

RECEIVED: <u>8/7/2017</u>	REVIEWER: <u>LRL</u>	TYPE: <u>NSL</u>	APP NO: <u>PLEL 1721957501</u>
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

RECEIVED OCD

NEW MEXICO OIL CONSERVATION DIVISION

- Geological & Engineering Bureau -

2017 AUG -7 P 2:12

220 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

Applicant: BP America Production Company **OGRID Number:** 000778
Well Name: Northeast Blanco Unit 604 Com 2H **API:** 30-045-35794
Pool: Basin Mancos **Pool Code:** 97232

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

NSL-7513-A

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location - Spacing Unit - Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
- [I] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

3) **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.

Toya Colvin
 Print or Type Name

08/02/2017
 Date

281-892-5369
 Phone Number

Toya Colvin
 Signature

Toya.Colvin@bp.com
 e-mail Address



BP America Production Company

Toya Colvin
Regulatory Analyst
737 North Eldridge Pkwy, 12.181A
Houston, Texas 77079
281-892-5369

August 2, 2017

CERTIFIED MAIL:
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

**RE: Application for Administrative Approval for Non-Standard Location
Northeast Blanco Unit 604 Com #2H
API 30-045-35794
Surface 1891' FNL and 594' FWL Section 13-T31N-R07W
Bottom Hole 1960' FNL and 51' FEL Section 18-T31N-R06W
San Juan County, New Mexico
Basin Mancos Pool Formation (97232)**

Dear Sir or Madam,

BP America respectfully requests administrative approval for a non-standard location for the above referenced well. Attached for your reference are the following exhibits:

1. Administrative Application Checklist
2. Well Location Plat (C-102)
3. List of Offset Operators/Interest Owners

The above captioned horizontal Mancos Gas well is planned to be drilled sometime in 2017. It is probable that the lateral will penetrate the projected Mancos Gas horizon outside the required 660' but no closer than 529' from the north lease line of S/2 Section 13-T31NR07W and extend easterly maintaining the same penetration from north lease line of S/2 Section 13-T31N-R07W and Section 18-T31N-R06W (see attached C-102 for NEBU 604 Com 2H, dated 4/28/2017). Since the projected lateral has the probability to penetrate outside the required 660' setback but no closer than 529', BP America Production Company, as Operator of this well, applies for an exception to this set back rule as it applies to final lateral of the Mancos Gas horizon.

Although the lateral of the NEBU 604 2H well is permitted at an orthodox location with respect to the southern boundary of the project area, it is very close to the required 660' set-back. As a result, BP is requesting that an unorthodox location be approved to allow the lateral to be drilled no closer than 529' from the project area boundary. This request would increase drilling efficiency by allowing BP to avoid the excessive sliding necessary to adhere to the permitted well path over the entire lateral length.

There is common ownership between the encroached upon spacing units and the project area associated with the subject well. The well is also located within the Northeast Blanco federal exploratory unit. As a result, the request would not have any impact on correlative rights.

WPX, Conoco Phillips/Burlington Resources, Frank C. Davis III, and Blackwood & Rainey NEBU LLC are the working interest and offset operators for the unorthodox location of our lateral in the subject well and have been notified by certified mail.

Sincerely,

Toya Colvin-Regulatory Analyst

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-35794	² Pool Code 97232	³ Pool Name Mancos Gas
⁴ Property Code	⁵ Property Name Northeast Blanco Unit 604 Com	⁶ Well Number 2H
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation 6500

¹⁰ Surface Location

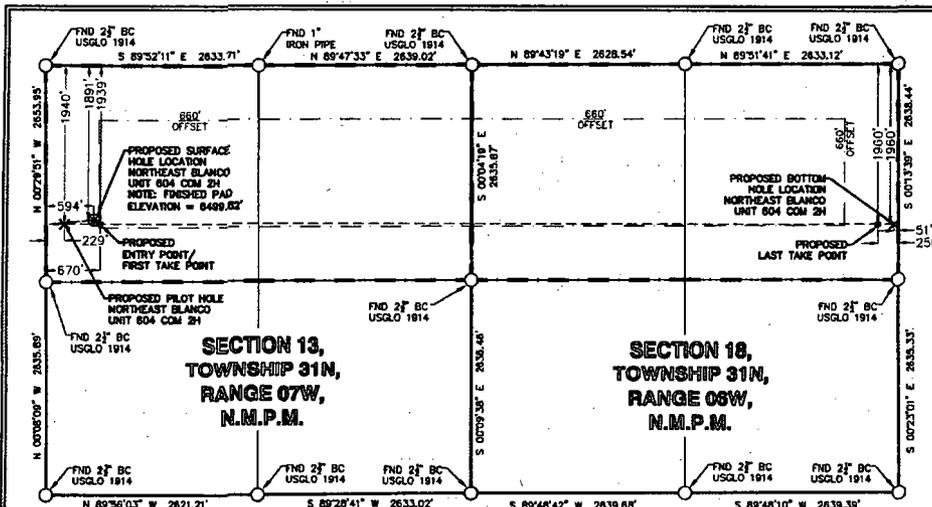
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	13	31N	07W		1891	North	594	West	San Juan

