

DATE IN 3/31/08	SUSPENSE	ENGINEER W Jones	LOGGED IN	TYPE DHC 4011	APP NO. PKVRO809/59320
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



*Release*  
*4/15/08*

**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.

**Cherry Hlava**

Print or Type Name

*Cherry Hlava*

Signature

**Regulatory Analyst**

Title

**03/18/2008**

Date

**hlavacl@bp.com**

e-mail Address

**RECEIVED**  
 2008 MAR 31 PM 2 36

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
Well  
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-107A  
Revised June 10, 2003

Oil Conservation Division  
1220 South St. Francis Dr.

APPLICATION TYPE  
X Single

Santa Fe, New Mexico 87505

     Establish Pre-Approved Pools  
EXISTING WELLBORE  
     X Yes      No

APPLICATION FOR DOWNHOLE COMMINGLING

BP America Production Company

P.O. Box 3092 Houston Tx 77253

DHC-4011

Operator

Address

Lease Jones A LS

Well No. 1A

Unit Letter-Section-Township-Range

Unit J Section 10 T28N, R08W

County San Juan

OGRID No. 000778 Property Code 000759 API No. 30-045-22747 Lease Type: X Federal      State      Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	So. Blanco Pictured Cliffs	Otero Chacra	Blanco Mesaverde
Pool Code	22359 72439	82329	72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2450' - 2568'	To Be Determined	4083' - 5073'
Method of Production (Flowing or Artificial Lift)	Artificial Lift	Artificial Lift	Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	530	425	425
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1255	1250	1255
Producing, Shut-In or New Zone	Producing	New Zone	Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 10/31/07 Rates: 389 mcf	Date: Rates:	Date: 10/31/07 Rates: 3917 mcf
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil                  Gas %                  %	Oil                  Gas %                  %	Oil                  Gas %                  %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes X No X  
Yes X No     

Are all produced fluids from all commingled zones compatible with each other?

Yes X No     

Will commingling decrease the value of production?

Yes      No X

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes X No     

NMOCD Reference Case No. applicable to this well: NSL gas proration unit Order No. R-1670

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools

List of all operators within the proposed Pre-Approved Pools

Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.

Bottomhole pressure data.

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 03/18/2008

TYPE OR PRINT NAME Cherry Hlava TELEPHONE NO. (281) 366-4081

E-MAIL ADDRESS hlavacl@bp.com

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., 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

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO.  
**30-045-22747**

5. Indicate Type of Lease  
STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

**Jones A LS**

8. Well Number

**1A**

9. OGRID Number

**778**

10. Pool name or Wildcat

**Blanco MV, So Blanco PC & Chacra**

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.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

BP America Production Company

Attn: Cherry Hlava

3. Address of Operator

P.O. Box 3092 Houston, TX 77253

4. Well Location

Unit Letter J : 1460 feet from the South line and 1750 feet from the East line  
Section 10 Township 28N Range 08W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
5948' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

12. 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 COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: Tri-Mingling

☒

OTHER:

☐

13. 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 requests permission to complete the subject well into the Otero Chacra (82329) & commingle production downhole with the existing Blanco Mesaverde (72319) & Pictured Cliffs (72359) as per the attached procedure.

The MV (72319) and the PC (72359) and the Chacra (82329) are pre-approved to DHC per NMOC order R-14363.

The Override interest owners are slightly different between the Chacra & Mesaverde; therefore additional notification is required sent certified return receipt 3/25/08.

