

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. 30-045-07558
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator BP America Production Company		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 3092 Houston, Tx 77253		7. Lease Name or Unit Agreement Name: Gallegos Canyon Unit (Federal Well SF 078109 also filed on BLM form 3160-5)
4. Well Location Unit <u>Letter N</u> <u>990'</u> feet from the <u>South</u> line and <u>1650'</u> feet from the <u>West</u> line Section <u>7</u> Township <u>28N</u> Range <u>12W</u> NMPM <u>San Juan</u> County		8. Well No. 32
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 5583' GR		9. Pool name or Wildcat Basin Fruitland Coal & West Kutz PC

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: **Re-enter PC & DHC with Fruitland Coal** ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

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 requests permission to re-enter into Kutz Picture Cliffs, West pool and commingle production down hole with the existing Basin Fruitland Coal pool as per the attached procedure.

The Basin Fruitland Coal (71629) & Kutz Picture Cliffs, West (79680) pools are Pre-Approved for Down hole Commingling per NMOCD CASE NO.12520, ORDER NO. R-11567 effective 04/26/2001. Although the interest owners are not identical between these two pools, this same order established approval for subsequent applications for the down hole commingling of production in wellbores within the Gallegos Canyon Unit without notice to the unit interest owners, therefore, no additional notification is required prior to down hole commingling approval.

Production is proposed to be allocated based on the subtraction method using the projected future decline for production from the Basin Fruitland Coal. 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 West Kutz Picture Cliffs. Attached is the future production decline estimates for the Basin Fruitland Coal. Commingling Production Downhole in the subject well from the proposed pools will not reduce the value of the total remaining production.

DHC 824AZ

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

SIGNATURE Cherry Hlava TITLE Regulatory Analyst DATE 06/20/02

Type or print name Cherry Hlava Telephone No. 281-366-4081

(This space for State use)

APPROVED BY Original Signed by STEVEN M. HAYES TITLE DEPUTY OIL & GAS INSPECTOR DATE JUN 21 2002

Conditions of approval, if any:

District I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

District II
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-07558	² Pool Code 71629 / 79680	³ Pool Name Basin Fruitland Coal / Kutz Pictured Cliffs
⁴ Property Code 00570	⁵ Property Name Gallegos Canyon Unit	⁶ Well Number 32
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation 5583 DF'

¹⁰ Surface Location

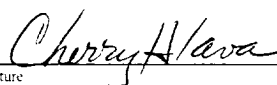
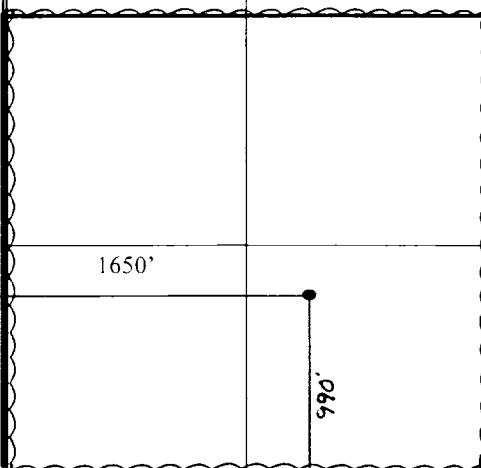
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Unit N	7	28N	12W		990'	South	1650'	West	San Juan

¹¹ 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
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¹² Dedicated Acres 266.68 FC 160 PC	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

¹⁶				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Printed Name: Cherry Hlava Regulatory Analyst Title: 06/20/2002 Date
				¹⁸ 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> Date of Survey Signature and Seal of Professional Surveyor: Plat on file Certificate Number

API 30-045-07558

GALLEGOS CANYON UNIT 32 FRUITLAND COAL DECLINE

DATE	MCFD	DATE	MCFD
7/1/2002	89	1/1/2006	51
8/1/2002	88	2/1/2006	50
9/1/2002	86	3/1/2006	50
10/1/2002	85	4/1/2006	49
11/1/2002	84	5/1/2006	48
12/1/2002	83	6/1/2006	48
1/1/2003	82	7/1/2006	47
2/1/2003	81	8/1/2006	47
3/1/2003	80	9/1/2006	46
4/1/2003	79	10/1/2006	45
5/1/2003	78	11/1/2006	45
6/1/2003	77	12/1/2006	44
7/1/2003	76	1/1/2007	44
8/1/2003	75	2/1/2007	43
9/1/2003	74	3/1/2007	42
10/1/2003	73	4/1/2007	42
11/1/2003	72	5/1/2007	41
12/1/2003	71	6/1/2007	41
1/1/2004	70	7/1/2007	40
2/1/2004	69		
3/1/2004	68		
4/1/2004	67		
5/1/2004	66		
6/1/2004	66		
7/1/2004	65		
8/1/2004	64		
9/1/2004	63		
10/1/2004	62		
11/1/2004	61		
12/1/2004	61		
1/1/2005	60		
2/1/2005	59		
3/1/2005	58		
4/1/2005	57		
5/1/2005	57		
6/1/2005	56		
7/1/2005	55		
8/1/2005	55		
9/1/2005	54		
10/1/2005	53		
11/1/2005	52		
12/1/2005	52		

GCU 32
San Juan County, NM
Unit N Sec 7 T28N-R12W
API 30-045-07558

June 19, 2002

Reason for work:

Re-enter the Pictured Cliffs and DHC with the existing Fruitland Coal perfs. Will need to run down hole gas separator due to open hole completion.

Procedure:

1. MIRU SU. Record TP and CP.
2. ND WH, NU BOP.
3. POOH with 2-3/8" production tbg.
4. RIH with mill, float valve, and drill collars.
5. D/O CIBP at 1377' circulating with air. Clean out to 1419' TD.
6. PU 30' above Fruitland Coal perfs and flow well back 30 minutes. RIH to PBTD, cleaning out again if necessary. Repeat until sand feed-in stabilizes.
7. RIH with following tubing string:
 - a) Bull plug
 - b) 1 jt 2-3/8" tbg for mud anchor
 - c) 6' perforated sub
 - d) SN
 - e) 2-3/8" tbg to surface

Land tbg at 1390'.

8. ND BOP. NU tree.
9. RIH with following rod string:
 - a) Gas anchor
 - b) 2" x 1-1/4" top hold down pump.
 - c) 3/4' rods to surface

Hang well off and check pump action.

10. RDMO SU.

GCU 32
San Juan County, NM
Unit N Section 7 of R28W - T12N
Run 25

6-19-2002
ATK

KB: 6' above GL

10-3/4" 32.7# H40 @
89' w/ 90 sxs

FC perfs:

1342' - 1362'

SN @ 1332'

2-3/8" tbg @ 1364'

T/ PC @ 1378'

Shot w/ 40 qts SNG
from 1389' - 1407'

CIBP @ 1377'

7" 17 & 20 # J55 & H40 @
1487'
w/ 174 sxs

PBTD: 1407' (Gravel)
TD: 1419'