

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

FORM APPROVED
OMB No. 1004-0135

Expires November 30, 2000

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. SF - 078049
2. Name of Operator BP America Production Company Attn: Mary Corley		6. If Indian, Allottee or tribe Name
3a. Address P.O. Box 3092 Houston, TX 77253	3b. Phone No. (include area code) 281-366-4491	7. Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 990' FSL & 990' FWL Sec 27 T28N R08W		8. Well Name and No. Hughes C 3
		9. API Well No. 30-045-07794 07764
		10. Field and Pool, or Exploratory Area Blanco MesaverdeV & Otero Chacra
		11. County or Parish, State San Juan County, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Abandon
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Water Disposal	
	<input type="checkbox"/> Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Other	Downhole Commingle

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 recompleat 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 recompleat 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 Pool and commingle production Downhole with the existing Blanco Mesaverde production as per the attached procedure.

The working and overriding royalty interest owners in the proposed commingled pools are identical, therefore no additional notification is required. BLM has been notified via FORM 3160-5.

Production is proposed to be allocated based on the subtraction method using the projected future decline for production from the Mesaverde. That 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 is the future production decline estimates for the Mesaverde.

CONDITIONS OF APPROVAL

Adhere to previously issued stipulations.

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

14. I hereby certify that the foregoing is true and correct	
Name (Printed/typed) Mary Corley	Title Senior Regulatory Analyst
Signature <i>Mary Corley</i>	Date 3/31/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Petr Eng</i>	Title Petr Eng	Date 5/3/05
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		

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.

NMOCD

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 87505Form 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 30-045-07764		² Pool Code 82329	³ Pool Name Otero Chacra
⁴ Property Code 000703	⁵ Property Name Hughes C		⁶ Well Number 3
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company		⁹ Elevation 6411' GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet from	East/West	County
M	27	29N	08W		990	South	990	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
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¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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. <i>Mary Corley</i> Signature Mary Corley Printed Name Sr. Regulatory Analyst Title 3/10/2005 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. On File Date of Survey Signature and Seal of Professional Surveyor: On File Certificate Number	

Hughes C 3
API #: 30-045-0776
Complete into the Chacra and DHC with the Mesaverde
February 21, 2005

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 string.
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, pull tubing hanger up above pipe rams, and shut pipe rams. Remove stripping rubber. Strip tubing hanger out of hole. Re-install stripping rubber.
10. TOH and LD 2-3/8" production tubing currently set at 5364'. Using approved "Under Balance Well Control Tripping Procedure".
11. 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 blind rams. RIH to PBTD at 5394' POOH.
12. Set bridge plug at 4,500'. Fill casing w/ 2%KCl and test to 2,500 psi w/ rig pumps.
13. 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.
14. RIH with 3-1/8" casing guns w/lubricator. Perforate Chacra formation w/ 4 SPF.

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MEMPHIS
TN

Hughes C 3

Sec 27, T29N, R8W

API#: 30-045-07764

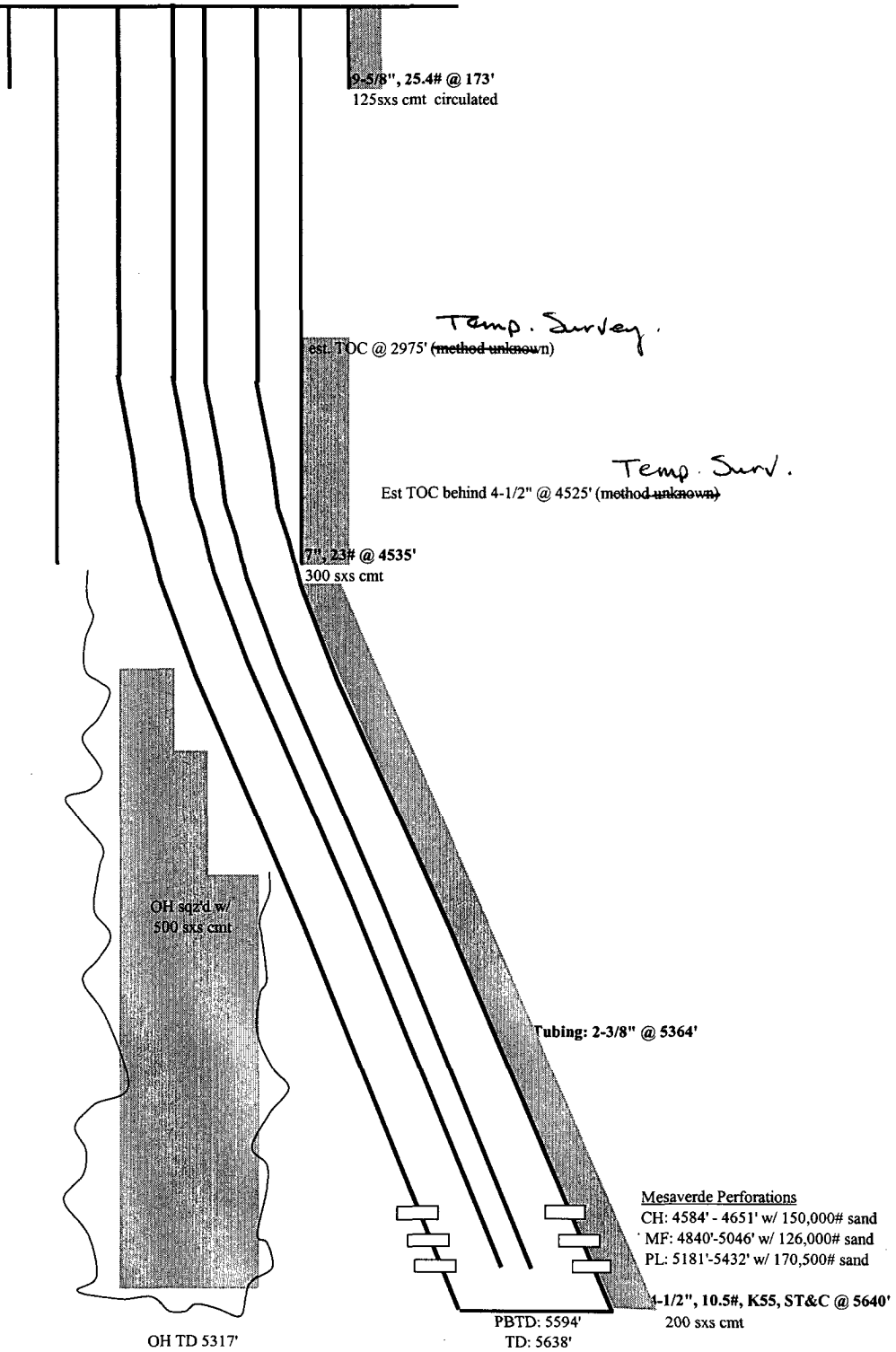
GL: 6041'

