throughout workover.

9. Install stripping rubber.

10. TOH and LD 1-1/4" production tubing currently set at 2926'. Using approved "Under Balance Well Control Tripping Procedure".

11. TOH w/ packer and 2-3/8" production tubing currently set at 5397'. Using approved "Under Balance Well Control Tripping Procedure".

12. TIH w/ scraper for 4-1/2". Check the distance between the top of the blind rams and the length of the bottom hole assembly that is being run. If the BHA is too long then the well has to be top killed and monitored prior to opening bind rams. RIH to PBTD at 5,471'. POOH.

13. Set bridge plug at 4,300'. Fill casing w/ 2%KCl and test to 2,500 psi w/ rig pumps.

14. RU E-line equipment. Pressure test lubricator and equipment. Log well w/ CBL from PBTD to TOL. If TOC is below Chacra, contact engineer to discuss need for remedial cement squeeze.

15. TIH w/ workstring and blow well dry.

16. Prepare for explosive operations. Follow Schlumberger Explosive SOP including radio silence, suspension of welding operations, and isolation of electrical devices from the work area. Perform Pre-job Safety Meeting to review JSA and procedures.

17. RIH with 3-1/8" casing guns w/lubricator. Perforate Chacra formation w/ 4 SPF.

18. RIH w/ 3-1/2" by 2-7/8" frac string and packer. Set packer at 3,300'.

19. Install and monitor production casing and treating pressure during entire job in frac van via pressure transducers on production casing and treating line. Spearhead 500 gal 15% HCL, establish injection rate, and proceed with fracture stimulation according to Schlumberger schedule. Maintain surface pressures less than 5,000 psi during frac job. Flush frac with foam. Fill out GWSI scorecard.

20. Flowback frac immediately. Flow well through choke manifold on ¼", ½" and ¾" chokes increasing drawdown until well dies or stabilizes. This is to aid in reducing sand flowback. Recommend 8 hours of flow for each choke size.

21. Rig up air package/unit, pressure test all lines (Testing procedure to be supplied from air company), TIH with tubing and bit for 4-1/2" casing. Cleanout fill to top of BP set at 4,300'. **Perform well test on Chacra for regulatory and document well test in DIMS.**

22. Cleanout fill and BP set at 4,300'. Cleanout to PBTD at 5,471'. Blow well dry.

23. Rabbit tubing and RIH with 2-3/8" production tubing (with muleshoe, F-nipple with plug, 4 ft pup, X-nipple with plug).

24. Land 2-3/8" production tubing at +/-5,385'. Lock down hanger.

25. Pressure test tubing to 500 psi with air unit, make sure tubing spool valves are open. Care should be taken during pressure testing of the tubing due to potential problem caused if tubing parts close to surface or above the hanger. Check all casing string for pressure. **The operations of removal of wellhead and installation of BOP's will be performed under a dispensation for one (1) barrier on the backside.**

26. ND BOP's. NU Wellhead. 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. Pressure test Wellhead.

27. RU WL unit. Run gauge ring for 2-3/8" tubing. Pull plugs and set tubing stop for plunger. Communicate plunger equipment status to IC room personnel.