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
H	18	31N	06W		1960	North	51	East	San Juan

¹² Dedicated Acres 640.00 N/2 - SEC. 13 N/2 - SEC. 18	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.



¹⁷ OPERATOR CERTIFICATION
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 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.

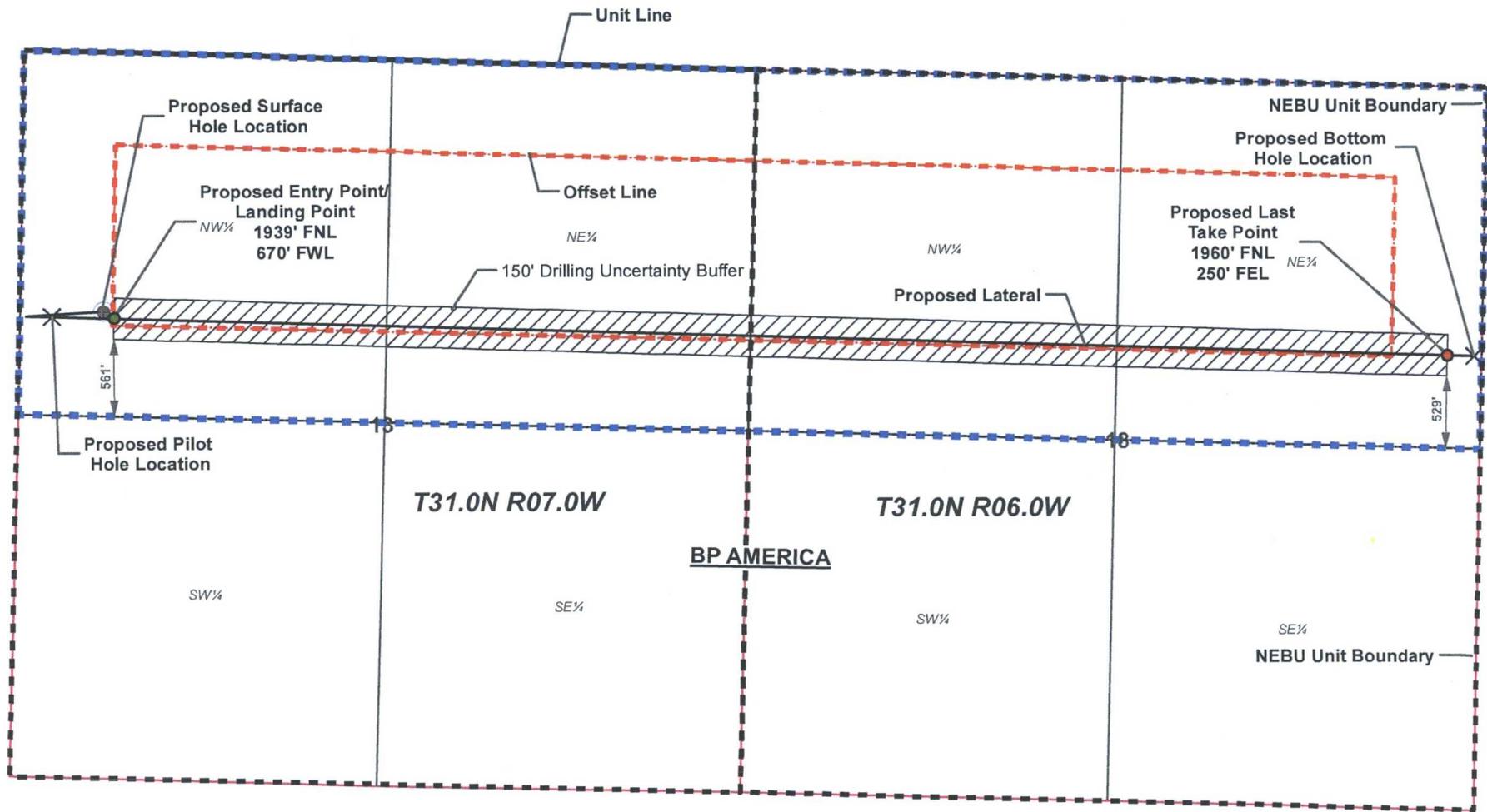
Signature: Toya Colvin Date: 5/01/17
Printed Name: Toya Colvin
E-mail Address: toya.colvin@bp.com

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.

