O. L. V. D. C. L. Th. A. L. L. District	227 26 1	T 0.400
Office	of New Mexico	Form C-103
District I Energy, Miner 1625 N. French Dr., Hobbs, NM 88240	als and Natural Resources	May 27, 2004 WELL API NO.
District II OIL CONCE	RVATION DIVISION	30-045-09601
1301 W. Gland Ave., Altesia, INVI 68210	uth St. Francis Dr.	5. Indicate Type of Lease
1000 Rio Brazos Rd., Aztec, NM 87410	Fe, NM 87505	STATE FEE
District IV 1220 S. St. Francis Dr., Santa Fe, NM	1 C, NW 67505	6. State Oil & Gas Lease No.
87505	7700	
SUNDRY NOTICES AND REPORTS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO D		7. Lease Name or Unit Agreement Name
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (F	ØRM C-101) FOR SUCH	Storey B LS (filed with BLM SF-078138-A)
PROPOSALS.) 1. Type of Well: Oil Well	2 9, 20 20 3	8. Well Number
		5
2. Name of Operator		9. OGRID Number
BP AMERICA PRODUCTION COMPANY 3. Address of Operator		000778 10. Pool name or Wildcat
P.O. BOX 3092 HOUSTON, TX 77079-2064	60000	Azteck PC & Basin Fruitland Coal
4. Well Location	12 57 67 77 W	
Unit Letter O: 800 feet from the	South line and 1800	feet from the East line
· · · · · · · · · · · · · · · · · · ·	nip 30N Range 11W	NMPM SAN JUAN County
	whether DR, RKB, RT, GR, etc.,	
	5862'	
Pit or Below-grade Tank Application ☑ or Closure ☐		
Pit type Workover Depth to Groundwater >100' Distance fro		stance from nearest surface water > 1000'
Pit Liner Thickness: 12 mil Below-Grade Tank: Volum		* -
12. Check Appropriate Box to	Indicate Nature of Notice,	Report or Other Data
NOTICE OF INTENTION TO:	l SUB	SEQUENT REPORT OF:
PERFORM REMEDIAL WORK PLUG AND ABAND		
TEMPORARILY ABANDON	☐ COMMENCE DRI	LLING OPNS. P AND A
PULL OR ALTER CASING MULTIPLE COMPL	CASING/CEMEN	T JOB
OTHER Recompletion & DHC - Pit Permit	☑ OTHER:	
13. Describe proposed or completed operations. (Cle		d give pertinent dates, including estimated dat
of starting any proposed work). SEE RULE 1103	3. For Multiple Completions: At	tach wellbore diagram of proposed completion
or recompletion.		
BP America Production Company requests permission	to recomplete the subject well	into the Pasin Funitland Coal and
commingling production Downhole with the existing A	to recomplete the subject well ztec Pictures Cliffs as ner the a	into the basin Fruitiand Coar and ttached procedure.
		procedure.
Construct a lined workover pit per BP America – San .	Iuan Basin Drilling/ Workover	Pit Construction Plan issued date of
11/17/2004. Pit will be closed according to closure plan	on file.	The construction I had boded date of
I hereby certify that the information above is true and com	plete to the best of my knowledg	e and belief. I further certify that any pit or below-
grade tank has been/will be constructed or closed according to NMO	CD guidelines 🛛, a general permit 🔲	or an (attached) alternative OCD-approved plan \square .
SIGNATURE Chury Hava	TITLE Regulatory Analys	t DATE 07/05/2005
	hlavacl@bp.com	Telephone No. 281-366-4081
For State Use Only	DEPUTY OIL & GAS INSP	ECTOR DIST 20 LANGE 4 1 2005
APPROVED BY:	TITLE	DATE DATE
Conditions of Approval (if any):		

Storey B LS 5 30-045-09601 Downhole Commingling

The Aztec Pictured Cliffs (71280) and Basin Fruitland Coal Pools are Pre-Approved Pools for Downhole Commingling per MNOCD order R-11363. The working and overriding royalty interest owners in the proposed commingled pools are identical therefore no further notification of this application is required.

Production is proposed to be allocated based on the subtraction method using the projected future decline for production from the Aztec Pictured Cliffs. 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 Basin Fruitland Coal. Attached is the future production decline estimates for the Aztec Pictured Cliffs.

Commingling Production Downhole in the subject well from the propped Pools will not reduce the value of the total remaining production.



S.J Basin Well Work Procedure

Well Name:

Storey B LS #5

Version:

1.0 Version

Date:

June 29, 2005

Type III Fruitland Coal Recompletion Program

Repair Type: Recompletion and Downhole Co-mingle of Pictured Cliffs and Fruitland Coal

History

The Storey B LS #5 is currently flowing only marginal gas less than 10 mcfd against 169 psi line pressure.

