

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANGEMENT

JAN 27 2009

FORM APPROVED
OMB No 1004-0135
Expires July 31, 2010

Bureau of Land Management
Farmington Field Office
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.*

Lease Serial No
NM - 04208

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

8. Well Name and No.
McCulley 45 SN

2 Name of Operator
BP America Production Company Attn: Cherry Hlava

9. API Well No.
30-045-32306

3a Address
P.O. Box 3092 Houston, TX 77253

3b. Phone No. (include area code)
281-366-4081

10. Field and Pool, or Exploratory Area
**Basin Dakota, Blanco Mesaverde,
Otero Chacra**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2460 FNL & 1740 FWL Sec 24 T 28N R 09W

11. 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

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☒ Reclamation

☐ Recomplete

☐ Water Disposal

☐ Water shut-Off

☐ Well Integrity

☒ Other DHC

RCVD JAN 29 '09
OIL CONS. DIV.
DIST. 3

3 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 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 requests permission to complete the subject well into the **Chacra (82329)** formation and tri-commingle production downhole with the existing **Blanco Mesaverde (72319) & Basin Dakota (71599)**

The Interest owners are identical between the MV, DK & CH therefore no notification required.

Production is proposed to be allocated based on the subtraction method using the projected future decline for production from the MV & DK pools. NMOCD Santa Fe office has been notified.

Commingling Production Downhole in the subject well from the proposed pools will not reduce the value of the total remaining production.

Production is proposed to be based on a subtraction method, using the projected future decline for production from the DK & MV pools. This 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. Please see the decline for MV & DK attached.

Commingling Production Downhole in the subject well from the proposed pools will not reduce the value of the total remaining production.

DHC 4150

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

Cherry Hlava

Title Regulatory Analyst

Signature *Cherry Hlava*

Date 01/26/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason

Title

Date

JAN 28 2009

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

**McCulley LS 5N
BLM Procedure
Sec 24, T28N, R9W
API #: 30-045-32306**

Objective of Work:

The McCulley LS 5N is currently a down hole commingled well Dakota and Mesa Verde.

1. Complete well in Chacra and the casing frac at 50-60 bpm 200,000# sand.
2. Flow back and test Chacra and then clean out bridge plugs to Dakota perforations and Tri-mingle well, DK, Mesa Verde, and Chacra.

Simplified Work Procedure:

1. Check anchors. MIRU workover rig.
2. If necessary, kill with 2% KCL water. Nipple down WH. NU BOPs.
3. Tag for fill and tally OH with 2-3/8" production tubing currently set at 6700'. Visually inspect tubing while POOH.
4. TIH with bit and scraper for 4 1/2" casing to 4200'.
5. TIH set CIBP at 4000' and test casing to 3000 psi.
6. Perforate using 3-1/8" casing guns loaded with HEG charges Chacra
3000'-3200' 4 spf Final perforating depths to verified by geologist
7. RU frac equipment. Use Slick Water 2% KCL Water 200,000# sand 45Q-N2 foam in fracture stimulation.
8. Flow back frac.
9. TIH with tubing and notched collar. Cleanout fill to 4000'. Blow well dry.
10. Test Point Chacra for 8 hours.
11. Clean out well to PBTD 6773'
12. Run 2 3/8" completion tubing at 6700'
13. ND BOP's. NU WH. Test well for air. Return well to production. as down hole commingle Dakota, Mesa Verde and Chacra completion.

Prepared by:

