

Submit 3 Copies To Appropriate District
Office
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
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-045-07049
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE FEE
2. Name of Operator BP America Production Company Attn: Mary Corley		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 3092 Houston, TX 77253		7. Lease Name or Unit Agreement Name: Blanco LS (Also filed on BLM Form 3160-5 Federal Lease NM - 012201)
4. Well Location Unit Letter <u>A</u> <u>790</u> feet from the <u>North</u> line and <u>990</u> feet from the <u>East</u> line Section <u>36</u> Township <u>28N</u> Range <u>08W</u> NMPM <u>San Juan</u> County		8. Well No. 12
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 5916' GR		9. Pool name or Wildcat Blanco Mesaverde & Otero Chacra

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <u>Downhole Commingle</u> <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

BP America Production Company request permission to recomple the subject well into the Otero Chacra 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 NMCD 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 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 with not reduce the value of the total remaining production.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Mary Corley TITLE Sr. Regulatory Analyst DATE 08/06/2003
Type or print name Mary Corley Telephone No. 281-366-4491

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 23 DATE AUG 12 2003
Conditions of approval, if any:

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

Form 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 30-045-07049	² Pool Code 82329	³ Pool Name Otero Chacra
⁴ Property Code 000322	⁵ Property Name Blanco LS	
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	
	⁶ Well Number 12	
	⁹ Elevation 5916' GR	

¹⁰ Surface Location

UL or lot no. Unit A	Section 36	Township 28N	Range 08W	Lot Idn	Feet from 790'	North/South North	Feet from 990'	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. <i>Mary Corley</i> Signature Mary Corley Printed Name Sr. Regulatory Analyst Title 08/06/2003 Date	
	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. 00/00/1953 Date of Survey Signature and Seal of Professional Surveyor: on file Certificate Number	

Blanco LS #12 Workover Procedure

Procedure:

1. Check anchors. MIRU workover rig.
2. Check and record tubing, casing, and bradenhead pressures.
3. Blow down well. Kill with 2% KCL water ONLY if necessary.
4. Nipple down WH. NU BOPs.
5. RU slickline unit or wireline unit. RIH and set plug in X-nipple at 4059' for isolation.
6. Tag for fill and tally OH with 2-3/8" production tubing currently set at 4067'.
7. TIH with bit and scraper for 7" casing to 3600'.
8. RU WL unit. RIH with 7" CIBP. Set CIBP at 3600'.
9. Load well with 2% KCL.
10. Pressure test casing to 2500 psi with rig pumps.
11. RIH with 3-1/8" casing guns. Run GR log and correlate the original SP log. Perforate Chacra formation.

Chacra Perforations, 2 spf (18 shots/ 36 holes)

3345' – 3350' (5')

3378' – 3382' (4')

3470' – 3475' (5')

3496' – 3500' (4')

12. Spearhead 500 gal 15% HCL, establish injection rate, and proceed with fracture stimulation according to Schlumberger schedule.
13. Flowback frac immediately.
14. TIH with tubing and bit. Cleanout fill and drill bridge plug set at 3600'. Cleanout fill to 4100'. Blow well dry at PSTD.
15. Rabbit tubing and RIH with 2-3/8" production tubing.
16. Land 2-3/8" production tubing at 4050'.
17. ND BOP's. NU WH. Test well for air. Return well to production and downhole commingle Chacra and Mesaverde.