28. RD slickline unit.

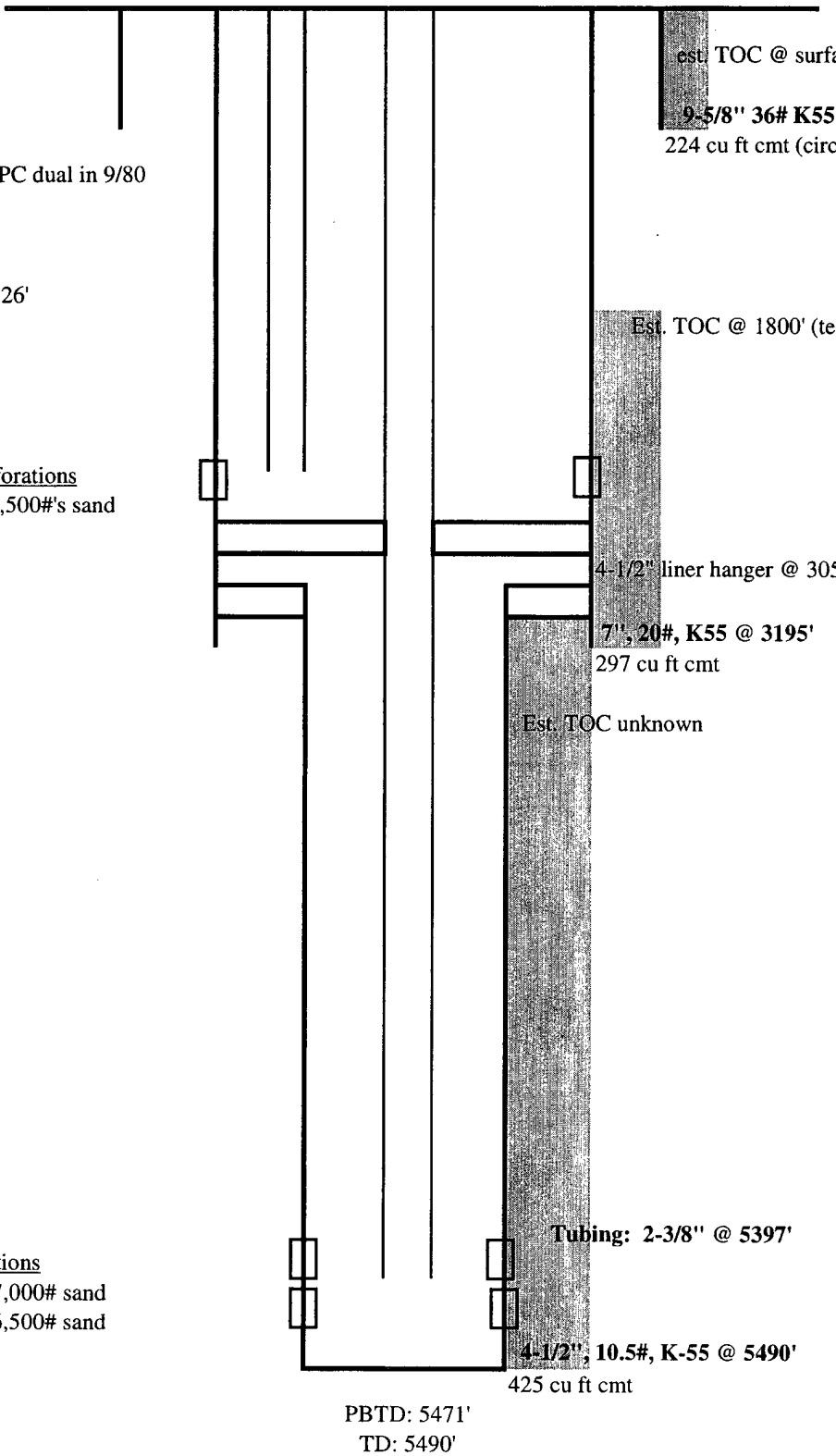
29. Test well for air. Return well to production and downhole tri-mingle PC, Chacra and Mesaverde.

Jones A LS #2A

Sec 11, T28N, R8W

API # 30-045-23850

GL: 6252'



History:
Completed as MV/PC dual in 9/80

1-1/4" tubing @ 2926'

Pictured Cliffs Perforations
2839' - 2943' w/ 66,500#'s sand

Mesaverde Perforations
4387' - 5000' w/ 77,000# sand
5062' - 5436' w/ 66,500# sand

