

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. 14-20-603-782
2. Name of Operator BP America Production Company Attn: Cherry Hlava		6. If Indian, Allottee or tribe Name NAVAJO ALLOTTEE
3a. Address P.O. Box 3092 Houston, TX 77253	3b. Phone No. (include area code) 281-366-4081	7. Unit or CA/Agreement, Name and/or No. NAVAJO ALLOTTEE GC B 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1845' FNL & 1180' FEL Sec 36 T28N R09W		8. Well Name and No. API Well No. 30-045-06991
		9. Field and Pool, or Exploratory Area Blanco Mesaverde/Otero Chacra
		10. County or Parish, State San Juan, 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 Commingling

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 requests permission to recompleat the subject well into the Otero Chacra Pool and commingle production Downhole with the existing Blanco Mesaverde as per the attached procedure. The Blanco Mesaverde (72319) & Otero Chacra (82329) Pools are Pre-Approved Pools for Downhole Commingling per NMOCD order R-11363. The working, royalty & overriding royalty interest owners in the proposed commingled pools are identical, therefore no additional notification is required. 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. Commingling Production Downhole in the subject well from the proposed pools will not reduce the value of the total remaining production.

CONDITIONS OF APPROVAL

Adhere to previously issued stipulations.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct	
Name (Printed/typed) Cherry Hlava	Title Regulatory Analyst
Signature <i>Cherry Hlava</i>	Date 4/28/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Mark Hlavat</i>	Title <i>PETE ENGL</i>	Date <i>5-11-06</i>
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 <i>BLM-FFO</i>		

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

SJ Basin Pay Add & DHC Procedure

Well Name: Navajo Allotted GC B No. 1
Date: April 26, 2006
API #: 30-045-06991
Location: T28N-R9W-Sec36
County: San Juan
State: New Mexico
Horizon: Chacra/Mesaverde

Objective: Perforate and frac Chacra, and downhole co-mingle Chacra and Mesaverde

1. TOH with completion.
2. Perforate and fracture Chacra.
3. Land tbg and return well to production.
4. Downhole co-mingle Chacra and Mesaverde.

Procedure:

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.

19. 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 4,260'. **Perform well test on Chacra and document well test in DIMS.**
20. Cleanout fill and CIBP set at 4,260'. Cleanout to PBTD at 4,557'. Blow well dry.
21. Rabbit tubing and RIH with 2-3/8" production tubing (with muleshoe, F-nipple with plug, 4 ft pup, X-nipple with plug).
22. Land 2-3/8" production tubing at +/-4,447'. Lock down hanger.
23. 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.**
24. 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.
25. 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.
26. RD slickline unit.
27. Test well for air. Return well to production and downhole co-mingle Chacra and Mesaverde.

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 30-045-06991	² Pool Code 82329	³ Pool Name Otero Chacra
⁴ Property Code 000917	⁵ Property Name Navajo Allotted GC B	
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	
		⁶ Well Number 1
		⁹ Elevation 5851'

¹⁰ Surface Location

UL or lot no. H	Section 36	Township 28N	Range 09W	Lot Idn	Feet from 1845	North/South North	Feet from 1180	East/West East	County San Juan
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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 160		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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.
	Signature <i>Cherry Hlava</i>
	Printed Name Cherry Hlava
	Title Regulatory Analyst
	Date 4/27/2006
	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.
	Date of Survey
	Signature and Seal of Professional Surveyor:
	On File
	Certificate Number 3950