Blanco LS #12

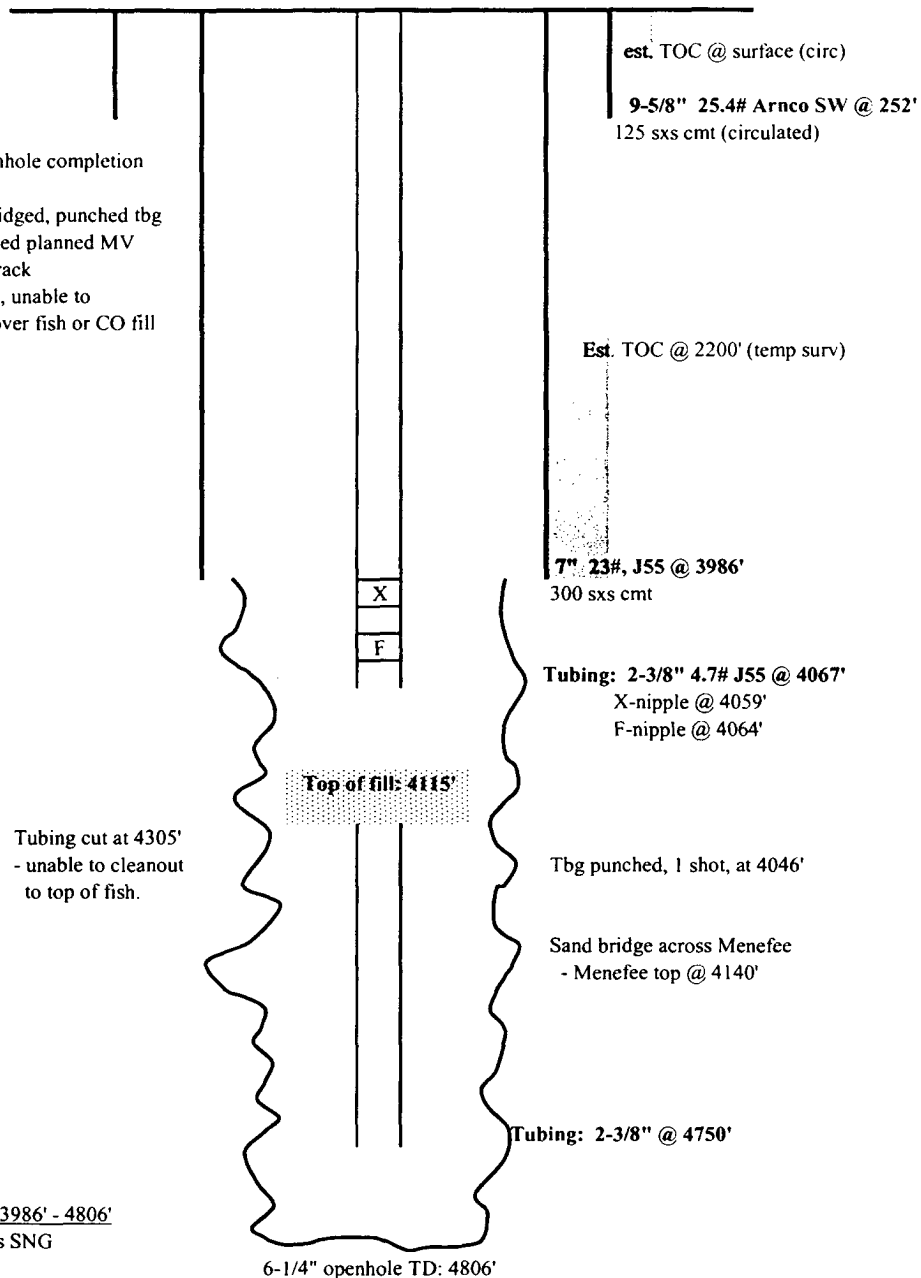
Sec 36, T28N, R8W

API # 30-045-07049

GL: 5906'

History:

Completed as openhole completion
in May 1953
Mar 1963 - OH bridged, punched tbg
Jan 1986 - Cancelled planned MV
sidetrack
Oct 2002: Cut tbg, unable to
recover fish or CO fill



Openhole Interval: 3986' - 4806'

-shot with 1860 qts SNG

NOTES:

- 1) Cliffhouse is wet in this area
- 2) March 1963 - sand bridge on tbg across from Menefee
Tbg was punched at 4046', 4355'. Tbg is likely stuck in well.
- 3) Unable to pull tubing in Oct 2002. Cut tbg and unable to CO fill to top of fish.