This well was drilled and completed as a Pictured Cliffs well in 1959. The initial fracture treatment was 40,000# Sand with 37,086 gal water.

Cumulative production for the Pictured Cliffs is 995 MMCF.

Procedure:

- 1. Check anchors. MIRU workover rig Key 66
- 2. Check and record tubing, casing, and bradenhead pressures.
- 3. Blow down well. Kill with 2% KCL water ONLY if necessary.
- 4. 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.
- 5. Pull tubing hanger and shut pipe rams for 2 3/8" tubing and install stripping rubber.
- 6. Tag for fill and tally OH with 2 3/8" production tubing currently set at 2319'. Plug back total depth is 2390' with perforations 2336'-2348'; 2352'-2366'; 2370'-2376' in Pictured Cliffs.
- 7. TOH with 2 3/8" production tubing using approved "Under Balance Well Control Tripping Procedure".

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

8. Rig up Schlumberger and test lubricator 200 psi low and 1500 psi high.

- 9. Run Gamma Ray Depth Control log to tie in the top of the Pictured Cliff perforations and the Fruitland Coal Sand topped at 2090'.
- 10. Run Gage ring and junk basket for 5 1/2" 15.5# J55 casing and then set RBP at 2330' RKB above the top of the Pictured Cliffs perforations.
- 11. Load hole with 2 % KCl water and test casing to 500 psi.
- 12. Run Coal Identification Log and Cement Bond Log.
- 13. ND existing wellhead and replace with FMC BP Amoco Standard 5 1/2" x 2 3/8" Retro-fit wellhead as per attached diagram and material list.
- 14. Rig up Schlumberger and test lubricator 200 psi low and 1500 psi high
- 15. Run Cased Hole Dynamic Test Tool and measure pressures at seven (7) depths to be determined from Coal Identification Log. Estimated depths are 2315', 2310', 2195', 2170', 2135', 2120', and 2110'.

Estimated Fruitland Coal Intervals							
	ТОР	ВОТТОМ	Approximate CHDT				
			Depth				
Sand	2087'	2144'	2110', 2120', 2135'				
	2160'	2200'	2170' and 2195'				
	2300'	2320'	2310' and 2315'				
		Sand 2087' 2160'	Sand 2087' 2144' 2160' 2200'				

- 16. Prepare to perforate 2300'-2320' at 4 spf using 3 1/8" HSD loaded with PowerJet charges EH .45" and Penetration of 38.5".
- 17. Run 2 7/8" 6.5# N-80 Buttress fracture treatment string and set packer at 2250'
- 18. Install Stinger Tree Saver.
- 19. Fracture treat well for Stage 1 with an estimated 100,000# 16/30 Brady Sand and 70% Q Foam at 45 BPM as per Schlumberger Detailed Fracture Treatment Proposal. Limit treating pressure to a maximum of 6000 psi.
- 20. Flow well back to recover as much load fluid as possible.
- 21. Unseat packer and POH
- 22. Set Retrievable Bridge Plug at 2250' and casing perforate as before at 2170'-2190' and 2100'-2110'.
- 23. Run 2 7/8" 6.5# N-80 Buttress fracture treatment string and set packer at 2000'
- 24. Install Stinger Tree Saver.
- 25. Fracture treat well for Stage 2 with an estimated 200,000# 16/30 Brady Sand and 70% O Foam at 45 BPM as per Schlumberger Detailed Fracture Treatment Proposal. Limit treating pressure to a maximum of 6000 psi.

- 26. Flow well back to recover as much load fluid as possible.
- 27. Unseat packer and POH
- 28. Recover RBP at 2250' and 2330'
- 29. Cleanout wellbore to PBTD and flow to clean up with 2 3/8".
- 30. Hang off tubing at 2370' with Nipples for plunger lift.
- 31. Release to production department and produce Pictured Cliff Zone and Fruitland Coal Zone down hole co-mingled with compression at 5-10 psi suction pressure.

Richard W. Pomrenke

Petroleum Engineer Consultant Type III Coal Recompletion Program San Juan South Onshore US Business Unit 19.113

281-366-5023 office

281 455 8449 cell

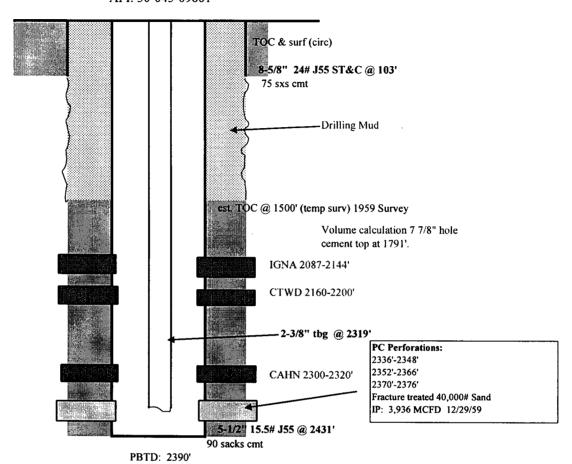
pomrrw@bp.com

Current Diagram 2-15-05

Storey B LS #5

Sec 11, T30N, R11W API: 30-045-09601

5862' GL



NOTES:

updated: 7/22/03 jad

District I

1625 N. French Dr., Hobbs, NM 88240

State of New Mexico Energy, Minerals & Natural Resources Department Form C-102 Revised August 15, 2000