Date of Survey: 7-22-16
Signature and Seal of Professional Surveyor: [Signature]
Certificate Number: 17078

Professional Surveyor Seal: MARSHALL W. LINDEN, NEW MEXICO, 17078, PROFESSIONAL SURVEYOR, 4-28-17

NEBU 604 COM 2H	NMWS NAD'83	NAD'83	TIES
PROPOSED SURFACE HOLE LOCATION (SHL)	N (Y) = 2,147,644.56' E (X) = 2,812,001.96'	LAT. = 36.90158378°N LON. = 107.52924637°W	FNL = 1891' FWL = 594'
PROPOSED PILOT HOLE	N (Y) = 2,147,595.85' E (X) = 2,811,637.29'	LAT. = 36.90145317°N LON. = 107.53049411°W	FNL = 1940' FWL = 229'
PROPOSED ENTRY POINT (EP)/ FIRST TAKE POINT (FTP)	N (Y) = 2,147,596.55' E (X) = 2,812,078.21'	LAT. = 36.90145124°N LON. = 107.52898611°W	FNL = 1939' FWL = 670'
PROPOSED LAST TAKE POINT (LTP)	N (Y) = 2,147,598.78' E (X) = 2,821,683.44'	LAT. = 36.90136868°N LON. = 107.49613526°W	FNL = 1960' FEL = 250'
PROPOSED BOTTOM HOLE LOCATION (BHL)	N (Y) = 2,147,598.83' E (X) = 2,821,882.44'	LAT. = 36.90136688°N LON. = 107.49545466°W	FNL = 1960' FEL = 51'

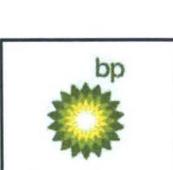


WPX ENERGY
PROD, LLC

● Proposed Wellsite	✕ Bottom_hole
● Entry Point	▣ Sections
● Last Take Point	▤ Unit Line
— Wellbore	▥ Offset Line
	▨ Uncertainty Buffer

1:14,000

0 0.1 0.2 0.4 Miles



NON-STANDARD LOCATION EXHIBIT
BP AMERICA PRODUCTION COMPANY
NEBU BP 604 COM 2H

EXHIBIT "A"
6/29/2017

copy



BP America Production Co.
Lower 48 Onshore

Craig T. Ferguson
craig.ferguson@bp.com
281-892-5743 (direct)

E3, 12.173B
737 N. Eldridge Parkway
Houston, Texas 77079

July 25, 2017

BP America Production Company
737 N. Eldridge Parkway
Houston, TX 77079

RE: Northeast Blanco Unit 604 Com 2H (API 30-045-35794)
Non-Standard Location Notification
SHL: 1891' FNL & 594' FWL Section 13-T31N-R07W
BHL: Permitted 1960' FNL & 51' FEL Section 18-T31N-R06W

Hello:

The above captioned horizontal Mancos Gas well is planned to be drilled sometime in 2017. Although the lateral of the NEBU 604Com 2H well is permitted at an orthodox location with respect to the southern boundary of the project area, it is very close to the required 660' set-back. It is probable that the lateral will penetrate the projected Mancos Gas horizon outside the required 660' but no closer than 529' from the north lease line of S/2 Section 13-T31N-R07W and extend easterly maintaining the same penetration from north lease line of S/2 Section 13-T31N-R07W and Section 18-T31N-R06W (see attached C-102 for NEBU 604 Com 2H, dated 4/28/2017). As a result, BP is requesting that an unorthodox location be approved to allow the lateral to be drilled no closer than 529' from the project area boundary.

Please note that the affected parties will have 20 days to respond by mailing a protest to the above mentioned operator of the non-standard project area. Below, I have provided the names and addresses of the off-set owner that need to be notified of this lease line exception request.