History:

Completed openhole in 7/53

ST'd in 1/86

Cleaned out fill in 5/99



Updated 4/29/05 CFR

Hughes C 3

Future Production Decline Estimate

Mesaverde Daily Rates

Month	Gas Volume
Jan-2004	130
Feb-2004	171
Mar-2004	166
Apr-2004	163
May-2004	138
Jun-2004	71
Jul-2004	143
Aug-2004	150
Sep-2004	157
Oct-2004	155
Nov-2004	161
Dec-2004	163
Jan-2005	158
Feb-2005	155
Mar-2005	155
Apr-2005	154
May-2005	154
Jun-2005	154
Jul-2005	153
Aug-2005	153
Sep-2005	153
Oct-2005	152
Nov-2005	152
Dec-2005	152
Jan-2006	151
Feb-2006	151
Mar-2006	151
Apr-2006	150
May-2006	150
Jun-2006	150
Jul-2006	149
Aug-2006	149
Sep-2006	149
Oct-2006	149
Nov-2006	148
Dec-2006	148

Month	Gas Volume
Jan-2007	148
Feb-2007	147
Mar-2007	147
Apr-2007	147
May-2007	146
Jun-2007	146
Jul-2007	146
Aug-2007	145
Sep-2007	145
Oct-2007	145
Nov-2007	144
Dec-2007	144
Jan-2008	144
Feb-2008	144
Mar-2008	143
Apr-2008	143
May-2008	143
Jun-2008	142
Jul-2008	142
Aug-2008	142
Sep-2008	142
Oct-2008	141
Nov-2008	141
Dec-2008	141
Jan-2009	140
Feb-2009	140
Mar-2009	140
Apr-2009	140
May-2009	139
Jun-2009	139
Jul-2009	139
Aug-2009	138
Sep-2009	138
Oct-2009	138
Nov-2009	138
Dec-2009	137
Jan-2010	137

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 $Q_i = 157$
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 $time = 6$
 $dt = -0.012820688$
 $decline = -0.002136781$

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Hughes C 3

Future Production Decline Estimate

Mesaverde Daily Rates

Month	Gas Volume
Feb-2013	127
Mar-2013	126
Apr-2013	126
May-2013	126
Jun-2013	125
Jul-2013	125
Aug-2013	125
Sep-2013	125
Oct-2013	124
Nov-2013	124
Dec-2013	124
Jan-2014	124
Feb-2014	123
Mar-2014	123
Apr-2014	123
May-2014	123
Jun-2014	122
Jul-2014	122
Aug-2014	122
Sep-2014	121
Oct-2014	121
Nov-2014	121
Dec-2014	121
Jan-2015	120
Feb-2015	120
Mar-2015	120
Apr-2015	120
May-2015	119
Jun-2015	119
Jul-2015	119
Aug-2015	119
Sep-2015	118
Oct-2015	118
Nov-2015	118
Dec-2015	118
Jan-2016	117

Month	Gas Volume
Feb-2016	117
Mar-2016	117
Apr-2016	117
May-2016	116
Jun-2016	116
Jul-2016	116
Aug-2016	116
Sep-2016	115
Oct-2016	115
Nov-2016	115
Dec-2016	115
Jan-2017	114
Feb-2017	114
Mar-2017	114
Apr-2017	114
May-2017	113
Jun-2017	113
Jul-2017	113
Aug-2017	113
Sep-2017	112
Oct-2017	112
Nov-2017	112
Dec-2017	112
Jan-2018	112
Feb-2018	111
Mar-2018	111
Apr-2018	111
May-2018	111
Jun-2018	110
Jul-2018	110
Aug-2018	110
Sep-2018	110
Oct-2018	109
Nov-2018	109
Dec-2018	109
Jan-2019	109

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