

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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.

5. Lease Serial No. NM - 012201

6. If Indian, Allottee or tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

BP America Production Company Attn: Mary Corley

8. Well Name and No.

Blanco LS 12

9. API Well No.

30-045-07049

3a. Address

P.O. Box 3092 Houston, TX 77253

3b. Phone No. (include area code)

281-366-4491

10. Field and Pool, or Exploratory Area

Blanco Mesaverde & Otero Chacra

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

790' FNL & 990' FEL Sec 36 T28N R08W

11. County or Parish, State

San Juan County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Deepen

☐ Production (Start/Resume)

☐ Water shut-Off

☐ Alter Casing

☐ Fracture Treat

☐ Reclamation

☐ Well Integrity

☐ Casing Repair

☐ New Construction

☐ Recomplete

☐ Change Plans

☐ Plug and Abandon

☐ Water Disposal

☐ Convert to Injection

☐ Plug Back

Other

Downhole Commingle

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 recompleate 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 recompleation 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 recompleate 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 NMOCD 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.

DNL 1289AZ

14. I hereby certify that the foregoing is true and correct
Name (Printed/typed)

Mary Corley

Title Senior Regulatory Analyst

Signature

Mary Corley

Date 08/06/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

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

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

AUG 15 2003

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

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

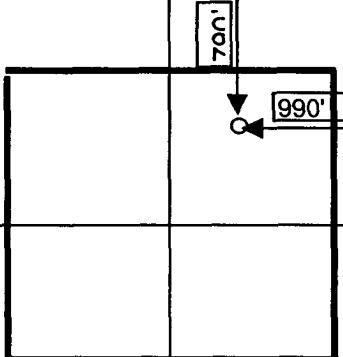
¹⁰ Surface Location

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 PBTB.
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

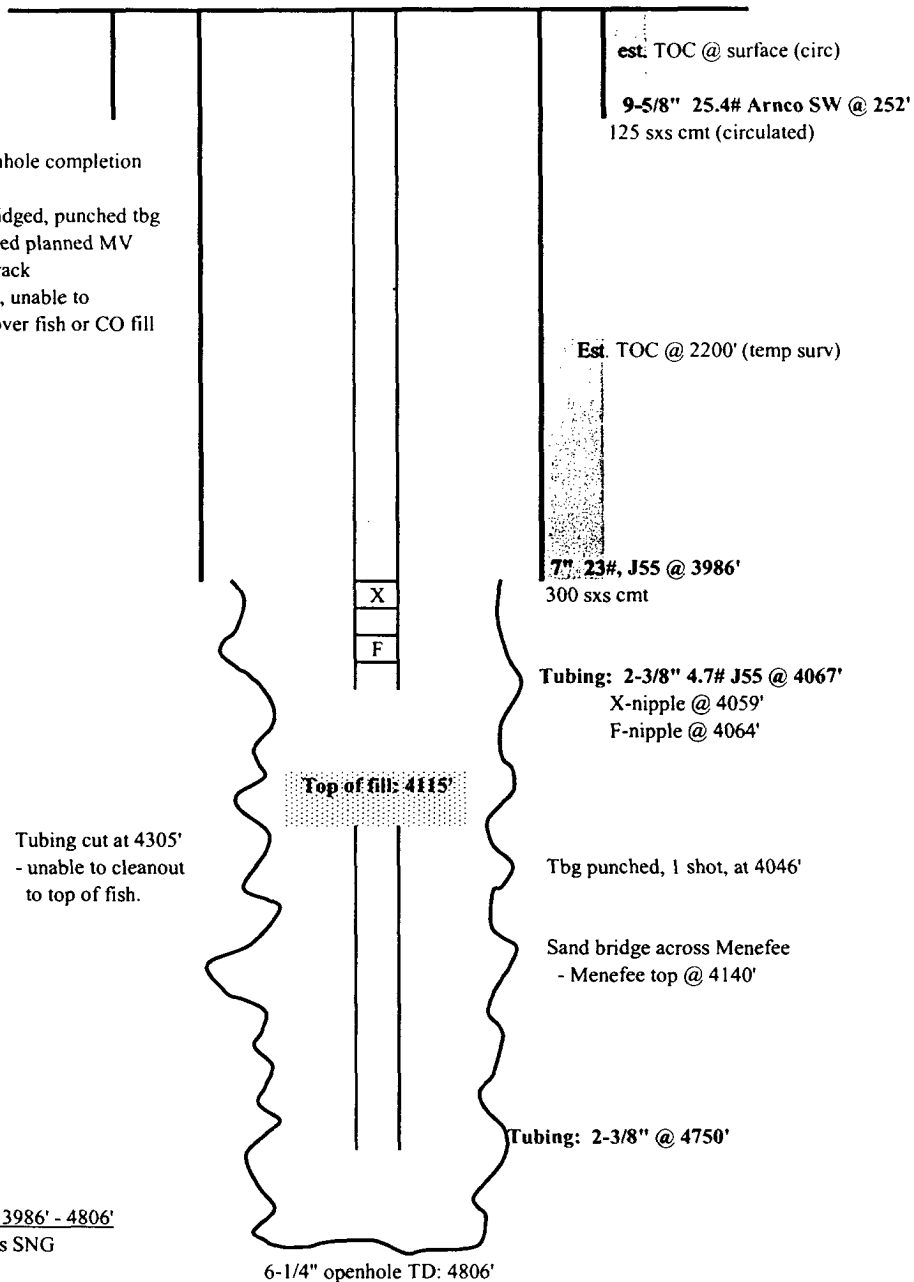
Sec 36, T28N, R8W

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

Future Production Decline Estimate Mesaverde

Daily Rates

$\ln(Q_f/Q_i) = -dt$
 $Q_f = 44$
 $Q_i = 46$
 $rate = 44$
 $time = 5$
 $dt = -0.044451763$
 $decline = -0.391175511$

Month	Gas Volume
Jan-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

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	Month	Gas Volume
Feb-2011	25	Feb-2014	11
Mar-2011	25	Mar-2014	11
Apr-2011	24	Apr-2014	10
May-2011	24	May-2014	10
Jun-2011	24	Jun-2014	10
Jul-2011	23	Jul-2014	9
Aug-2011	23	Aug-2014	9
Sep-2011	23	Sep-2014	8
Oct-2011	22	Oct-2014	8
Nov-2011	22	Nov-2014	8
Dec-2011	21	Dec-2014	7
Jan-2012	21	Jan-2015	7
Feb-2012	21	Feb-2015	6
Mar-2012	20	Mar-2015	6
Apr-2012	20	Apr-2015	6
May-2012	19	May-2015	5
Jun-2012	19	Jun-2015	5
Jul-2012	19	Jul-2015	5
Aug-2012	18	Aug-2015	4
Sep-2012	18	Sep-2015	4
Oct-2012	17	Oct-2015	3
Nov-2012	17	Nov-2015	3
Dec-2012	17	Dec-2015	3
Jan-2013	16	Jan-2016	2
Feb-2013	16	Feb-2016	2
Mar-2013	15	Mar-2016	1
Apr-2013	15	Apr-2016	1
May-2013	15	May-2016	1
Jun-2013	14	Jun-2016	0
Jul-2013	14	Jul-2016	0
Aug-2013	14	Aug-2016	0
Sep-2013	13	Sep-2016	0
Oct-2013	13	Oct-2016	0
Nov-2013	12	Nov-2016	0
Dec-2013	12	Dec-2016	0
Jan-2014	12	Jan-2017	0