

DATE 1/17/06	SUSPENSE	ENGINEER WIS	LOGGED IN	TYPE PC-1162	APP NO. PWT 8601848225
-----------------	----------	-----------------	-----------	-----------------	---------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☒ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply ☒

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Mary Corley
 Print or Type Name

Signature

Mary Corley

Sr. Regulatory Analyst **01/11/2006**

Title

Date

corleyml@bp.com

e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION

1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: **BP America Production Company**

OPERATOR ADDRESS: **P O Box 3092 Houston, TX 77253**

APPLICATION TYPE:

☒ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Blanco Mesaverde	1265 BTU	1265 BTU		501	501
Blanco Fruitland Coal	1026 BTU	1026 BTU		769	769

(2) Are any wells producing at top allowables? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attach sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

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: 01/11/2006

TYPE OR PRINT NAME: Mary Corley

TELEPHONE NO.: 281-366-4491

E-MAIL ADDRESS: corlevml@bp.com

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 See Below	² Pool Code 72319 & 71629	³ Pool Name Blanco Mesaverde & Basin Fruitland Coal
⁴ Property Code 001004 & 001008	⁵ Property Name Sammons Gas Com B & Sammons Gas Com F	⁶ Well Number 1
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation

¹⁰ Surface Location


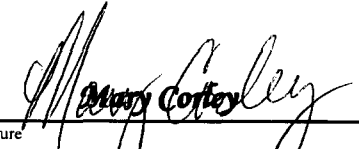
UL or lot no. A	Section 18	Township 29N	Range 09W	Lot Idn	Feet from	North/South	Feet from	East/West	County San Juan
--------------------	---------------	-----------------	--------------	---------	-----------	-------------	-----------	-----------	--------------------

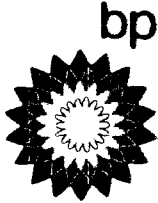
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet	East/West	County
---------------	---------	----------	-------	---------	-----------	-------------	------	-----------	--------

¹² Dedicated Acres	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

			Sammons GC F1 30-045-21010 790' FNL & 10700' FEL 	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 Sr. Regulatory Analyst Title 01/11/2005 Date
			Sammons GC B 1 30-045-08395 990 FNL & 990' FEL	
				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> on file Date of Survey Signature and Seal of Professional Surveyor: Certificate Number



San Juan South Asset

Mary Corley
WL1-19.171
281-366-4491 (direct)
281-366-0700 (FAX)
corleym1@bp.com

P. O. Box 3092
Houston, Texas 77253-3092
501 Westlake Park Boulevard
Houston, Texas 77079

January 11, 2006

New Mexico Oil Conservation Division
Energy and Minerals Department
P. O. Box 2088
Santa Fe, New Mexico 87501

Surface Commingling Notice
Sammons Gas Com B Well No. 1
Sammons Gas Com F Well No. 1
Section 18, T29N, R09W
San Juan County, New Mexico

BP America Production Company respectfully request authorization to surface commingle gas production from the Blanco Mesaverde and Basin Fruitland Coal Cliffs Pools. Surface commingling Blanco Mesaverde production will consist of Sammons Gas Com B Well No. 1 and Basin Fruitland Coal production will be from the Sammons Gas Com F Well No. 1. The liquid production will be separated and stored on the lease prior to metering.

The production from each well will be metered prior to surface commingling. Production from all pools will flow into through the separator where the liquids will be removed. The commingled gas will then be sent through compression prior to entering the sales meter. Please reference the attached schematics reflecting the Current Facilities Layout and the Proposed Surface Commingling Layout provided for your reference.

All interest owners are identical, therefore, no additional notification is required.

Attached in support of our application and in compliance with NMOCD Rule 303(B) are the following documents:

1. A Plat with lease boundaries showing all well and facility locations.
2. Site Facility Schematic Flow Diagram
3. Form C-107-B
4. Form C-103

Should you have any questions concerning this matter please contact me at 281-366-4491.

Yours very truly

A handwritten signature in cursive script that reads "Mary Corley".
Mary Corley
Sr. Regulatory Analyst



BP America Production Company

San Juan Performance Unit
501 Westlake Park Boulevard
Houston, Texas 77079
Room 19.104

Brett Woody
Land Negotiator

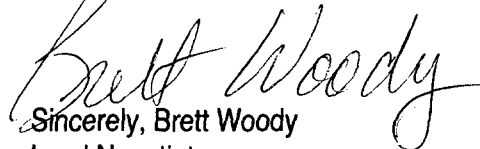
Phone: 281.366.4691
Fax: 281.366.7099

January 11, 2006

New Mexico Oil Conservation Division
Energy and Minerals Department
P. O. Box 2088
Santa Fe, New Mexico 87501

Surface Commingling Application
Sammons Gas Com B Well No. 1
Sammons Gas Com F Well No. 1
Section 18, T29N, R09W
San Juan County, New Mexico

Please be advised that the working interest, royalty and overriding royalty interest owners are identical for each well.


Sincerely, Brett Woody
Land Negotiator