

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez.
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date:

Application Type:

- P&A
 Drilling/Casing Change
 Recomplete/DHC
 Location Change
 Other: _____

Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf. Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-25202-00-00	GALLEGOS CANYON UNIT	174E	BP AMERICA PRODUCTION COMPANY	G	A	San Juan	F	E	28	28	N	12	W

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations

Prior to perms provide CBL to agencies for review

Need approved NSL for Basin Mancos prior to production

NMOCD Approved by Signature

2-21-14
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMSF078828A
2. Name of Operator BP AMERICA PRODUCTION CO		6. If Indian, Allottee or Tribe Name EASTERN NAVAJO
3a. Address 200 ENERGY COURT FARMINGTON, NM 87401		7. If Unit or CA/Agreement, Name and/or No. 892000884F
3b. Phone No. (include area code) Ph: 281-366-7148		8. Well Name and No. GALLEGOS CANYON UNIT 174E
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 28 T28N R12W SWNW 1450FNL 0410FWL 36.636640 N Lat, 108.123900 W Lon		9. API Well No. 30-045-25202-00-S1
		10. Field and Pool, or Exploratory BASIN DAKOTA
		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			
<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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 respectfully request permission to re-complete into the Basin Mancos by setting a CIBP over the Dakota, establishing a steady rate in the Basin Mancos, then remove the CIBP and downhole commingle the well with the existing Dakota.

RCVD FEB 19 '14
OIL CONS. DIV.

The Basin Dakota (71599) & the Basin Mancos (97232) pools are pre-approved for DHC per NMOCD Case No. 12520; Order No. R-11567 effective 04/26/2001. Although the interest owners are not identical between these two pools, this same order established approval for subsequent applications for DHC of production in wellbores within the GCU without notice to the unit interest owners. Therefore, no additional notification is required prior to DHC approval.

DIST. 3

Production is proposed to be allocated based on the subtraction method using the Dakota projected future decline. That production will serve as a base for production subtracted from the total

DHC 3857 AZ

14. I hereby certify that the foregoing is true and correct. Electronic Submission #235552 verified by the BLM Well Information System For BP AMERICA PRODUCTION CO, sent to the Farmington Committed to AFMSS for processing by STEVE MASON on 02/14/2014 (14SXM1636SE)	
Name (Printed/Typed) TOYA COLVIN	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 02/13/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>STEPHEN MASON</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>02/14/2014</u>
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 Farmington

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 ****

NMOCD AV

Additional data for EC transaction #235552 that would not fit on the form

32. Additional remarks, continued

production for the commingled well. The balance of the production will be attributed to the Basin Mancos.

Commingling production downhole in the subject well from the proposed pools will not reduce the value of the total remaining production.

Please see attached DHC procedure, wellbore schematics & C-102 plat. NMOCD notified via C-103 form.



BP - San Juan Wellwork Procedure

GCU 174E
30-045-25202

Unit letter E SEC. 28, T28NN, R12WW
1450' FNL, 410' FWL
San Juan, NM

Reason/Background for Job

The proposed work is to re-complete the GCU 221E to Basin Mancos (Gallup formation). The Dakota will be isolated and Mancos (Gallup) will be produced by itself for approx. 6 months. After 6 months, drill out CIBP to open the Dakota and commingle production.

1. Pull tubing
2. Set bridge plug to isolate Dakota
3. MIT wellbore
4. Run CBL
5. Recomplete Mancos (Gallup) 5294'-5304' +/-
6. Produce Mancos (Gallup) for approx. 6 months
7. Drill out bridge plug
8. Produce well - downhole commingle

Current Wellbore Diagram



GCU 174E DK
 Dakota
 API# 30-045-25202
 Unit Sec 28 T28N R 12 W
 San Juan County, New Mexico

History

10./27/82 Spud date
 11/18/82: Completion date
 1/25/2013: Wireline to retrieve stuck plunger
 Tagged plunger in the tubing hanger
 Get plunger free. Pads were damaged on plunger
 Broached to 5934'. Worked through a tight spot
 at 5'. Pulled stop at 5934'. Gauge ring tagged
 unknown object at 5934'. Impression block
 showed a shaft rod with flat top. Fished a collette
 stop with a 2-slp stop. Tagged fill at 5919'. EOT
 at 5936'. Set a new 2-slp stop at 5933'.
 6-19-2013: Test Tubing, No hole

Formation Tops (ft)

