

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

RECEIVED

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 - 03549

6. Indian, Allottee or Tribe Name

7. 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

8. Well Name and No.

Florance C L S 1

2. Name of Operator

BP America Production Company Attn: Mary Corley

9. API Well No.

30-045-07342

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)

990' FNL & 990' FEL Sec 19 T28N R08W

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

☒ 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 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 recompleat 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.

UHC 1288AZ

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

Mary Corley

CONDITIONS OF APPROVAL

Adhere to previously issued stipulations.

Signature

Mary Corley

Date 08/04/2003

Title Senior Regulatory Analyst

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ Jim Lovato

Title

Date

AUG 14 2003

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

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 30-045-07342	² Pool Code 82329	³ Pool Name Otero Chacra
⁴ Property Code 000326	⁵ Property Name Florance C LS	⁶ Well Number 1
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation 5800' GR

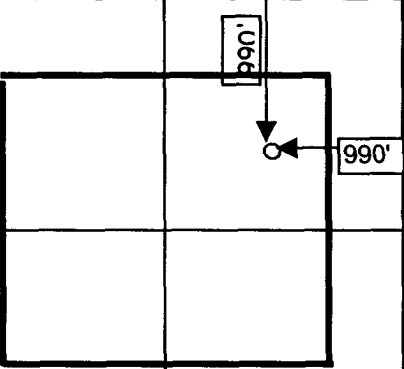
¹⁰ Surface Location

UL or lot no. Unit A	Section 19	Township 28N	Range 08W	Lot Idn	Feet from 990'	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 08/05/2003 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. 00/00/1952 Date of Survey Signature and Seal of Professional Surveyor: On File Certificate Number

Florance C LS #1 Workover Procedure

Procedure:

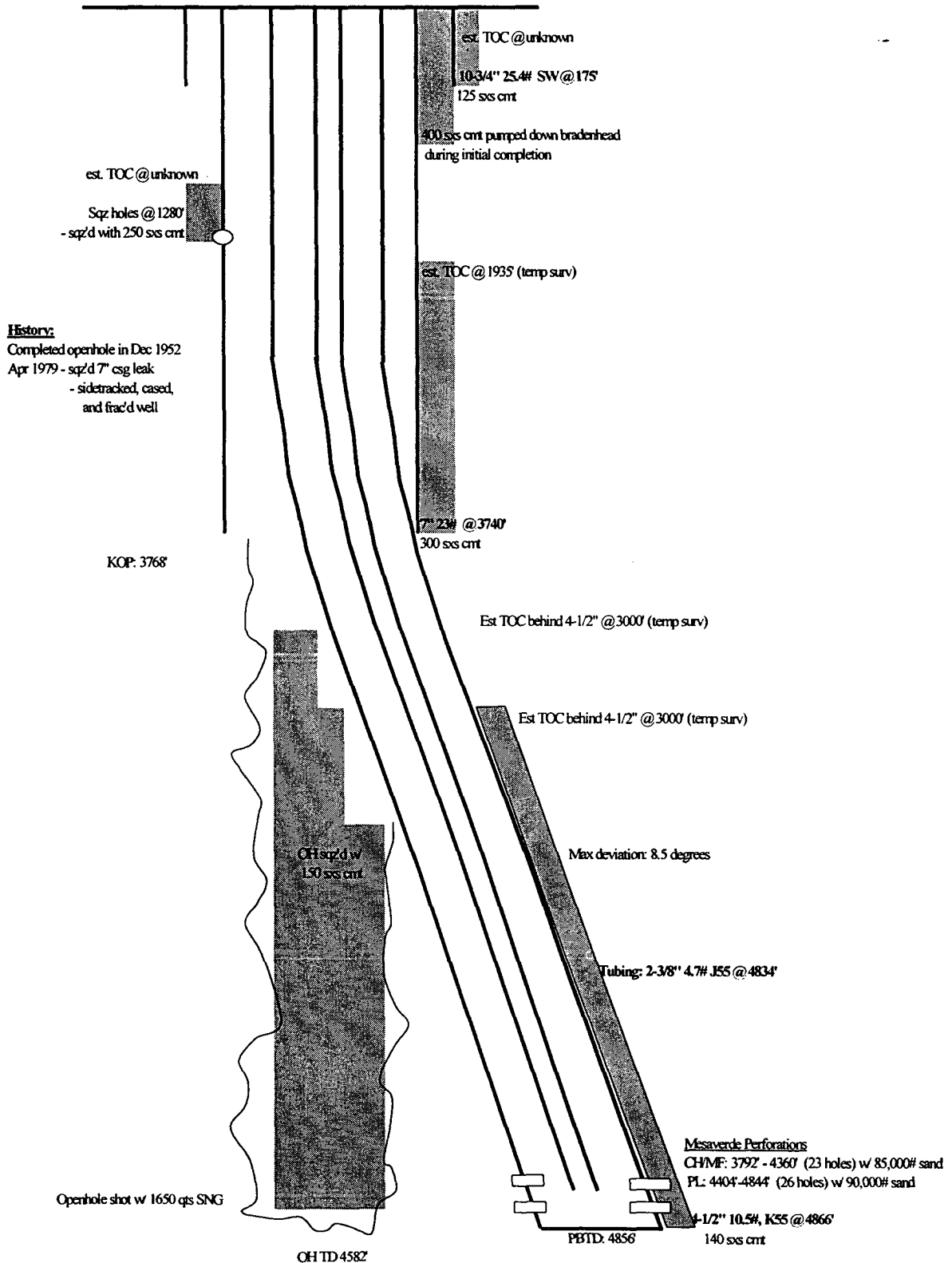
1. Check anchors. MIRU workover rig.
2. Check and record tubing, casing, and bradenhead pressures.
3. Blow down well. Kill with 2% KCL water ONLY if necessary.
4. Nipple down WH. NU BOPs.
5. Tag for fill and tally OH with 2-3/8" production tubing currently set at 4834'.
6. TIH with bit and scraper for 4-1/2" casing to 4850'. Work casing scraper across Mesaverde perforations from 3792' – 4844'.
7. RU WL unit. RIH with 4-1/2" CIBP. Set CIBP at 3700'.
8. Load well with 2% KCL.
9. Pressure test casing to 2500 psi with rig pumps.
10. RU WL unit. Run GR log across Chacra formation from 2800' – 3700' to select perforations.
11. RIH with 3-1/8" casing guns. Perforate Chacra formation.

