

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.

Toya Colvin  
 Print or Type Name

*Toya Colvin*  
 Signature

Regulatory Analyst  
 Title

8/27/2007  
 Date

Toya.Colvin@bp.com  
 e-mail Address

RECEIVED  
 2007 AUG 28 AM 9:25

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
<b>Basin Dakota (GCU Com F 162E)</b>	<b>1240 BTU</b>	<b>1240 BTU</b>		<b>17</b>	<b>17</b>
<b>Basin Fruitland Coal (GCU Com 568)</b>	<b>1033 BTU</b>	<b>1033 BTU</b>		<b>90</b>	<b>90</b>

(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. (Order R-12724 No Notice Required)  
(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 attached 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

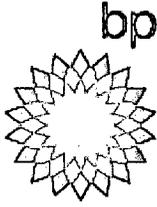
(1) A schematic diagram of facility, including legal location.  
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.  
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: *Toya Colvin*   TITLE: Regulatory Analyst   DATE: 08/27/07

TYPE OR PRINT NAME Toya Colvin   TELEPHONE NO.: 281-366-7148

E-MAIL ADDRESS: hlavacl@bp.com



San Juan South Asset

Cherry Hlava  
WL1-19.132  
281-366-4081 (direct)  
281-366-0700 (FAX)  
hlavacl@bp.com

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

August 27, 2007

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

Surface Commingling Notice  
GCU Com F 162E (DK) API 3004525223  
GCU Com 568 (FC) API 3004530220  
Section 36, T29N, R12W  
San Juan County, New Mexico

BP America Production Company respectfully request authorization to surface commingle gas production from the Basin Dakota & Basin Fruitland Coal Formations. Surface commingling Basin Dakota production will be from the Gallegos Canyon Unit Com F 162E and the Basin Fruitland Coal production will be from the Gallegos Canyon Unit Com 568. Both of these 'leases' are of the same base lease with different ownership between formations. Order R-12724 allows surface commingling in the GCU without notification.

After separation, the production from each well, will be metered prior to commingling. The commingled gas will then be sent through compression prior to entering the sales meter. (please reference attached schematic)

The difference between what is measured prior to commingling and what is sold through the sales meter is the fuel usage. This fuel usage is allocated back to each well based on the well production.

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

1. Plats with lease boundaries showing all wells and facility locations.
2. Site Facility Schematic Flow Diagram
3. Forms C-103 & C-107-B

Should you have any questions concerning this matter please contact Toya Colvin at 281-366-7148.

Sincerely,

A handwritten signature in black ink, appearing to read "Toya Colvin", with a long, sweeping horizontal line extending to the right.