Production is proposed to be allocated based on a fixed percentage. It is our intent to isolate the MV & PC, complete into the CH, Flow back to stabilize the Chacra & perform a Chacra flow test. Drill out bridge plug between the MV & CH, perform a combined stream test on MV & CH. Chacra test will be subtracted from the total and a % calculated to determine the flow rate for the MV & CH. A combined stream test will then be performed to determine the flow rate of the PC

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

The BLM has been notified of the DHC via form 3160-5 for lease SF - 078046 & SF - 078390

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Cherry Hlava TITLE Regulatory Analyst DATE 3/24/08

Type or print name Cherry Hlava E-mail address: hlavac@bp.com Telephone No. 281-366-4081

For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
**District II**  
1301 W. Grand Avenue, 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 & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised October 12, 2005  
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 <b>30-045-22747</b>	<sup>2</sup> Pool Code <b>82329</b>	<sup>3</sup> Pool Name <b>Otero Chacra</b>
<sup>4</sup> Property Code <b>000759</b>	<sup>5</sup> Property Name <b>Jones A LS</b>	<sup>6</sup> Well Number <b>1A</b>
<sup>7</sup> OGRID No. <b>000778</b>	<sup>8</sup> Operator Name <b>BP America Production Company</b>	<sup>9</sup> Elevation <b>5948' GR</b>

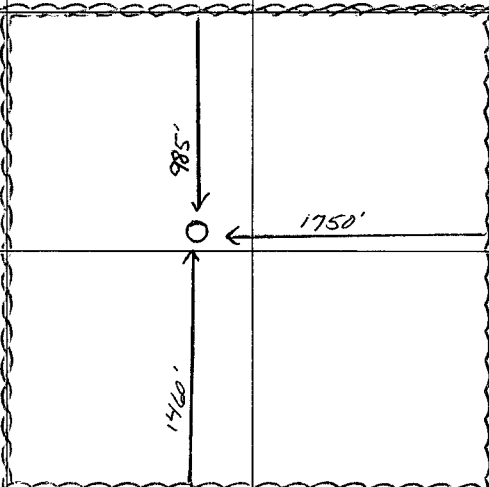
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>J</b>	<b>10</b>	<b>28N</b>	<b>08W</b>		<b>1460</b>	<b>South</b>	<b>1750</b>	<b>East</b>	<b>San Juan</b>

<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 <b>146.24</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No. <b>R-1670</b>						

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.

<sup>16</sup>		<sup>17</sup> <b>OPERATOR CERTIFICATION</b> 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. <b>Cherry Hlava</b> 03/10/2008 Signature Date
		<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> 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. <b>Previously Filed</b>

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION  
1000 Rio Brazos Road  
Aztec, New Mexico 87410

October 4, 1977

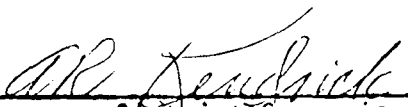
El Paso Natural Gas Co.  
P. O. Box 990  
Farmington, New Mexico

Attention: \_\_\_\_\_

SUBJECT: NON-STANDARD GAS PRORATION UNIT CONSISTING OF 146.24 ACRES  
IN THE South Blanco Pictured Cliffs Ext. GAS POOL DESCRIBED AS  
FOLLOWS:

TOWNSHIP 28 NORTH, RANGE 8 WEST, NMPM  
SECTION: 10 SE/4

By authority granted me by Rule 5(B) of Order No. R-1670, as amended, the  
above-described acreage has been approved as a non-standard gas proration  
unit to be dedicated to the Jones A  
Well No. 1 A, located 1460/S; 1750/E of said  
Section 10.

  
\_\_\_\_\_  
District Supervisor  
District #3

cc: Oil Conservation Commission  
Santa Fe, New Mexico

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator <b>EL PASO NATURAL GAS COMPANY</b>			Lease <b>JONES A (SF-078046)</b>		Well No. <b>1A</b>
Unit Letter <b>J</b>	Section <b>10</b>	Township <b>28-N</b>	Range <b>8-W</b>	County <b>SAN JUAN</b>	
Actual Footage Location of Well: <b>1460</b> feet from the <b>SOUTH</b> line and <b>1750</b> feet from the <b>EAST</b> line					
Ground Level Elev. <b>5948</b>	Producing Formation <b>MESA VERDE PICTURED CLIFFS</b>		Pool <b>BLANCO MESA VERDE SO. BLANCO PICTURED CLIFFS EXT.</b>		Dedicated Acreage: <b>146.24 &amp; 293.84</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.