WI Owners - South Offset (S/2 Section 13-T31N-R07W & S/2 Sec 18-T31N-R06W):

BP America Production Company
737 N. Eldridge Parkway
Houston, TX 77079

ConocoPhillips Company
Ben Mitchell, Associate Landman
3401 E. 30th Street,
Farmington, NM 87402

Burlington Resources Oil & Gas Company
Ben Mitchell, Associate Landman
3401 E. 30th Street
Farmington, NM 87402

Frank C. Davis, III
P. O. BOX 600185
Dallas, TX 75360

Blackwood & Rainey NEBU LLC

Attn: Margaret Holden

Blackwood & Rainey NEBU, LLC

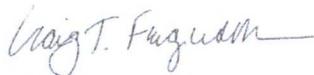
8028 N. May Avenue Suite 201

Oklahoma City, OK 73120

Note: USA is the mineral owner, S/2 Sec. 13-31N-7W (NM-03358) and S2 Sec 18-T31N-R06W, (NM-078988)

I believe this letter should satisfy your offset information request. Please contact me at 281.892.5743 if you have any questions concerning this topic.

Sincerely,



Craig T. Ferguson

Land Negotiator

San Juan Asset

NEBU OFFSET INTEREST OWNERS

**ConocoPhillips Company/
Burlington Resources**
Ben Mitchell, Associate Landman
3401 E. 30th Street,
Farmington, NM 87402

Frank C. Davis III
*P. O. BOX 600185
Dallas, TX 75360

Blackwood & Rainey NEBU LLC
Attn: Margaret Holden
Blackwood & Rainey NEBU, LLC
8028 N. May Avenue Suite 201
Oklahoma City, OK 73120

NEBU OFFSET OWNER

WPX Energy Production, LLC

**Attn: Brennan West
3500 One Williams Center
Tulsa, OK 74172-0135**

8/2/2017

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Copy

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2		5. Lease Serial No. NMNM03358
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator BP America Production Company		7. If Unit of CA/Agreement, Name and/or No.
3a. Address 737 North Eldridge Parkway Houston, TX 77079		8. Well Name and No. Northeast Blanco Unit 604 Com 2H
3b. Phone No. (include area code) (281) 892-5369		9. API Well No. 30-045-35794
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T31N R07W SWNW 1891 FNL 594 FWL		10. Field and Pool or Exploratory Area Basin Mancos
		11. Country or Parish, State San Juan, NM

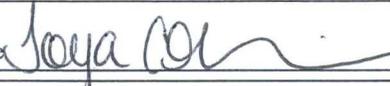
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recomplete 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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 has applied for a Non-Standard Location of the proposed last take point for the subject well.

Please see the attached Non-Standard Location application documents submitted to the NMOCD Santa Fe.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Toya Colvin	Title Regulatory Analyst
Signature 	Date 08/02/2017

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
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.

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Bureau of Land Management
6251 College Blvd. Suite A
Farmington, NM 87402

9590 9402 1758 6074 6885 21

2. Article Number (Transfer from service label)

7016 1970 0000 9147 7283

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery
- Priority Mail Express®

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Frank C. Davis III
 *P.O. BOX 600185
 Dallas, TX 75360

9590 9402 1758 6074 6885 45

2. Article Number (Transfer from service label)

7016 1970 0000 9147 7252

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

- D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Blackwood & Rainey NEBU LLC
 Attn: Margaret Holden
 Blackwood & Rainey NEBU, LLC
 8028 N. May Avenue Suite 201
 Oklahoma City, OK 73120

9590 9402 1758 6074 6885 52

2. Article Number (Transfer from service label)

7016 1970 0000 9147 7245

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

- D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Complete items 1, 2, and 3. <input checked="" type="checkbox"/> Print your name and address on the reverse so that we can return the card to you. <input checked="" type="checkbox"/> Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee X	
1. Article Addressed to: WPX Energy Production, LLC Attn: Brennan West 3500 One Williams Center Tulsa, OK 74172-0135		B. Received by (Printed Name) C. Date of Delivery	
2. Article Number (Transfer from service label) 7016 1970 0000 9147 7269		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
3. Service Type <input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (per \$500)		<input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery	
PS Form 3811, July 2015 PSN 7530-02-000-9053		Domestic Return Receipt	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Complete items 1, 2, and 3. <input checked="" type="checkbox"/> Print your name and address on the reverse so that we can return the card to you. <input checked="" type="checkbox"/> Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee X	
1. Article Addressed to: <u>ConocoPhillips Company/</u> Burlington Resources Ben Mitchell, Associate Landman 3401 E. 30th Street, Farmington, NM 87402		B. Received by (Printed Name) C. Date of Delivery	
2. Article Number (Transfer from service label) 7016 1970 0000 9147 7238		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
3. Service Type <input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (per \$500)		<input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery	
PS Form 3811, July 2015 PSN 7530-02-000-9053		Domestic Return Receipt	