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 OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505 Submit to Appropriate District Office

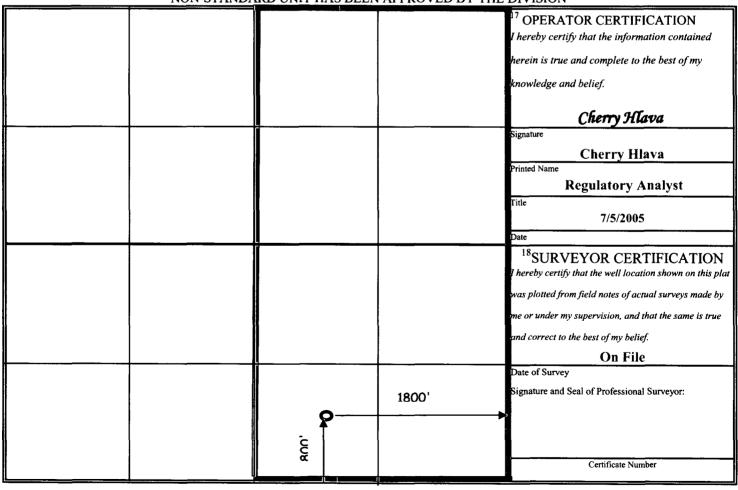
State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

	* API Number 0-045-096(l Code 629	Basin Fruitland Coal				
Propert 0011	-				⁵ Property Nan Storey B 1	⁶ Well Number 5			
⁷ OGRI 0007				BP Ameri	* Operator Nan ca Productio	ne on Company	⁹ Elevation 5862		
					Surface I	Location			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet from	East/West	County
O	11	30N	11W		800	South	1800	East	San Juan
			Botto	om Hole	Location If	Different I	rom Sur	face	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet	East/West	County
12 Dedicate				15 Ore	der No.				

WELL LOCATION AND ACREAGE DEDICATION PLAT

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



District I

1625 N. French Dr., Hobbs, NM 88240

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AMENDED REPORT

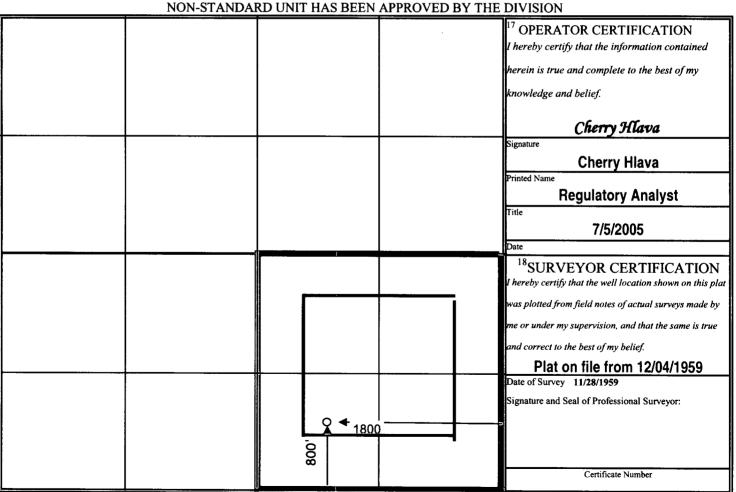
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-09601	² Pool Code 71280 Az	³ Pool Name Aztec Pictured Cliffs			
⁴ Property Code 001136	⁵ Property Name Storey B LS	⁶ Well Number 5			
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation 5862'			

¹⁰ Surface Location

					Surface I	oounon			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet from	East/West	County
0	11	30N	11W		800	South	1800'	East	San Juan
			11 Botto	m Hole l	Location If	Different I	rom Sur	face	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet	East/West	County
12 Dedicate		es ¹³ Joint or Infill			¹⁴ Consolidation C	¹⁵ Order No.			
160)								