Toya Colvin  
Regulatory Analyst

All distances must be from the outer boundaries of the Section. **30-045-25223**

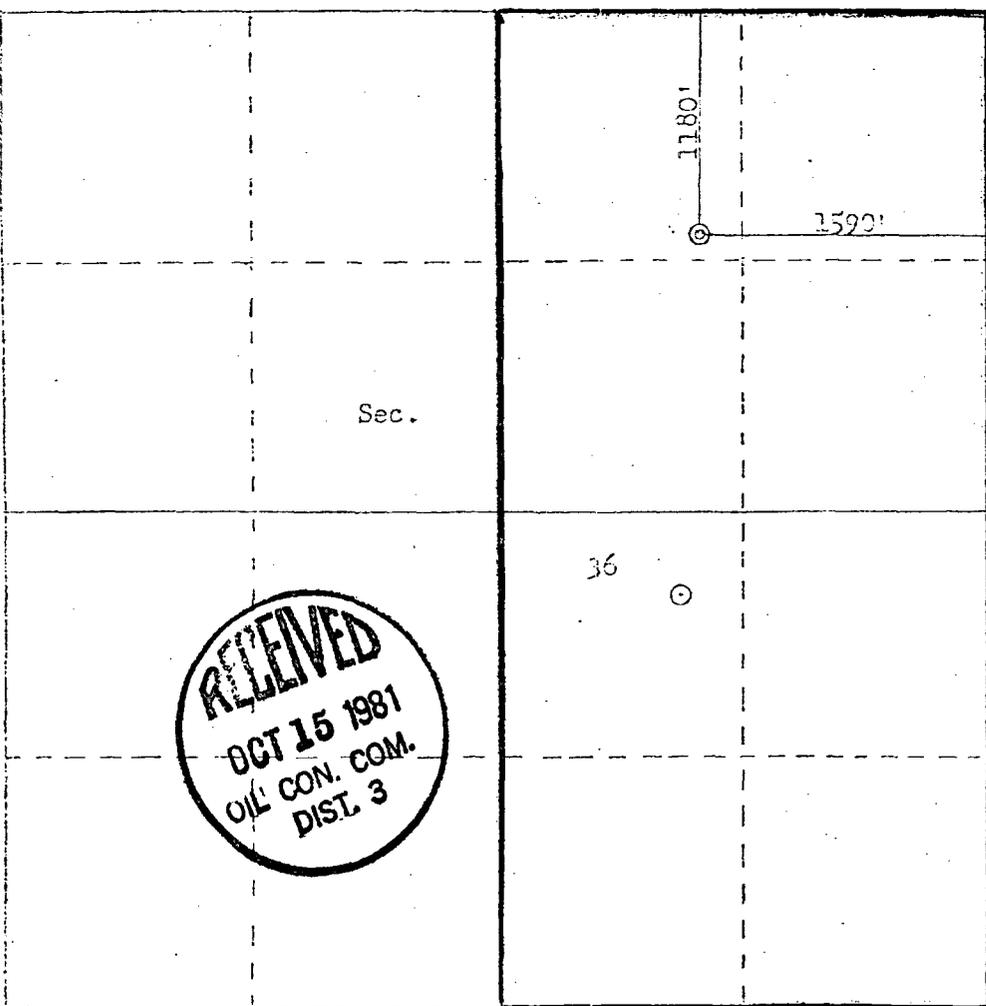
Operator <b>BP America</b> <del>AMOCO PRODUCTION COMPANY</del>		Lease <b>GALLEGOS CANYON UNIT COM "F"</b>		Well No. <b>162E</b>
Unit Letter <b>B</b>	Section <b>36</b>	Township <b>29N</b>	Range <b>12W</b>	County <b>San Juan</b>
Actual Footage Location of Well:				
<b>1180</b>	feet from the <b>North</b>	Line and	<b>1590</b>	feet from the <b>East</b> line
Ground Level Elev: <b>5362</b>	Producing Formation <b>Dakota</b>	Pool <b>Basin Dakota</b>	Dedicated Acreage: <b>320</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?
 

Yes     No    If answer is "yes," type of consolidation Communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



Scale: 1"=1000'

CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
<i>W. L. Peterson</i>	
Name	W. L. PETERSON
Position	DISTRICT ENGINEER
Company	AMOCO PRODUCTION COMPANY
Date	2-12-81
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 knowledge and belief.	
Date Surveyed	December 14, 1980
Registered Professional Engineer and Land Surveyor	<i>Fred S. Kerr Jr.</i>
Certification No.	3950

District I  
 PO Box 1980, Hobbs NM 88241-1980  
 District II  
 PO Drawer KK, Artesia, 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

Form C-102  
 Revised February 21, 1994

OIL CONSERVATION DIVISION  
 PO Box 2088  
 Santa Fe, NM 87504-2088

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-30220		<sup>2</sup> Pool Code 71629		<sup>3</sup> Pool Name BASIN FRUITLAND COAL	
<sup>4</sup> Property Code 000590		<sup>5</sup> Property Name GALLEGOS CANYON UNIT			<sup>6</sup> Well Number # 568
<sup>7</sup> OGRID No. 000778		<sup>8</sup> Operator Name BP American AMOCO PRODUCTION COMPANY			<sup>9</sup> Elevation 5359

<sup>10</sup> Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	36	29 N	12 W		1265	NORTH	1680	EAST	SAN JUAN

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 320 EA	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<p>16</p>	<p>2612 (R)BLM</p>	<p>2707 (R)</p>	<p><b>17 OPERATOR CERTIFICATION</b>          I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Mary Cooley</i>          Signature          Mary Cooley          Printed Name          Sr. Business Analyst          Title          4/3/2000          Date</p>
	<p>1265'</p>	<p>1680'</p>	

# GCU Shared Compression