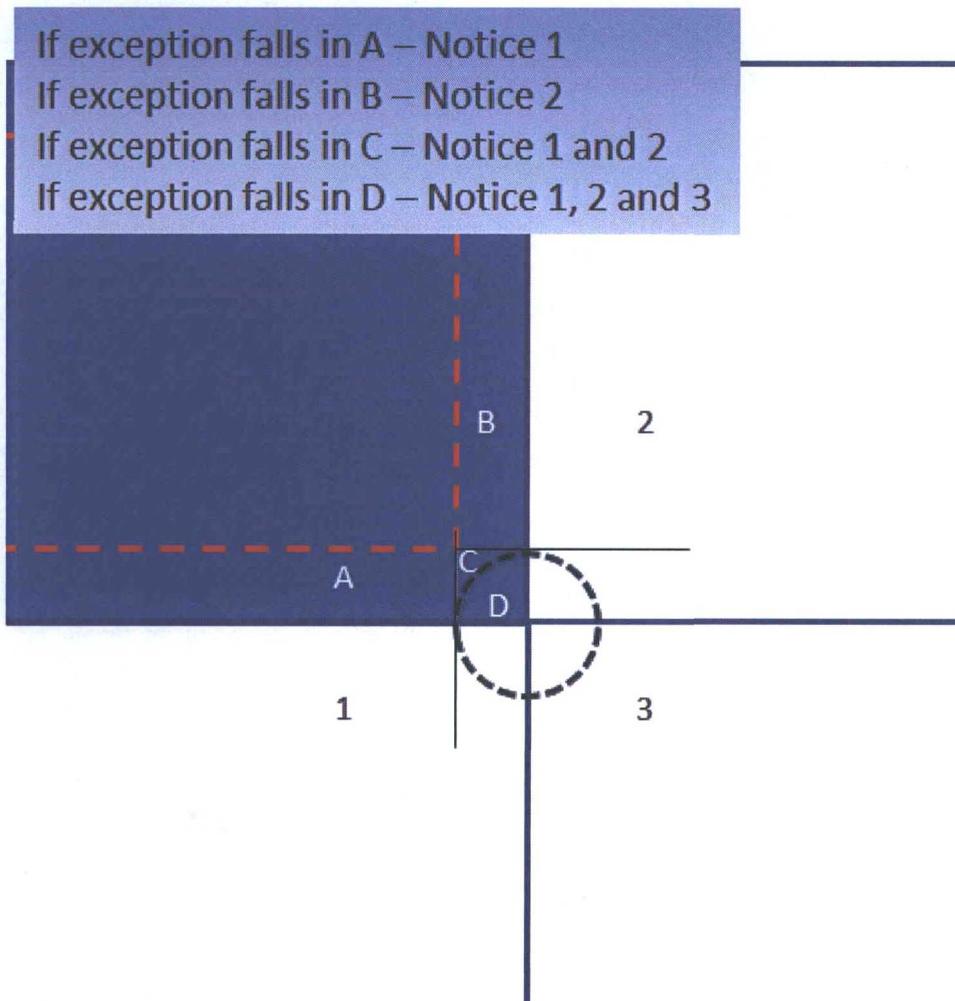
From: Marshall, Randall <Randall.Marshall@bp.com>
Sent: Thursday, September 7, 2017 9:22 AM
To: Lowe, Leonard, EMNRD
Cc: Colvin, Toya; Ferguson, Craig; Sandoz, Christopher
Subject: RE: NSL application: NEBU 604 No. 2H
Attachments: 20170428_NEBU_604_COM_2H_WLP_FINAL.pdf; 20170501_NEBU_604_COM_2H_C-102_FINAL.pdf

Good Morning Mr. Lowe,

My apologies for not getting a response to this email sooner, it has been a very interesting couple of weeks in Houston post hurricane Harvey.

I have read the email below and don't believe that the hypotenuse distance requires us to notice offset tracts in the unit in the South half of Section 17. We will notice the offset tract in the unit in the North half of Section 17 since we are 250' from the unit line which is less than the required 660'.

Please see the exhibit shown below. This dash red line and dash black circle show the unit setback lines of 660'. For the NEBU 604 2H we fall within area B which would require us to notice only the offset tracts in the area 2 (North half of Section 17).



*

If you have any questions or concerns please feel free to contact me on my cell phone.