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A
NON-STANDARD INIT HAS BEEN APPROVED BY THE DIVISION



Storey B LS Di (annual)	5 0.143591	30-045-09601	4	Aztec Pictured Cliffs formation decline					
Date	MCF	Date	MCF	Date	MCF	Date	MCF	Date	MCF
7/15/2005	20	7/15/2008	13.00	7/15/2011	8.45	7/15/2014	5.49	7/15/2017	3.57
8/15/2005	19.76	8/15/2008	12.85	8/15/2011	8.35	8/15/2014	5.43	8/15/2017	3.53
9/15/2005	19.53	9/15/2008	12.69	9/15/2011	8.25	9/15/2014	5.36	9/15/2017	3.49
10/15/2005	19.29	10/15/2008	12.54	10/15/2011	8.15	10/15/2014	5.30	10/15/2017	3.44
11/15/2005	19.07	11/15/2008	12.39	11/15/2011	8.06	11/15/2014	5.24	11/15/2017	3.40
12/15/2005	18.84	12/15/2008	12.25	12/15/2011	7.96	12/15/2014	5.17	12/15/2017	3.36
1/15/2006	18.61	1/15/2009	12.10	1/15/2012	7.86	1/15/2015	5.11	1/15/2018	3.32
2/15/2006	18.39	2/15/2009	11.96	2/15/2012	7.77	2/15/2015	5.05	2/15/2018	3.28
3/15/2006	18.17	3/15/2009	11.81	3/15/2012	7.68	3/15/2015	4.99	3/15/2018	3.24
4/15/2006	17.96	4/15/2009	11.67	4/15/2012	7.59	4/15/2015	4.93	4/15/2018	3.21
5/15/2006	17.74	5/15/2009	11.53	5/15/2012	7.50	5/15/2015	4.87	5/15/2018	3.17
6/15/2006	17.53	6/15/2009	11.40	6/15/2012	7.41	6/15/2015	4.82	6/15/2018	3.13
7/15/2006	17.32	7/15/2009	11.26	7/15/2012	7.32	7/15/2015	4.76	7/15/2018	3.09
8/15/2006	17.12	8/15/2009	11.13	8/15/2012	7.23	8/15/2015	4.70	8/15/2018	3.06
9/15/2006	16.92	9/15/2009	10.99	9/15/2012	7.15	9/15/2015	4.65	9/15/2018	3.02
10/15/2006	16.71	10/15/2009	10.86	10/15/2012	7.06	10/15/2015	4.59	10/15/2018	2.98
11/15/2006	16.52	11/15/2009	10.73	11/15/2012	6.98	11/15/2015	4.54	11/15/2018	2.95
12/15/2006	16.32	12/15/2009	10.61	12/15/2012	6.89	12/15/2015	4.48	12/15/2018	2.91
1/15/2007	16.12	1/15/2010	10.48	1/15/2013	6.81	1/15/2016	4.43	1/15/2019	2.88
2/15/2007	15.93	2/15/2010	10.36	2/15/2013	6.73	2/15/2016	4.38	2/15/2019	2.84
3/15/2007	15.74	3/15/2010	10.23	3/15/2013	6.65	3/15/2016	4.32	3/15/2019	2.81
4/15/2007	15.56	4/15/2010	10.11	4/15/2013	6.57	4/15/2016	4.27	4/15/2019	2.78
5/15/2007	15.37	5/15/2010	9.99	5/15/2013	6.49	5/15/2016	4.22	5/15/2019	2.74
6/15/2007	15.19	6/15/2010	9.87	6/15/2013	6.42	6/15/2016	4.17	6/15/2019	2.71
7/15/2007	15.01	7/15/2010	9.75	7/15/2013	6.34	7/15/2016	4.12	7/15/2019	2.68
8/15/2007	14.83	8/15/2010	9.64	8/15/2013	6.27	8/15/2016	4.07	8/15/2019	2.65
9/15/2007	14.65	9/15/2010	9.52	9/15/2013	6.19	9/15/2016	4.02	9/15/2019	2.62
10/15/2007	14.48	10/15/2010	9.41	10/15/2013	6.12	10/15/2016	3.98	10/15/2019	2.58
11/15/2007	14.31	11/15/2010	9.30	11/15/2013	6.04	11/15/2016	3.93	11/15/2019	2.55
12/15/2007	14.14	12/15/2010	9.19	12/15/2013	5.97	12/15/2016	3.88	12/15/2019	2.52
1/15/2008	13.97	1/15/2011	9.08	1/15/2014	5.90	1/15/2017	3.84	1/15/2020	2.49
2/15/2008	13.80	2/15/2011	8.97	2/15/2014	5.83	2/15/2017	3.79	2/15/2020	2.46
3/15/2008	13.64	3/15/2011	8.86	3/15/2014	5.76	3/15/2017	3.75	3/15/2020	2.43
4/15/2008	13.48	4/15/2011	8.76	4/15/2014	5.69	4/15/2017	3.70	4/15/2020	2.41
5/15/2008	13.31	5/15/2011	8.65	5/15/2014	5.63	5/15/2017	3.66	5/15/2020	2.38
6/15/2008	13.16	6/15/2011	8.55	6/15/2014	5.56	6/15/2017	3.61	6/15/2020	2.35