PBTD: 5471'
TD: 5490'

updated: 2/2/05 CFR

Jones A LS 2A Future Production Decline Estimate

Mesaverde Daily Rates

2/24/2005

Month	Gas Volume
Jan-2004	**206**
Feb-2004	**211**
Mar-2004	**207**
Apr-2004	**203**
Qi **May-2004**	**198**
Jun-2004	**175**
Jul-2004	**204**
Aug-2004	**197**
Sep-2004	**190**
Qf **Oct-2004**	**196**
Nov-2004	**182**
Dec-2004	**183**
Jan-2005	**197**
Feb-2005	197
Mar-2005	197
Apr-2005	196
May-2005	196
Jun-2005	196
Jul-2005	195
Aug-2005	195
Sep-2005	195
Oct-2005	194
Nov-2005	194
Dec-2005	194
Jan-2006	193
Feb-2006	193
Mar-2006	193
Apr-2006	192
May-2006	192
Jun-2006	192
Jul-2006	191
Aug-2006	191
Sep-2006	191
Oct-2006	190
Nov-2006	190
Dec-2006	190

ln(Qf/Qi) = -dt
Qf= 196
Qi= 198
rate= 196
time= 6
dt= -0.010152371
decline= -0.001692062

$\frac{\ln(Qf/Qi)}{t}$

$\frac{\ln(196/198)}{t} = -0.0102$

$\frac{-0.0102}{6} = -0.0017$

dt = -0.0102

Decline = -0.0017

Month	Gas Volume
Jan-2007	189
Feb-2007	189
Mar-2007	189
Apr-2007	188
May-2007	188
Jun-2007	188
Jul-2007	187
Aug-2007	187
Sep-2007	187
Oct-2007	187
Nov-2007	186
Dec-2007	186
Jan-2008	186
Feb-2008	185
Mar-2008	185
Apr-2008	185
May-2008	184
Jul-2008	184
Aug-2008	184
Sep-2008	183
Oct-2008	183
Nov-2008	183
Dec-2008	182
Jan-2009	182
Feb-2009	182
Mar-2009	182
Apr-2009	181
May-2009	181
Jun-2009	181
Jul-2009	180
Aug-2009	180
Sep-2009	180
Oct-2009	179
Nov-2009	179
Dec-2009	179
Jan-2010	178

Month	Gas Volume
Feb-2010	178
Mar-2010	178
Apr-2010	178
May-2010	177
Jun-2010	177
Jul-2010	177
Aug-2010	176
Sep-2010	176
Oct-2010	176
Nov-2010	175
Dec-2010	175
Jan-2011	175
Feb-2011	175
Mar-2011	174
Apr-2011	174
May-2011	174
Jun-2011	173
Jul-2011	173
Aug-2011	173
Sep-2011	173
Oct-2011	172
Nov-2011	172
Dec-2011	172
Jan-2012	171
Feb-2012	171
Mar-2012	171
Apr-2012	171
May-2012	170
Jun-2012	170
Jul-2012	170
Aug-2012	169
Sep-2012	169
Oct-2012	169
Nov-2012	169
Dec-2012	168
Jan-2013	168

Jones A LS 2A Future Production Decline Estimate

Mesaverde Daily Rates

2/24/2005

Month	Gas Volume
Feb-2013	168
Mar-2013	167
Apr-2013	167
May-2013	167
Jun-2013	167
Jul-2013	166
Aug-2013	166
Sep-2013	166
Oct-2013	165
Nov-2013	165
Dec-2013	165
Jan-2014	165
Feb-2014	164
Mar-2014	164
Apr-2014	164
May-2014	163
Jun-2014	163
Jul-2014	163
Aug-2014	163
Sep-2014	162
Oct-2014	162
Nov-2014	162
Dec-2014	162
Jan-2015	161
Feb-2015	161
Mar-2015	161
Apr-2015	160
May-2015	160
Jun-2015	160
Jul-2015	160
Aug-2015	159
Sep-2015	159
Oct-2015	159
Nov-2015	159
Dec-2015	158
Jan-2016	158

Month	Gas Volume
Feb-2016	158
Mar-2016	157
Apr-2016	157
May-2016	157
Jun-2016	157
Jul-2016	156
Aug-2016	156
Sep-2016	156
Oct-2016	156
Nov-2016	155
Dec-2016	155
Jan-2017	155
Feb-2017	155
Mar-2017	154
Apr-2017	154
May-2017	154
Jun-2017	154
Jul-2017	153
Aug-2017	153
Sep-2017	153
Oct-2017	152
Nov-2017	152
Dec-2017	152
Jan-2018	152
Feb-2018	151
Mar-2018	151
Apr-2018	151
May-2018	151
Jun-2018	150
Jul-2018	150
Aug-2018	150
Sep-2018	150
Oct-2018	149
Nov-2018	149
Dec-2018	149
Jan-2019	149

