

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM 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. SF - 077123
2. Name of Operator BP America Production Company Attn: Cherry Hlava		6. If Indian, Allottee or tribe Name
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.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1700' FNL & 1090' FEL Sec 14 T28N R09W		8. Well Name and No. Warren LS 4
		9. API Well No. 30-045-07470
		10. Field and Pool, or Exploratory Area Blanco MV & PC & 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	Tri-mingling

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 & Pictured Cliffs production as per the attached procedure.

The interest owners are different between these three pools, therefore additional notification is required prior to DHC approval.

SEE ATTACHED FOR

Production is proposed to be allocated based on the subtraction method using the project's decline curve for production from both the Mesaverde & 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 Chacra. Attached is the future production decline estimates for the MV & PC.

Pre Approved Pools: Blanco-Mesaverde (72319) & Blanco-Pictured Cliffs (72359) Pools. Blanco-Mesaverde (72319) & Otero-Chacra (82329) Pools. Blanco-Pictured Cliffs (72359) & Otero-Chacra (82329) Pools.

CONDITIONS OF APPROVAL

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

DHC 3741

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 6/21/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Matt Hlavka</i>	Title <i>PETE ENGE</i>	Date <i>7-6-05</i>
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Conditions of approval, if any, are attached. Approval of this notice does not warrant or Certify

NMOCD

SJ Basin Tri-mingle Procedure

Well Name: Warren LS 4
Date: February 15, 2006
Repair Type: Payadd
API #: 30-045-07470
Location: T28N-R9W-Sec14
County: San Juan
State: New Mexico
Horizon: Mesaverde/Chacra

Engr: Jesse Gracia
ph (281) 366-1946

Objective: Perforate and frac Menefee and Chacra. Downhole tri-mingle PC, Chacra and MesaVerde

1. TOH with completion.
2. Perforate and fracture Menefee.
3. Perforate and fracture Chacra
4. Land tbg and return well to production.
5. 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.
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 4775'. Using approved "Under Balance Well Control Tripping Procedure".
11. TIH w/ scraper for 5-1/2". 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 4,820'. POOH.
12. Tubing set bridge plug at 4,600'. Fill casing w/ 2%KCl from the bottom up and test to 2,500 psi w/ rig pumps.
13. RU E-line equipment. Pressure test lubricator and equipment. Log well w/ CBL from CIBP to 2570. If TOC is below 2880', contact engineer to discuss need for remedial cement squeeze.
14. Log well w/ RST from CIBP to 3000'. Send to Houston in order to pick perf intervals.
15. TIH w/ workstring and blow well dry.
16. 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. Meeting should address the VDR (vehicle data recorder) System that Bp people have installed on their vehicles. They must be shut off at the 300 foot sign by hitting 00 and then the enter button, and then wait for about 5 minutes for the unit to turn off. When the green light goes out, call the control center at 326-9475. This number is on a pickup list in the Optimizer room and should be your first point of contact followed by the front desk then the weekend pager. Verify the unit is not transmitting. You then can drive to location and park, but do not to exceed 10 Miles/hr. Note: 20 MPH will turn unit back on. If someone has On Star on their vehicle they cannot enter closer than 300 foot. On Star cannot be turned off. PLEASE take special caution. This is in conjunction with all cell phones, pagers, radios and any electronic device that transmits a signal.
17. RIH with 3-1/8" casing guns w/lubricator. Perforate Menefee formation:

w/ 2 SPF
18. RIH with 3-1/2" string and packer. Set packer at +/-2600'
19. NU Frac isolation equipment. Install and monitor production casing and treating pressure during entire job in frac van via pressure transducers on production casing and treating line. Spearhead 500 gal 15% HCL, establish injection rate, and proceed with

fracture stimulation according to Schlumberger schedule. Maintain surface pressures less than 3,000 psi during frac job. Flush frac with foam. Fill out GWSI scorecard.