updated: 6/18/03 jad

Blanco LS 12

Future Production Decline Estimate Mesaverde

Daily Rates

Month	Gas Volume
Jan-2002	34
Feb-2002	28
Mar-2002	55
Apr-2002	46
May-2002	44
Jun-2002	53
Jul-2002	46
Aug-2002	43
Sep-2002	43
Oct-2002	44
Nov-2002	53
Dec-2002	49
Jan-2003	62
Feb-2003	60
Mar-2003	62
Apr-2003	62
May-2003	61
Jun-2003	61
Jul-2003	60
Aug-2003	60
Sep-2003	60
Oct-2003	59
Nov-2003	59
Dec-2003	59
Jan-2004	58
Feb-2004	58
Mar-2004	57
Apr-2004	57
May-2004	57
Jun-2004	56
Jul-2004	56
Aug-2004	55
Sep-2004	55
Oct-2004	55
Nov-2004	54
Dec-2004	54

$$\ln(Q_f/Q_i) = -dt$$

$$Q_f = 44$$

$$Q_i = 46$$

$$rate = 44$$

$$time = 5$$

$$dt = -0.044451763$$

$$decline = -0.391175511$$

Month	Gas Volume
Jan-2005	53
Feb-2005	53
Mar-2005	53
Apr-2005	52
May-2005	52
Jun-2005	51
Jul-2005	51
Aug-2005	51
Sep-2005	50
Oct-2005	50
Nov-2005	50
Dec-2005	49
Jan-2006	49
Feb-2006	48
Mar-2006	48
Apr-2006	48
May-2006	47
Jun-2006	47
Jul-2006	46
Aug-2006	46
Sep-2006	46
Oct-2006	45
Nov-2006	45
Dec-2006	44
Jan-2007	44
Feb-2007	44
Mar-2007	43
May-2007	43
Jun-2007	42
Jul-2007	42
Aug-2007	42
Sep-2007	41
Oct-2007	41
Nov-2007	41
Dec-2007	40
Jan-2008	40

Month	Gas Volume
Feb-2008	39
Mar-2008	39
Apr-2008	39
May-2008	38
Jun-2008	38
Jul-2008	37
Aug-2008	37
Sep-2008	37
Oct-2008	36
Nov-2008	36
Dec-2008	35
Jan-2009	35
Feb-2009	35
Mar-2009	34
Apr-2009	34
May-2009	33
Jun-2009	33
Jul-2009	33
Aug-2009	32
Sep-2009	32
Oct-2009	32
Nov-2009	31
Dec-2009	31
Jan-2010	30
Feb-2010	30
Mar-2010	30
Apr-2010	29
May-2010	29
Jun-2010	28
Jul-2010	28
Aug-2010	28
Sep-2010	27
Oct-2010	27
Nov-2010	26
Dec-2010	26
Jan-2011	26

Blanco LS 12

Future Production Decline Estimate Mesaverde Daily Rates

Month	Gas Volume
Feb-2011	25
Mar-2011	25
Apr-2011	24
May-2011	24
Jun-2011	24
Jul-2011	23
Aug-2011	23
Sep-2011	23
Oct-2011	22
Nov-2011	22
Dec-2011	21
Jan-2012	21
Feb-2012	21
Mar-2012	20
Apr-2012	20
May-2012	19
Jun-2012	19
Jul-2012	19
Aug-2012	18
Sep-2012	18
Oct-2012	17
Nov-2012	17
Dec-2012	17
Jan-2013	16
Feb-2013	16
Mar-2013	15
Apr-2013	15
May-2013	15
Jun-2013	14
Jul-2013	14
Aug-2013	14
Sep-2013	13
Oct-2013	13
Nov-2013	12
Dec-2013	12
Jan-2014	12

Month	Gas Volume
Feb-2014	11
Mar-2014	11
Apr-2014	10
May-2014	10
Jun-2014	10
Jul-2014	9
Aug-2014	9
Sep-2014	8
Oct-2014	8
Nov-2014	8
Dec-2014	7
Jan-2015	7
Feb-2015	6
Mar-2015	6
Apr-2015	6
May-2015	5
Jun-2015	5
Jul-2015	5
Aug-2015	4
Sep-2015	4
Oct-2015	3
Nov-2015	3
Dec-2015	3
Jan-2016	2
Feb-2016	2
Mar-2016	1
Apr-2016	1
May-2016	1
Jun-2016	0
Jul-2016	0
Aug-2016	0
Sep-2016	0
Oct-2016	0
Nov-2016	0
Dec-2016	0
Jan-2017	0