Sincerely,

RLM

Randall L. Marshall, RPLS(TX), PS(OH)
Project Surveyor - BU Development West

BP America Production Co.
US Lower 48 Onshore
737 North Eldridge Parkway
Houston, TX, 77079
Office: 3EP-12.193B
Direct (Lync): 832-619-6667
Mobile: 281-433-5927
Home: 361-876-3445
Email: randall.marshall@bp.com
Internet: <http://www.bp.com>

This email and any attachments are intended only for the addressee(s) listed above and may contain confidential, proprietary, and/or privileged information. If you are not an intended recipient, please immediately advise the sender by return email, delete this email and any attachments, and destroy any copies of same. Any unauthorized review, use, copying, disclosure or distribution of this email and any attachments is prohibited.

From: Colvin, Toya
Sent: Wednesday, August 30, 2017 8:20 AM
To: Marshall, Randall; Ferguson, Craig
Subject: FW: NSL application: NEBU 604 No. 2H
Importance: High

Please see the below from the NMOCD regarding our NEBU 604 Com 2H application. The updated NSL attachment is above. I can't access my files at this time, but Randall if you could please reference the updated C102 you sent for the NEBU 604 Com 2H,

Thanks,

Toya Colvin
Regulatory Analyst
BP America Production Company
Lower 48 - West Business Unit - SJS
(281) 892-5369

This email and any attachments are intended only for the addressee(s) listed above and may contain confidential, proprietary, and/or privileged information. If you are not an intended recipient, please immediately advise the sender by return email, delete this email and any attachments, and destroy any copies of same. Any unauthorized review, use, copying disclosure or distribution of this email and any attachments is prohibited.

From: Lowe, Leonard, EMNRD [<mailto:Leonard.Lowe@state.nm.us>]
Sent: Tuesday, August 29, 2017 6:16 PM
To: Colvin, Toya
Subject: NSL application: NEBU 604 No. 2H
Importance: High

Toya Colvin,

Your application, as submitted, encroachings via the Last take point.

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Tuesday, August 29, 2017 5:16 PM
To: 'Colvin, Toya'
Subject: NSL application: NEBU 604 No. 2H

Importance: High

Toya Colvin,

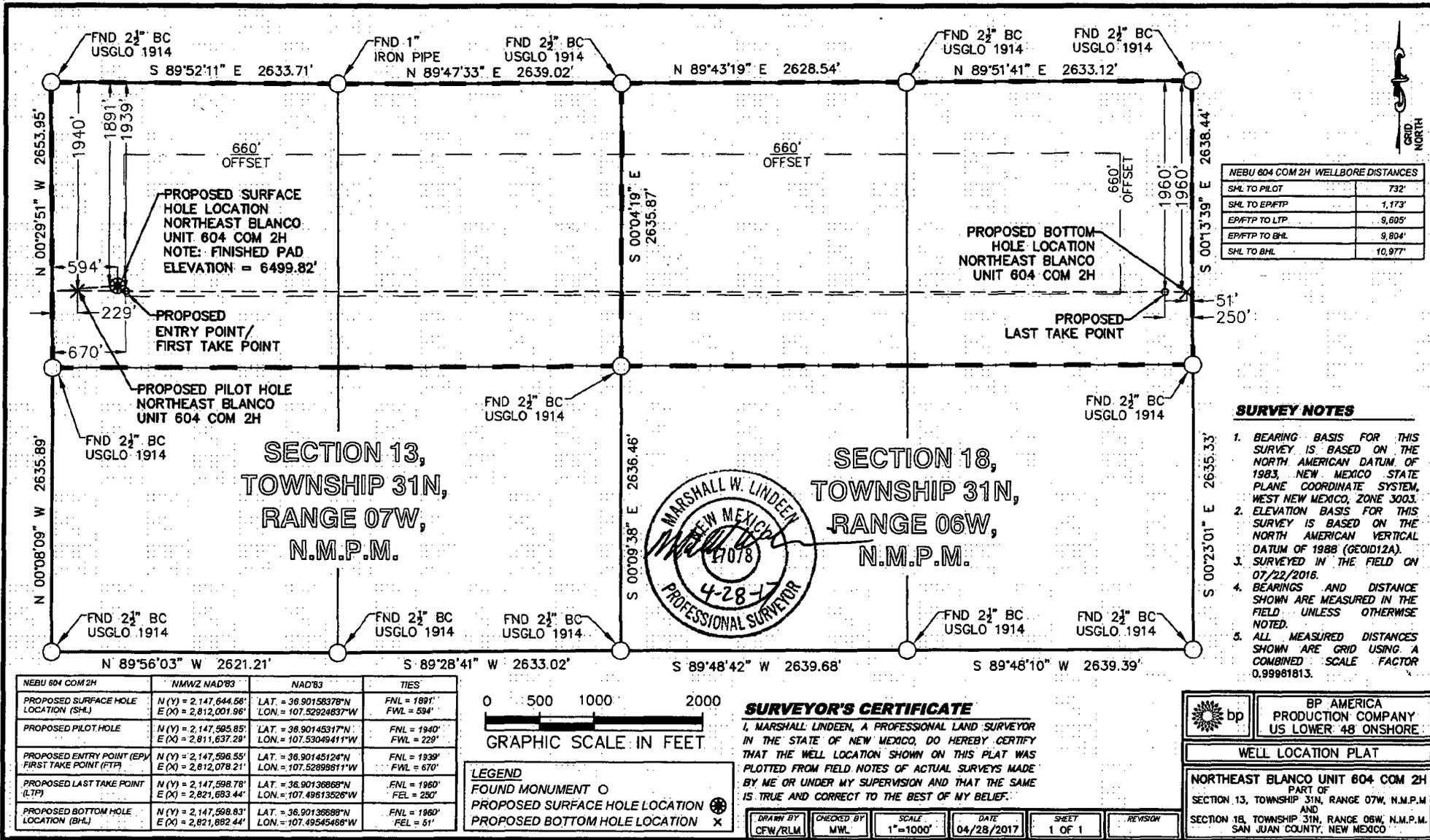
Your application, as submitted, encroachings via the Last take point.