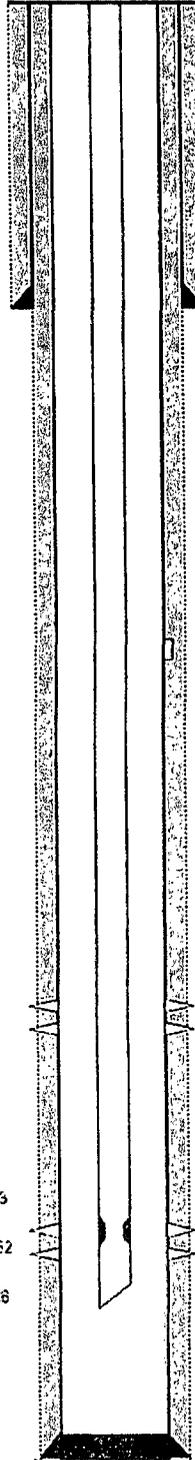
Fruitland	700
Pictured Cliffs	1320
Chiff House	2250
Menefee	2608
Gallup	4448
Greenhorn	5760
Dakota	8168

Plunger Stop @ 5935

Profile Nipple @ 5952

EOT @ 5966

GL 5803
 NB 5816



12 1/2" Hole
 8 1/2" 24# @ 327
 354 sks class B-NE&T 2% CaCl2
 TOC @ surface

TOC @ surface

DN Tool @ 4216

Tubing details

Tbg 2 3/4" 4 7# N80 (185,15)
 Seating Nipple
 Tbg 2 3/4" 4 7# N80 (185,15)
 Saw Tooth Collar

Proposed Manco Perfs

5264-5305

Dakota Perforations

5870-5904 w/ 2spl
 5908-5908 w/ 2spl
 5942-5976 w/ 2spl
 5982-6004 w/ 2spl
 Frac'd w/ 117 000 gal: 75G foam
 & 15075# 20/40 sand

Prod Casing

7 1/2" hole
 4 1/2" 10 5# K&S casing @ 6076
stage 1 - 55G cult Class B
stage 2 - 3228 cuft Class B
 Cement circulated to surface

FBTD 5032
 TO 6076

Proposed Wellbore Diagram-Mancos (Gallup) Production



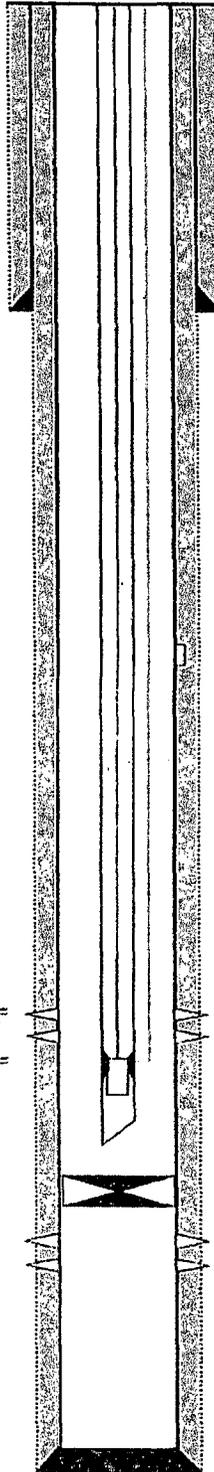
OCU 174E DK
 Dakota
 API # 39-045-25202
 Unit Sec: 28 T 28N R 12W
 San Juan County, New Mexico

History

10/27/82: Spud date
 11/18/82: Completion date
 1/25/2013: Wireline to retrieve snick plunger
 Tagged plunger in the tubing hanger
 Got plunger free. Pads were damaged on plunger
 Broached to 5934'. Worked through a tight spot
 at 5'. Pulled stop at 5934'. Gauge ring tagged
 unknown object at 5934'. Impression block
 showed a shaft rod with flat top. Fished a cohenne
 stop with a 2-slip stop. Tagged fill at 6019'. EOT
 at 5986'. Set a new 2 slip stop at 5933'
 6/19/2013: Test Tubing. No hole

Formation Tops (ft)	
Fruitland	700
Pictured Cliffs	1320
Cliff House	2230
Meneatee	2500
Gallup	4846
Greenhorn	5790
Dakota	6166

GL 5803
 KB 5810



12 1/2" Hole
 8 1/2" 24# @ 327
 354 sbs class B NEAT 2% CaCl2
 TOC @ surt (circ)

TOC @ surt (circ)

DV Tool @ 4219

Tubing details
 Tbg 2 3/4" 47# J-55
 F Nipple 1 7/8" ID
 Tbg 2 3/4" 47# J-55

1/2" 55 Capillary String
 (banded outside prod tubing)

Proposed Mancos Perfs
 5294'-5305'

