

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, 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: 6/2/2016

Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-27567-00-00	NORTHEAST BLANCO UNIT	490	BP AMERICA PRODUCTION COMPANY	G	A	San Juan	F	H	14	31	N	7	W

Application Type:

P&A Drilling/Casing Change Location Change

Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84)

Other: Deepen well for sump, into the PC.

Conditions of Approval:

Not approved – requires either isolation of the PC from the Fruitland or DHC.

Sundry held for operators decision on how to proceed- See cancellation of deeping- Next sundry.

NMOCD Approved by Signature

2/20/17
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.

5. Lease Serial No.
NMNM03358

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
892000929B

8. Well Name and No.
NEBU 490

9. API Well No.
30-045-27567-00-S1

10. Field and Pool, or Exploratory
BASIN FRUITLAND COAL

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

1. Type of Well
 Oil Well Gas Well Other: COAL BED METHANE

2. Name of Operator Contact: TOYA COLVIN
BP AMERICA PRODUCTION COMPANY E-Mail: Toya.Colvin@bp.com

3a. Address 3b. Phone No. (include area code)
501 WESTLAKE PARK BLVD. THREE ELDRIGE PLACE Ph: 281-366-7148
HOUSTON, TX 77079

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 14 T31N R7W SENE 1904FNL 0790FEL
36.901566 N Lat, 107.533142 W Lon

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 checked="" 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"/> 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 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 respectfully requests to deepen the subject well.
Please see the attached procedure including wellbore diagrams.
In accordance with NMOCD Pit Rule 19.15.17.9 NMAC, BP will use a closed-loop system during operations.

OIL CONS. DIV DIST. 3
JUN 09 2016

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

**Electronic Submission #340919 verified by the BLM Well Information System
For BP AMERICA PRODUCTION COMPANY, sent to the Farmington
Committed to AFMSS for processing by WILLIAM TAMBEKOU on 06/06/2016 (16WMT0253SE)**

Name (Printed/Typed) TOYA COLVIN	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 06/02/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>WILLIAM TAMBEKOU</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>06/06/2015</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 <u>Farmington</u>

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 ****



Northeast Blanco Unit 490

API # 30-045-27567-00

Location: H SEC. 14, T31N, R07W

San Juan County, New Mexico

Reason/Background for Job

The NEBU 490 was drilled and completed in the Fruitland coal in 1990. In order to maximize production by providing a "sump" from which to pump the liquids from the reservoir and ensuring the fluid level in the well stays below the coal seams, it is proposed to pull the existing liner, deepen the well, and run and perforate a new liner.

Basic Job Procedure

1. Pull tubing
2. Spear into and fish out liner
3. Deepen well to new TD of 3511'
 - i. Mud loggers will be on site as required
4. Run liner
5. Set liner hanger
6. Selectively perforate liner in the Fruitland coal
7. Run tubing
8. Run rods & pump
9. Return well to production

Proposed WBD



NEBU 490
 Fruitland
 API # 30-045-27567
 Unit H - Sec. 14 - T31N - R07W
 San Juan, New Mexico

KB: 6317
 KB: 14'

Formation Tops

Fruitland	3033
Pictured Cliffs Tongue	3316
Pictured Cliffs Main	3411

Deviation Survey

MD	Inclination
306	1.00
811	0.75
1315	1.00
1815	0.75
2374	1.00
2873	1.00

Fruitland Perforations

3047' - 3066'	4-hpf
3104' - 3161'	4-hpf
3216' - 3332'	4-hpf
3391' - 3409'	4-hpf

New Perforations TBD