Jones A LS 2A Future Production Decline Estimate

Pictured Cliffs

Daily Rates

2/24/2005

Month	Gas Volume
Jan-2004	**54**
Feb-2004	**53**
Mar-2004	**50**
Apr-2004	**48**
May-2004	**48**
Jun-2004	**36**
Jul-2004	**45**
Aug-2004	**53**
Sep-2004	**52**
Oct-2004	**56**
Nov-2004	**44**
Dec-2004	**35**
Jan-2005	**34**
Feb-2005	33
Mar-2005	33
Apr-2005	32
May-2005	32
Jun-2005	31
Jul-2005	31
Aug-2005	31
Sep-2005	30
Oct-2005	30
Nov-2005	30
Dec-2005	29
Jan-2006	29
Feb-2006	29
Mar-2006	28
Apr-2006	28
May-2006	27
Jun-2006	27
Jul-2006	27
Aug-2006	26
Sep-2006	26
Oct-2006	26
Nov-2006	25
Dec-2006	25

Q_i

Q_f

ln(Qf/Qi) = -dt
Qf= 44
Qi= 48
rate= 44
time= 7
dt= -0.087011377
decline= -0.012430197

$$\frac{\ln(Q_f/Q_i)}{t}$$

$$\frac{\ln(44/48)}{t} = -0.0870$$

$$\frac{-0.0870}{7} = -0.0124$$

$dt = -0.0870$

~~decline = -0.0124~~

Month	Gas Volume
Jan-2007	25
Feb-2007	25
Mar-2007	24
Apr-2007	24
May-2007	24
Jun-2007	23
Jul-2007	23
Aug-2007	23
Sep-2007	23
Oct-2007	22
Nov-2007	22
Dec-2007	22
Jan-2008	21
Feb-2008	21
Mar-2008	21
Apr-2008	21
May-2008	20
Jul-2008	20
Aug-2008	20
Sep-2008	20
Oct-2008	19
Nov-2008	19
Dec-2008	19
Jan-2009	19
Feb-2009	18
Mar-2009	18
Apr-2009	18
May-2009	18
Jun-2009	18
Jul-2009	17
Aug-2009	17
Sep-2009	17
Oct-2009	17
Nov-2009	16
Dec-2009	16
Jan-2010	16

Month	Gas Volume
Feb-2010	16
Mar-2010	16
Apr-2010	16
May-2010	15
Jun-2010	15
Jul-2010	15
Aug-2010	15
Sep-2010	15
Oct-2010	14
Nov-2010	14
Dec-2010	14
Jan-2011	14
Feb-2011	14
Mar-2011	14
Apr-2011	13
May-2011	13
Jun-2011	13
Jul-2011	13
Aug-2011	13
Sep-2011	13
Oct-2011	12
Nov-2011	12
Dec-2011	12
Jan-2012	12
Feb-2012	12
Mar-2012	12
Apr-2012	12
May-2012	11
Jun-2012	11
Jul-2012	11
Aug-2012	11
Sep-2012	11
Oct-2012	11
Nov-2012	11
Dec-2012	10
Jan-2013	10

Jones A LS 2A Future Production Decline Estimate

2/24/2005

Pictured Cliffs

Daily Rates

Month	Gas Volume
Feb-2013	10
Mar-2013	10
Apr-2013	10
May-2013	10
Jun-2013	10
Jul-2013	10
Aug-2013	9
Sep-2013	9
Oct-2013	9
Nov-2013	9
Dec-2013	9
Jan-2014	9
Feb-2014	9
Mar-2014	9
Apr-2014	9
May-2014	8
Jun-2014	8
Jul-2014	8
Aug-2014	8
Sep-2014	8
Oct-2014	8
Nov-2014	8
Dec-2014	8
Jan-2015	8
Feb-2015	8
Mar-2015	7
Apr-2015	7
May-2015	7
Jun-2015	7
Jul-2015	7
Aug-2015	7
Sep-2015	7
Oct-2015	7
Nov-2015	7
Dec-2015	7
Jan-2016	7