LTP = 1960' FNL & 250' FEL

The hypotenuse of 680 & 250 is 724^2 feet. Less than the required hypotenuse of 933 feet.

Did you notice the affected offset tract in Section 17? w/2 5/2

Leonard Lowe
Engineering Bureau
Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St. Frances
Santa Fe, New Mexico 87004
Office: 505-476-3492
Cell: 505-930-6717
Fax: 505-476-3462
E-mail: leonard.lowe@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/>

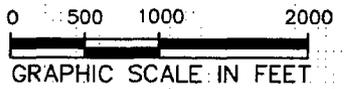


NEBU 604 COM 2H WELLBORE DISTANCES	
SHL TO PILOT	732'
SHL TO EP/FTP	1,173'
EP/FTP TO LTP	9,605'
EP/FTP TO BHL	9,804'
SHL TO BHL	10,977'

SURVEY NOTES

1. BEARING BASIS FOR THIS SURVEY IS BASED ON THE NORTH AMERICAN DATUM OF 1983, NEW MEXICO STATE PLANE COORDINATE SYSTEM, WEST NEW MEXICO, ZONE 3003.
2. ELEVATION BASIS FOR THIS SURVEY IS BASED ON THE NORTH AMERICAN VERTICAL DATUM OF 1988 (GEOID12A).
3. SURVEYED IN THE FIELD ON 07/22/2016.
4. BEARINGS AND DISTANCE SHOWN ARE MEASURED IN THE FIELD UNLESS OTHERWISE NOTED.
5. ALL MEASURED DISTANCES SHOWN ARE GRID USING A COMBINED SCALE FACTOR 0.99981813.

NEBU 604 COM 2H	NMWS NAD'83	NAD'83	TIES
PROPOSED SURFACE HOLE LOCATION (SHL)	N (Y) = 2,147,644.68' E (X) = 2,812,001.96'	LAT. = 36.90158378°N LON. = 107.52924637°W	FNL = 1891' FWL = 594'
PROPOSED PILOT HOLE	N (Y) = 2,147,595.85' E (X) = 2,811,637.29'	LAT. = 36.90145317°N LON. = 107.53049411°W	FNL = 1940' FWL = 229'
PROPOSED ENTRY POINT (EP)/ FIRST TAKE POINT (FTP)	N (Y) = 2,147,596.55' E (X) = 2,812,078.21'	LAT. = 36.90145124°N LON. = 107.52899611°W	FNL = 1939' FWL = 670'
PROPOSED LAST TAKE POINT (LTP)	N (Y) = 2,147,598.78' E (X) = 2,821,693.44'	LAT. = 36.90136868°N LON. = 107.49613526°W	FNL = 1960' FWL = 250'
PROPOSED BOTTOM HOLE LOCATION (BHL)	N (Y) = 2,147,598.83' E (X) = 2,821,892.44'	LAT. = 36.90136868°N LON. = 107.49545486°W	FNL = 1860' FWL = 51'



LEGEND

FOUND MONUMENT O

PROPOSED SURFACE HOLE LOCATION ●

PROPOSED BOTTOM HOLE LOCATION X

SURVEYOR'S CERTIFICATE

I, MARSHALL LINDEEN, A PROFESSIONAL LAND SURVEYOR IN THE STATE OF NEW MEXICO, DO 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.