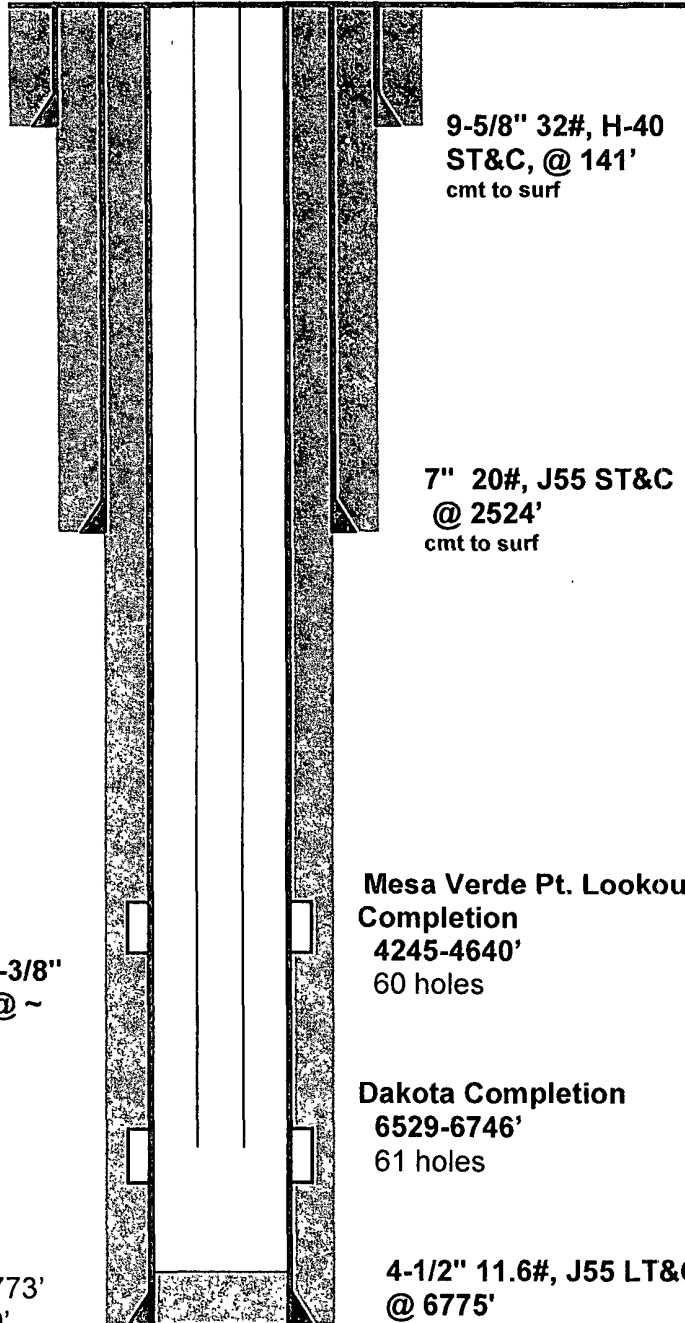
Richard W. Pomrenke

McCulley LS 5N

Sec. 24, T28N R 9W

API: 30-045-32306

GL: 5896'
KB: 5910'



9-5/8" 32#, H-40
ST&C, @ 141'
cmt to surf

7" 20#, J55 ST&C
@ 2524'
cmt to surf

Mesa Verde Pt. Lookout
Completion
4245-4640'
60 holes

Dakota Completion
6529-6746'
61 holes

4-1/2" 11.6#, J55 LT&C
@ 6775'
marker jts @ 6424' & 3487'

Tubing: 2-3/8"
4.7#, J55 @ ~
6700'

PBTD to 6773'
TD @ 6779'

Updated: 8/23/04 JLP/JMP

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
Permit 83074

RECEIVED

JAN 27 2009

Bureau of Land Management
Farmington Field Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-045-32306	2. Pool Code 82329	3. Pool Name OTERO CHACRA (GAS)
4. Property Code 854	5. Property Name MCCULLEY LS	6. Well No. 51V
7. OGRID No. 778	8. Operator Name BP AMERICA PRODUCTION COMPANY	9. Elevation 5036

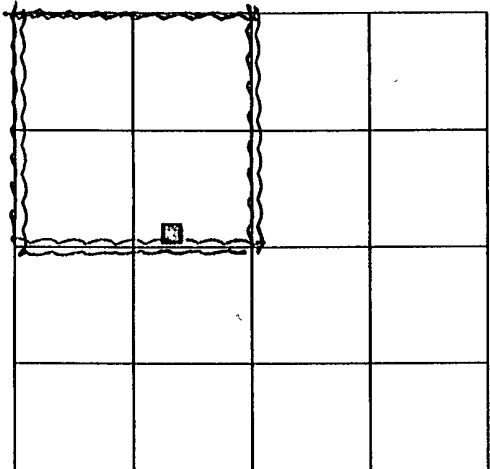
10. Surface Location

UL - Lot F	Section 24	Township 28N	Range 09W	Lot Idn	Feet From 2460	N/S Line N	Feet From 1740	E/W Line W	County SAN JUAN
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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 0.00 160		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

	OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> E-Signed By: <i>Cherry Hlava</i> Title: <i>Regulatory Analyst</i> Date: <i>1-26-09</i> SURVEYOR CERTIFICATION <i>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.</i> Surveyed By: Gary Vann Date of Survey: 2/25/2004 Certificate Number: 7016
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District I
PO Box 1980, Hobbs NM 88241-1980
District II
PO Drawer KK, Arcoia, NM 87211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code 71599-72319	Pool Name Basin Dakota / Blanco Mesaverde
Property Code 000854	Property Name McCulley LS		Well Number # 5N
OGRID No. 000778	Operator Name BP AMERICA PRODUCTION COMPANY		Elevation 5896

Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	24	28 N	9 W		2460	NORTH	1740	WEST	SAN JUAN

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320		Joint or Infill		Consolidation Code		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

	11 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature <u>Cherry Hlava</u> Printed Name <u>Cherry Hlava</u> Title <u>Regulatory Analyst</u> Date <u>3-26-04</u>
	12 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 <u>February 25, 2004</u> Signature and Seal of Professional Surveyor Certificate Number <u>7016</u>

(R) GLO Record

McCulley LS 5N												
Dakota Formation												
API #	3004532306											
Starting 10/04 thru 10/32												
Hyperbolic Decline n = 0.3												
Qi =	61.3	mcf/d	1-Oct-2008									
Qf =	4.0	mcf/d										
D =	15.75%	per year										
	Gas	Rate	Gas	Gas	Gas		Gas	Gas		Gas	Gas	
Date		mcf/d	Volume	Date	Rate	Volume	Date	Rate	Volume	Date	Rate	Volume
			MMSCF		mcf/d	MMSCF		mcf/d	MMSCF		mcf/d	MMSCF
Oct-08		60.74	1.88	Mar-12	35.01	1.09	Aug-15	21.88	0.68	Jan-19	14.46	0.45
Nov-08		59.86	1.80	Apr-12	34.58	1.04	Sep-15	21.64	0.65	Feb-19	14.33	0.40
Dec-08		59.00	1.83	May-12	34.16	1.06	Oct-15	21.41	0.66	Mar-19	14.19	0.44
Jan-09		58.30	1.81	Jun-12	33.74	1.01	Nov-15	21.19	0.64	Apr-19	14.06	0.42
Feb-09		57.49	1.61	Jul-12	33.33	1.03	Dec-15	20.96	0.65	May-19	13.93	0.43
Mar-09		56.69	1.76	Aug-12	32.92	1.02	Jan-16	20.68	0.64	Jun-19	13.80	0.41
Apr-09		55.89	1.68	Sep-12	32.52	0.98	Feb-16	20.47	0.59	Jul-19	13.67	0.42
May-09		55.10	1.71	Oct-12	32.13	1.00	Mar-16	20.26	0.63	Aug-19	13.54	0.42
Jun-09		54.32	1.63	Nov-12	31.75	0.95	Apr-16	20.04	0.60	Sep-19	13.41	0.40