20. Flowback frac immediately. Flow well through choke manifold on 1/4", 1/2" and 3/4" chokes increasing drawdown until well dies or stabilizes. This is to aid in reducing sand flowback. Recommend 8 hours of flow for each choke size.
21. TOH w/ 3-1/2" string and packer.
22. Set BP at +/- 4300' to isolate the MV formation.
23. 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. Meeting should address the VDR (vehicle data recorder) System that Bp people have installed on their vehicles. They must be shut off at the 300 foot sign by hitting 00 and then the enter button, and then wait for about 5 minutes for the unit to turn off. When the green light goes out, call the control center at 326-9475. This number is on a pickup list in the Optimizer room and should be your first point of contact followed by the front desk then the weekend pager. Verify the unit is not transmitting. You then can drive to location and park, but do not to exceed 10 Miles/hr. Note: 20 MPH will turn unit back on. If someone has On Star on their vehicle they cannot enter closer than 300 foot. On Star cannot be turned off. PLEASE take special caution. This is in conjunction with all cell phones, pagers, radios and any electronic device that transmits a signal.
24. RIH with 3-1/8" casing guns w/lubricator. Perforate Chacra formation:
w/ 2 SPF
25. RIH with 3-1/2" string and packer. Set packer at +/-2600'
26. NU Frac isolation equipment. Install and monitor production casing and treating pressure during entire job in frac van via pressure transducers on production casing and treating line. Spearhead 500 gal 15% HCL, establish injection rate, and proceed with fracture stimulation according to Schlumberger schedule. Maintain surface pressures less than 3,000 psi during frac job. Flush frac with foam. Fill out GWSI scorecard.
27. Flowback frac immediately. Flow well through choke manifold on 1/4", 1/2" and 3/4" chokes increasing drawdown until well dies or stabilizes. This is to aid in reducing sand flowback. Recommend 8 hours of flow for each choke size.
28. Rig up air package/unit, pressure test all lines (Testing procedure to be supplied from air company), TIH with tubing and bit for 5-1/2" casing. Cleanout fill to top of BP set at 4,300'. **Perform well test on Chacra and document well test in DIMS.**
29. Cleanout fill and BP set at 4,300' and BP set at 4600'. Cleanout to PBTD at 4,820'. Blow well dry.

30. Rabbit tubing and RIH with 2-3/8" production tubing (with muleshoe, F-nipple with plug, 4 ft pup, X-nipple with plug).
31. Land 2-3/8" production tubing at +/-4,600'. Lock down hanger.
32. 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.**
33. 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.
34. 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.
35. RD slickline unit.
36. Test well for air. Return well to production and downhole tri-mingle PC, 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 DepartmentForm C-102
Revised August 15, 2000**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**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 30-045-07470	² Pool Code 82329	³ Pool Name Otero Chacra
⁴ Property Code 001212	⁵ Property Name Warren LS	⁶ Well Number 4
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation 6091' GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet from	East/West	County
Unit H	14	28N	09W		1700	North	1090	East	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>Cherry Hava</i> 6-26-06 Signature Mary Corley Printed Name Mary Corley Title Sr. Regulatory Analyst Date 2/21/2006
	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. on file Date of Survey Signature and Seal of Professional Surveyor:
	Certificate Number

BLM CONDITIONS OF APPROVAL FOR RECOMPLETION

The following conditions of approval will apply to this well unless a particular Surface Managing Agency or private surface owner has supplied to BLM and the operator a contradictory environmental stipulation. The failure of the operator to comply with these requirements may result in the assessment of liquidated damages or penalties pursuant to 43 CFR 3163.1 or 3163.2. A copy of these conditions of approval shall be present on the location during construction, drilling and reclamation activity.

An agreement between operator and fee land owner will take precedence over BLM surface stipulations unless (In reference to 43 CFR Part 3160) 1) BLM determines that the operator's actions will affect adjacent Federal or Indian surface, or 2) the operator does not maintain well area and lease premises in a workmanlike manner with due regard for safety, conservation and appearance, or 3) no such agreement exists, or 4) in the event of well abandonment, minimal Federal restoration requirements will be required.

Special Stipulations:

** The operator and his contractor will contact the BLM Farmington Field Office, Environmental Protection Staff (Bill Liess) to set up a pre-work meeting on any rehab or seeding done on this location at (505) 599-6321, approximately 48 hours **prior to any work being done.**

**** Reserve pits will be closed and rehabed 90 days after recompletion. All pits used in recompletion remaining open after the 90 days will need written authorization from the Authorized Officer. This requirement is addressed in the General Requirements of Onshore Order # 7.**

** Pits will be lined with an impervious material at least 12 mils thick. Prior to closing the pit, the liner will be cut off at mud level. The excess liner will be hauled to a licensed disposal area.

** Diversion ditch(es) will be reconstructed if damaged by recompletion work.

** If the cut and fill slopes of the well pad are used or damaged by completion work then the cut and fill slopes will be brought back to the original contour of the location before work was accomplished.

** All above ground structures shall be painted to blend with the natural color of the landscape and will remain the same color as was previously stipulated in the APD

** All disturbance will be seeded after the pit is closed with the appropriate seed mixture.

SEED MIX : SPECIAL: > 10 inches of precipitation

Fourwing Saltbush (<i>Atriplex canescens</i>).....	1.0 lbs.
Indian Ricegrass (<i>Oryzopsis hymenoides</i>).....	1.0 lbs.
Western Wheatgrass (<i>Agropyron smithii</i>).....	2.0 lbs.
Blue Grama (Hatcheta or Alma).....	0.25 lbs.