**CERTIFICATION**

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

Original Signed by  
**D. G. Brisco**

Name  
**Drilling Clerk**

Position  
**El Paso Natural Gas Co.**

Company  
**September 20, 1977**

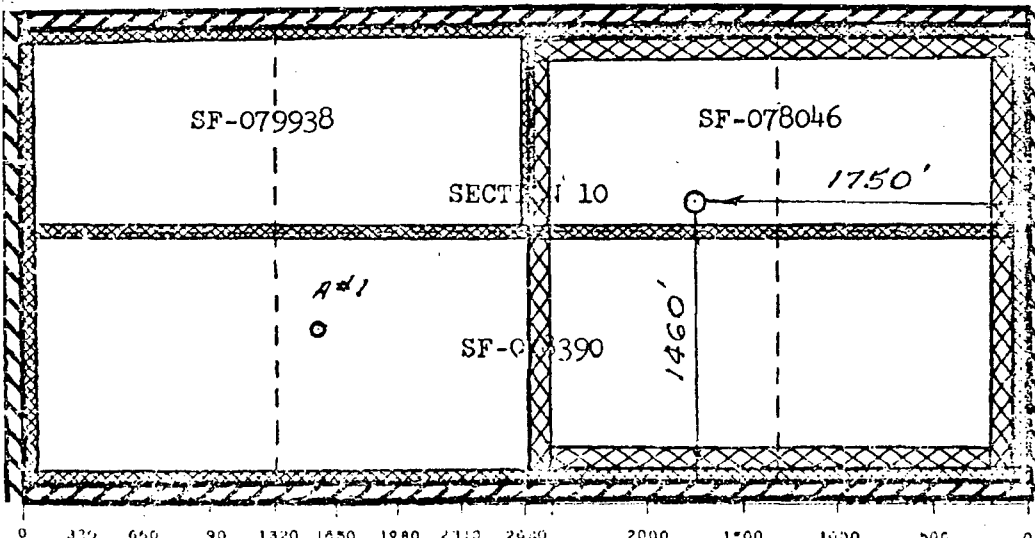
Date

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.