Dakota Perforations
 5670'-5684' wr 2spf
 5690'-5696' wr 2spf
 5642'-5676' wr 2spf
 5682'-6004' wr 2sp
 Fract'd w/ 117,000 gals 75Q foam
 6150,750# 20/40 sand

Prod Casing
 7 1/2" hole
 4 1/2" 10 5# K55 casing @ 6076'
stage 1 - 380 cuft Class B
stage 2 - 3228 cuft Class B
 Cement circulated to surface

PBTD 6032
 TD 6076'

Proposed Wellbore Diagram-Mancos (Gallup) & Dakota Production



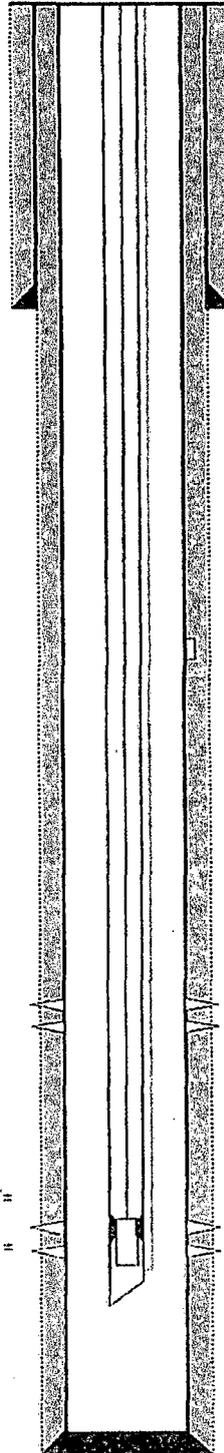
GCU 174E DK
 Dakota
 API # 30-045-25202
 Unit Sec 26 T28N R 12W
 San Juan County, New Mexico

History

10/27/82: Spud date
 11/18/82: Completion date
 1/25/2013: Winchline to retrieve stuck plunger
 Tagged plunger in the tubing hanger
 Got plunger free. Pads were damaged on plunger
 Broached to 5934'. Worked through a tight spot
 at 8'. Pulled stop at 5934'. Gauge ring tagged
 unknown object at 5934'. Impression block
 showed a shaft rod with flat top. Fished a collette
 stop with a 2-slip stop. Tagged fill at 6019'. EOT
 at 5955'. Set a new 2 slip stop at 5933'.
 6/19/2013: Test Tubing. No hole

Formation Tops (ft)	
Fruitland	700
Pictured Cliffs	1320
Clim House	2230
Menefee	2608
Gallup	4646
Greenhorn	5750
Dakota	3156

GL 5903'
 KB 5616'



12 1/2" Hole
 8 1/2" 24# @ 327'
 354 lbs class B NEAT 2% CaCl2
 TOC @ surf (conc)

TOC @ surf (conc)

DV Tool @ 4215'

Tubing details

Tbg 2 3/4" 4 7/8" J-55
 F Nipple 1 7/8" ID
 Tbg 2 3/4" 4 7/8" J-55

1/2" SS Capillary String
 (banded outside prod tubing)

Proposed Mancos Perfs

5294'-5305'

Dakota Perforations

5870'-5884' w/ 2spl
 5888'-5901' w/ 2spl
 5942'-5978' w/ 2spl
 5982'-6004' w/ 2spl
 Frac'd w/ 117,000 gals 750 lb/cm
 6150,750# 20/40 sand

Prod Casing

7 1/2" hole
 1 1/2" 10 5# KES casing @ 6078'
 stage 1 - 680 cuft Class B
 stage 2 - 3228 cuft Class B
 Cement circulated to surface

F Nipple @ 5010' =

EOT @ 6043' =

P&ID 6032
 TD 6078'

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised July 16, 2010
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-25202		² Pool Code 71599		³ Pool Name Basin Dakota	
⁴ Property Code 000570		⁵ Property Name Gallegos Canyon Unit			⁶ Well Number 174E
⁷ OGRID No. 000778		⁸ Operator Name BP America Production Company			⁹ Elevation 5603

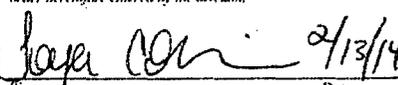
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	28	28N	12W		1450	North	410	West	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
								ROVD FEB 19 '14	OIL CONS. DIV. DIST. 3
¹² Dedicated Acres 320		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No. R-11567			

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.

¹⁶ 1450' 410'					
	○				
					¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>  Signature _____ Date 2/13/14
					¹⁸ SURVEYOR CERTIFICATION <i>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.</i> Date of Survey _____ Signature and Seal of Professional Surveyor: _____ <p style="text-align: center;">Previously Filed</p> Certificate Number _____