Jul-09		53.56	1.66	Dec-12	31.37	0.97	May-16	19.83	0.62	Oct-19	13.29	0.41
Aug-09		52.80	1.64	Jan-13	31.07	0.96	Jun-16	19.63	0.59	Nov-19	13.17	0.40
Sep-09		52.06	1.56	Feb-13	30.72	0.86	Jul-16	19.43	0.60	Dec-19	13.05	0.40
Oct-09		51.34	1.59	Mar-13	30.36	0.94	Aug-16	19.22	0.60	Jan-20	12.89	0.40
Nov-09		50.63	1.52	Apr-13	30.01	0.90	Sep-16	19.02	0.57	Feb-20	12.77	0.37
Dec-09		49.94	1.55	May-13	29.65	0.92	Oct-16	18.83	0.58	Mar-20	12.66	0.39
Jan-10		49.24	1.53	Jun-13	29.30	0.88	Nov-16	18.64	0.56	Apr-20	12.55	0.38
Feb-10		48.59	1.36	Jul-13	28.96	0.90	Dec-16	18.45	0.57	May-20	12.43	0.39
Mar-10		47.96	1.49	Aug-13	28.62	0.89	Jan-17	18.31	0.57	Jun-20	12.32	0.37
Apr-10		47.31	1.42	Sep-13	28.29	0.85	Feb-17	18.13	0.51	Jul-20	12.21	0.38
May-10		46.67	1.45	Oct-13	27.96	0.87	Mar-17	17.95	0.56	Aug-20	12.10	0.38
Jun-10		46.04	1.38	Nov-13	27.64	0.83	Apr-17	17.77	0.53	Sep-20	11.99	0.36
Jul-10		45.43	1.41	Dec-13	27.32	0.85	May-17	17.59	0.55	Oct-20	11.88	0.37
Aug-10		44.81	1.39	Jan-14	27.00	0.84	Jun-17	17.41	0.52	Nov-20	11.78	0.35
Sep-10		44.22	1.33	Feb-14	26.71	0.75	Jul-17	17.24	0.53	Dec-20	11.67	0.36
Oct-10		43.64	1.35	Mar-14	26.41	0.82	Aug-17	17.06	0.53	Jan-21	11.60	0.36
Nov-10		43.06	1.29	Apr-14	26.11	0.78	Sep-17	16.89	0.51	Feb-21	11.50	0.32
Dec-10		42.50	1.32	May-14	25.82	0.80	Oct-17	16.73	0.52	Mar-21	11.40	0.35
Jan-11		41.94	1.30	Jun-14	25.53	0.77	Nov-17	16.56	0.50	Apr-21	11.30	0.34
Feb-11		41.41	1.16	Jul-14	25.24	0.78	Dec-17	16.40	0.51	May-21	11.20	0.35
Mar-11		40.89	1.27	Aug-14	24.96	0.77	Jan-18	16.23	0.50	Jun-21	11.10	0.33
Apr-11		40.36	1.21	Sep-14	24.68	0.74	Feb-18	16.08	0.45	Jul-21	11.00	0.34
May-11		39.84	1.24	Oct-14	24.40	0.76	Mar-18	15.93	0.49	Aug-21	10.91	0.34
Jun-11		39.33	1.18	Nov-14	24.13	0.72	Apr-18	15.77	0.47	Sep-21	10.81	0.32
Jul-11		38.83	1.20	Dec-14	23.87	0.74	May-18	15.62	0.48	Oct-21	10.72	0.33
Aug-11		38.33	1.19	Jan-15	23.60	0.73	Jun-18	15.47	0.46	Nov-21	10.63	0.32
Sep-11		37.85	1.14	Feb-15	23.35	0.65	Jul-18	15.32	0.48	Dec-21	10.53	0.33
Oct-11		37.37	1.16	Mar-15	23.11	0.72	Aug-18	15.17	0.47	Jan-22	10.44	0.32
Nov-11		36.90	1.11	Apr-15	22.85	0.69	Sep-18	15.02	0.45	Feb-22	10.35	0.29
Dec-11		36.44	1.13	May-15	22.61	0.70	Oct-18	14.88	0.46	Mar-22	10.27	0.32
Jan-12		35.88	1.11	Jun-15	22.36	0.67	Nov-18	14.74	0.44	Apr-22	10.18	0.31
Feb-12		35.44	1.03	Jul-15	22.12	0.69	Dec-18	14.60	0.45	May-22	10.09	0.31