DRAWN BY CFW/RLM	CHECKED BY MWL	SCALE 1"=1000'	DATE 04/28/2017	SHEET 1 OF 1	REVISION
---------------------	-------------------	-------------------	--------------------	-----------------	----------

bp BP AMERICA PRODUCTION COMPANY US LOWER 48 ONSHORE

WELL LOCATION PLAT

NORTHEAST BLANCO UNIT 604 COM 2H
PART OF
SECTION 13, TOWNSHIP 31N, RANGE 07W, N.M.P.M.
AND
SECTION 18, TOWNSHIP 31N, RANGE 06W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-35794		² Pool Code 97232		³ Pool Name Mancos Gas	
⁴ Property Code		⁵ Property Name Northeast Blanco Unit 604 Com			⁶ Well Number 2H
⁷ OGRID No. 000778		⁸ Operator Name BP America Production Company			⁹ Elevation 6500

¹⁰ Surface Location

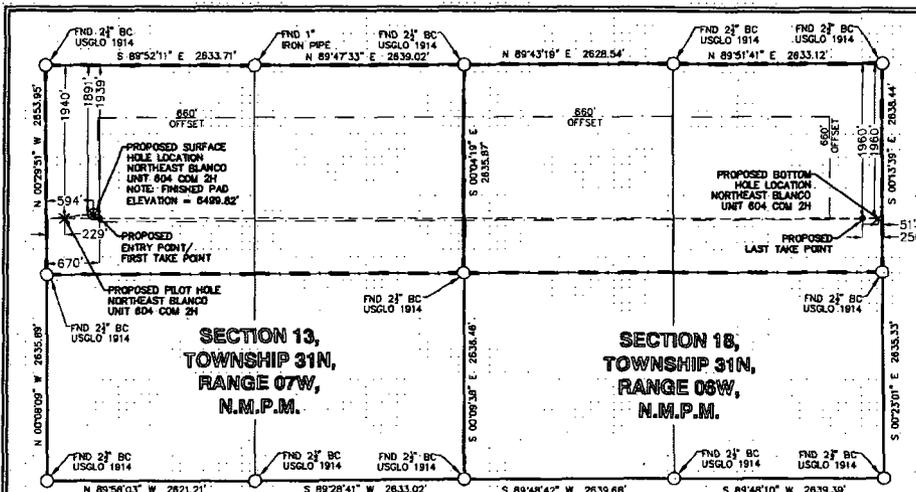
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	13	31N	07W		1891	North	594	West	San Juan

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
H	18	31N	06W		1960	North	51	East	San Juan

¹² Dedicated Acres 640.00 N/2 - SEC. 13 N/2 - SEC. 18	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.



LEGEND
FOUND MONUMENT O
PROPOSED SURFACE HOLE LOCATION X
PROPOSED BOTTOM HOLE LOCATION O

NEBU 604 COM 2H	NMWS NAD'83	NAD'83	TIES
PROPOSED SURFACE HOLE LOCATION (SHL)	N (Y) = 2,147,644.56' E (X) = 2,812,001.96'	LAT. = 36.90158378°N LON. = 107.52924637°W	FNL = 1891' FWL = 594'
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"OPERATOR CERTIFICATION"

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 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.

Toya Colvin 5/01/17
Signature Date
Toya Colvin

Printed Name
toya.colvin@bp.com
E-mail Address

"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.

7-22-16
Date of Survey
Signature and Seal of Professional Surveyor

17078
Certificate Number
MARSHALL W. LINDEEN
NEW MEXICO
17078
4-28-17
PROFESSIONAL SURVEYOR

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Tuesday, September 12, 2017 8:45 AM
To: 'Colvin, Toya'
Cc: Perrin, Charlie, EMNRD; Vermersch, Amy H, EMNRD; Pickford, Katherine, EMNRD; 'lisa@rwbyram.com'; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; 'jglover@blm.gov'; 'dmankiew@blm.gov'
Subject: APPROVED: NSL-7513-A_ & 25H_SEC 13 21N 7W
Importance: High

Ms. Toya Colvin,

The following administrative order has been issued and will soon be available on the Division's web site:

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

NSL – 7513-A

BP America Production Company

WELL: API #: 30-045-35794

NAME: Northeast Blanco Unit 604 Well No. 2H

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

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Santa Fe, New Mexico 87004

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