Chacra Perforations, 2 spf
- to be determined after logging
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 3700'. Cleanout fill to PBTD at 4856'. Blow well dry at PBTD.
15. Rabbit tubing and RIH with 2-3/8" production tubing.
16. Land 2-3/8" production tubing at 4800'.
17. ND BOP's. NU WH. Test well for air. Return well to production and commingle Chacra and Mesaverde .

Florance CLS #1

Sec 19, T28N, R8W

API#: 30-045-07342



Future Production Decline Estimate Mesaverde

Daily Rates

$\ln(Q_f/Q_i) = -dt$
 $Q_f = 141$
 $Q_i = 147$
 $rate = 141$
 $time = 4$
 $dt = -0.041672696$
 $decline = -1.468962548$

Month	Gas Volume
Jan-2002	176
Feb-2002	173
Mar-2002	159
Apr-2002	152
May-2002	147
Jun-2002	125
Jul-2002	118
Aug-2002	130
Sep-2002	141
Oct-2002	137
Nov-2002	131
Dec-2002	131
Jan-2003	103
Feb-2003	48
Mar-2003	152
Apr-2003	151
May-2003	149
Jun-2003	148
Jul-2003	146
Aug-2003	145
Sep-2003	144
Oct-2003	142
Nov-2003	141
Dec-2003	139
Jan-2004	138
Feb-2004	136
Mar-2004	135
Apr-2004	133
May-2004	132
Jun-2004	130
Jul-2004	129
Aug-2004	127
Sep-2004	126
Oct-2004	124
Nov-2004	123
Dec-2004	122

Month	Gas Volume
Jan-2005	120
Feb-2005	119
Mar-2005	117
Apr-2005	116
May-2005	114
Jun-2005	113
Jul-2005	111
Aug-2005	110
Sep-2005	108
Oct-2005	107
Nov-2005	105
Dec-2005	104
Jan-2006	102
Feb-2006	101
Mar-2006	99
Apr-2006	98
May-2006	97
Jun-2006	95
Jul-2006	94
Aug-2006	92
Sep-2006	91
Oct-2006	89
Nov-2006	88
Dec-2006	86
Jan-2007	85
Feb-2007	83
Mar-2007	82
May-2007	80
Jun-2007	79
Jul-2007	77
Aug-2007	76
Sep-2007	74
Oct-2007	73
Nov-2007	72
Dec-2007	70
Jan-2008	69

Month	Gas Volume
Feb-2008	67
Mar-2008	66
Apr-2008	64
May-2008	63
Jun-2008	61
Jul-2008	60
Aug-2008	58
Sep-2008	57
Oct-2008	55
Nov-2008	54
Dec-2008	52
Jan-2009	51
Feb-2009	50
Mar-2009	48
Apr-2009	47
May-2009	45
Jun-2009	44
Jul-2009	42
Aug-2009	41
Sep-2009	39
Oct-2009	38
Nov-2009	36
Dec-2009	35
Jan-2010	33
Feb-2010	32
Mar-2010	30
Apr-2010	29
May-2010	27
Jun-2010	26
Jul-2010	25
Aug-2010	23
Sep-2010	22
Oct-2010	20
Nov-2010	19
Dec-2010	17
Jan-2011	16

Future Production Decline Estimate Mesaverde

Daily Rates

Month	Gas Volume
Feb-2011	14
Mar-2011	13
Apr-2011	11
May-2011	10
Jun-2011	8
Jul-2011	7
Aug-2011	5
Sep-2011	4
Oct-2011	3
Nov-2011	1
Dec-2011	0
Jan-2012	0
Feb-2012	0
Mar-2012	0
Apr-2012	0
May-2012	0
Jun-2012	0
Jul-2012	0
Aug-2012	0
Sep-2012	0
Oct-2012	0
Nov-2012	0
Dec-2012	0
Jan-2013	0
Feb-2013	0
Mar-2013	0
Apr-2013	0
May-2013	0
Jun-2013	0
Jul-2013	0
Aug-2013	0
Sep-2013	0
Oct-2013	0
Nov-2013	0
Dec-2013	0
Jan-2014	0