McCulley LS 5N									
MesaVerde Formation									
API #	3004532306								
Starting 10/04 thru 3/25									
Hyperbolic Decline n = 0.3									
Qi =	94.0	mcf/d	1-Jan-2007						
Qf =	11.2	mcf/d							
D =	16.18%	per year							
Starting 4/25 thru 12/36									
Exponential Decline									
Qi =	11.2	mcf/d							
Qf =	5.5	mcf/d							
D =	9.00%	per year							
Date	Gas Rate	Gas Volume	Date	Gas Rate	Gas Volume	Date	Gas Rate	Gas Volume	
	mcf/d	MMSCF		mcf/d	MMSCF		mcf/d	MMSCF	
Oct-08	93.14	2.89	Oct-11	56.50	1.75	Oct-14	36.51	1.13	
Nov-08	91.75	2.75	Nov-11	55.78	1.67	Nov-14	36.10	1.08	
Dec-08	90.39	2.80	Dec-11	55.06	1.71	Dec-14	35.69	1.11	
Jan-09	89.27	2.77	Jan-12	54.20	1.68	Jan-15	35.28	1.09	
Feb-09	88.00	2.46	Feb-12	53.52	1.55	Feb-15	34.90	0.98	
Mar-09	86.74	2.69	Mar-12	52.85	1.64	Mar-15	34.52	1.07	
Apr-09	85.47	2.56	Apr-12	52.19	1.57	Apr-15	34.14	1.02	
May-09	84.23	2.61	May-12	51.53	1.60	May-15	33.76	1.05	
Jun-09	83.01	2.49	Jun-12	50.89	1.53	Jun-15	33.39	1.00	
Jul-09	81.81	2.54	Jul-12	50.25	1.56	Jul-15	33.02	1.02	
Aug-09	80.61	2.50	Aug-12	49.62	1.54	Aug-15	32.65	1.01	
Sep-09	79.46	2.38	Sep-12	49.00	1.47	Sep-15	32.29	0.97	
Oct-09	78.32	2.43	Oct-12	48.40	1.50	Oct-15	31.94	0.99	
Nov-09	77.21	2.32	Nov-12	47.80	1.43	Nov-15	31.59	0.95	
Dec-09	76.12	2.36	Dec-12	47.22	1.46	Dec-15	31.25	0.97	
Jan-10	75.03	2.33	Jan-13	46.76	1.45	Jan-16	30.83	0.96	
Feb-10	74.01	2.07	Feb-13	46.21	1.29	Feb-16	30.50	0.88	
Mar-10	73.01	2.26	Mar-13	45.67	1.42	Mar-16	30.18	0.94	
Apr-10	72.00	2.16	Apr-13	45.12	1.35	Apr-16	29.86	0.90	
May-10	71.00	2.20	May-13	44.57	1.38	May-16	29.54	0.92	
Jun-10	70.02	2.10	Jun-13	44.04	1.32	Jun-16	29.23	0.88	
Jul-10	69.06	2.14	Jul-13	43.51	1.35	Jul-16	28.92	0.90	
Aug-10	68.10	2.11	Aug-13	42.98	1.33	Aug-16	28.61	0.89	
Sep-10	67.17	2.02	Sep-13	42.47	1.27	Sep-16	28.31	0.85	
Oct-10	66.26	2.05	Oct-13	41.97	1.30	Oct-16	28.01	0.87	
Nov-10	65.36	1.96	Nov-13	41.47	1.24	Nov-16	27.72	0.83	
Dec-10	64.48	2.00	Dec-13	40.99	1.27	Dec-16	27.43	0.85	
Jan-11	63.61	1.97	Jan-14	40.50	1.26	Jan-17	27.21	0.84	
Feb-11	62.79	1.76	Feb-14	40.04	1.12	Feb-17	26.94	0.75	
Mar-11	61.98	1.92	Mar-14	39.59	1.23	Mar-17	26.67	0.83	
Apr-11	61.16	1.84	Apr-14	39.13	1.17	Apr-17	26.40	0.79	
May-11	60.35	1.87	May-14	38.68	1.20	May-17	26.13	0.81	
Jun-11	59.56	1.79	Jun-14	38.23	1.15	Jun-17	25.86	0.78	
Jul-11	58.78	1.82	Jul-14	37.80	1.17	Jul-17	25.59	0.79	
Aug-11	58.00	1.80	Aug-14	37.36	1.16	Aug-17	25.33	0.79	
Sep-11	57.24	1.72	Sep-14	36.93	1.11	Sep-17	25.07	0.75	