Month	Gas Volume
Feb-2016	6
Mar-2016	6
Apr-2016	6
May-2016	6
Jun-2016	6
Jul-2016	6
Aug-2016	6
Sep-2016	6
Oct-2016	6
Nov-2016	6
Dec-2016	6
Jan-2017	6
Feb-2017	6
Mar-2017	6
Apr-2017	5
May-2017	5
Jun-2017	5
Jul-2017	5
Aug-2017	5
Sep-2017	5
Oct-2017	5
Nov-2017	5
Dec-2017	5
Jan-2018	5
Feb-2018	5
Mar-2018	5
Apr-2018	5
May-2018	5
Jun-2018	5
Jul-2018	5
Aug-2018	4
Sep-2018	4
Oct-2018	4
Nov-2018	4
Dec-2018	4
Jan-2019	4

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
30-045-23850	82329	Otero Chacra

[4] Property Code	[5] Property Name	[6] Well Number
000759	Jones A LS	2A

[7] OGRID No.	[8] Operator Name	[9] Elevation
000778	BP America Production Company	6252' GR

[10] Surface Location

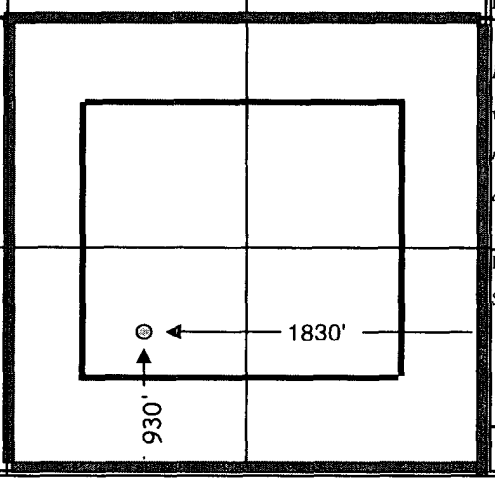
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet from	East/West	County
O	11	28N	08W		930	South	1830	East	San Juan

[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	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
146.19			

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

2/24/2005

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.

8/13/1979

Date of Survey

Signature and Seal of Professional Surveyor:

Fred B Kerr 3950

Certificate Number

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

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

APPLICATION FOR DOWNHOLE COMMINGLING

Form C-107A
Revised May 15,

APPLICATION TYPE
_X_ Single Well
___ Establish Pre-Approved

EXISTING WELLBORE
_X_ Yes ___ No

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

Jones A LS 2A (Lease) **Unit O Section 11 T28N, R08W** (Well No. / Unit Letter-Section-Township-Range) **San Juan** (County)

OGRID No. **000778** Property Code **000759** API No. **30-045-23850** Lease Type: **X** Federal ___ State ___ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Blanco PC South	Otero Chacra	Blanco Mesaverde
Pool Code	72439	82329	72319
Top & Bottom of Pay Section (Perforated or Open-Hole Interval)	2839' – 2943'	3198' - 3371	4387' – 5436'
Method of Production (Flowing or Artificial Lift)	Artificial Lift	Artificial Lift	Artificial Lift
Bottomhole Pressure	425	430	570
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1240	1210	1240
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 **02/24/2005**

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

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-3413

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

Attention: Mary Corley

JONES A LS #002A
API No. 30-045-23850
Unit O, Section 11, Township 28N, Range 08W, NMPM,
SAN JUAN County, New Mexico
BLANCO-MESAVERDE (PRORATED GAS) (72319),
BLANCO P. C. SOUTH (PRORATED GAS) (72439), and
WILDCAT-Chacra Gas Pools

Dear Ms. Corley:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Pictured Cliffs and Mesaverde Pool production from this well has an established decline and these declines are expected to continue. Total well production minus production attributable to these two intervals shall be assigned to the Chacra gas.

REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on March 2, 2005.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Mark E. Fesmire (WVD)

MARK E. FESMIRE, P.E.
Director

cc: Oil Conservation Division – Aztec
Bureau of Land Management - Farmington