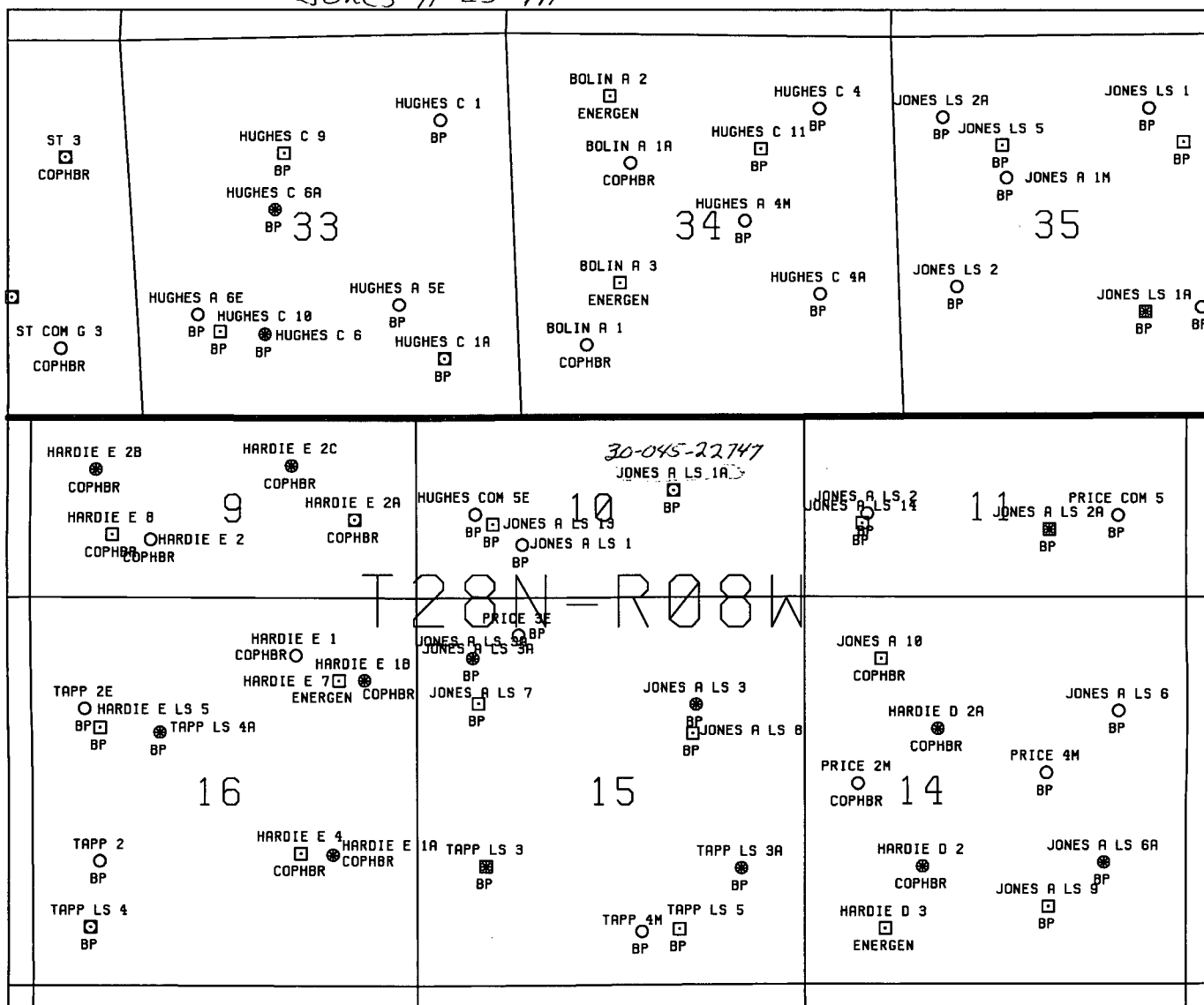
Date Surveyed

Registered Professional Engineer  
and/or Land Surveyor

*[Signature]*  
Certificate No.



Jones A LS 1A



- PICTURED CLIFFS
- MESAS/VERDES
- \* CHACRAS

BP AMERICA PRODUCTION CO.	
HOUSTON, TX	
28N 8W SEC. 10	
NAME	DATE
M. J. RITZ	12-MAR-2000
SECTION	

**Jones A LS 1A Payadd**  
**BLM Procedure**  
**Sec 10, T28N, R9W**  
**API #: 30-045-22747**

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 5180'. Visually inspect tubing while POOH.
4. TIH with bit and scraper for 4 1/2" casing to 5104' PBTD. Note bottom of existing Mesa Verde perforations are 5073'.
5. TIH with tubing-set RBP. Set RBP at 2300'. Load hole with 2% KCL and test casing to 1000 psi. Recover RBP.
6. Set CIBP @ 4000' perforate using 3-1/8" casing guns loaded with HEG charges (2 SPF 90 deg phasing) and perforate Chacra 3515'-3675'. Note: Depths may be revised after log review.
7. Run 3 1/2" 9.3# N80 frac string with 2 3/8" stinger inside the 4 1/2" liner to 2700'
8. RU frac equipment. Use Slick Water 2% KCL Water 150,000# 16/30 45Q-N2 foam in fracture stimulation.
9. Frac Chacra according to pump schedule down frac string with wellhead isolation tool installed. Leave well shut-in overnight.
10. Flow back frac and unseat packer and POOH.
11. TIH with tubing and notched collar. Cleanout fill to CIBP. Blow well dry.
12. Test Chacra Zone for 8 hours.
13. Drill out CIBP and clean out to PBTD
14. Hang 2 3/8" production tubing @ 5060'
15. ND BOP's. NU WH. Test well for air. Return well to production. as down hole commingle Mesa Verde, Chacra, and Pictured Cliffs.

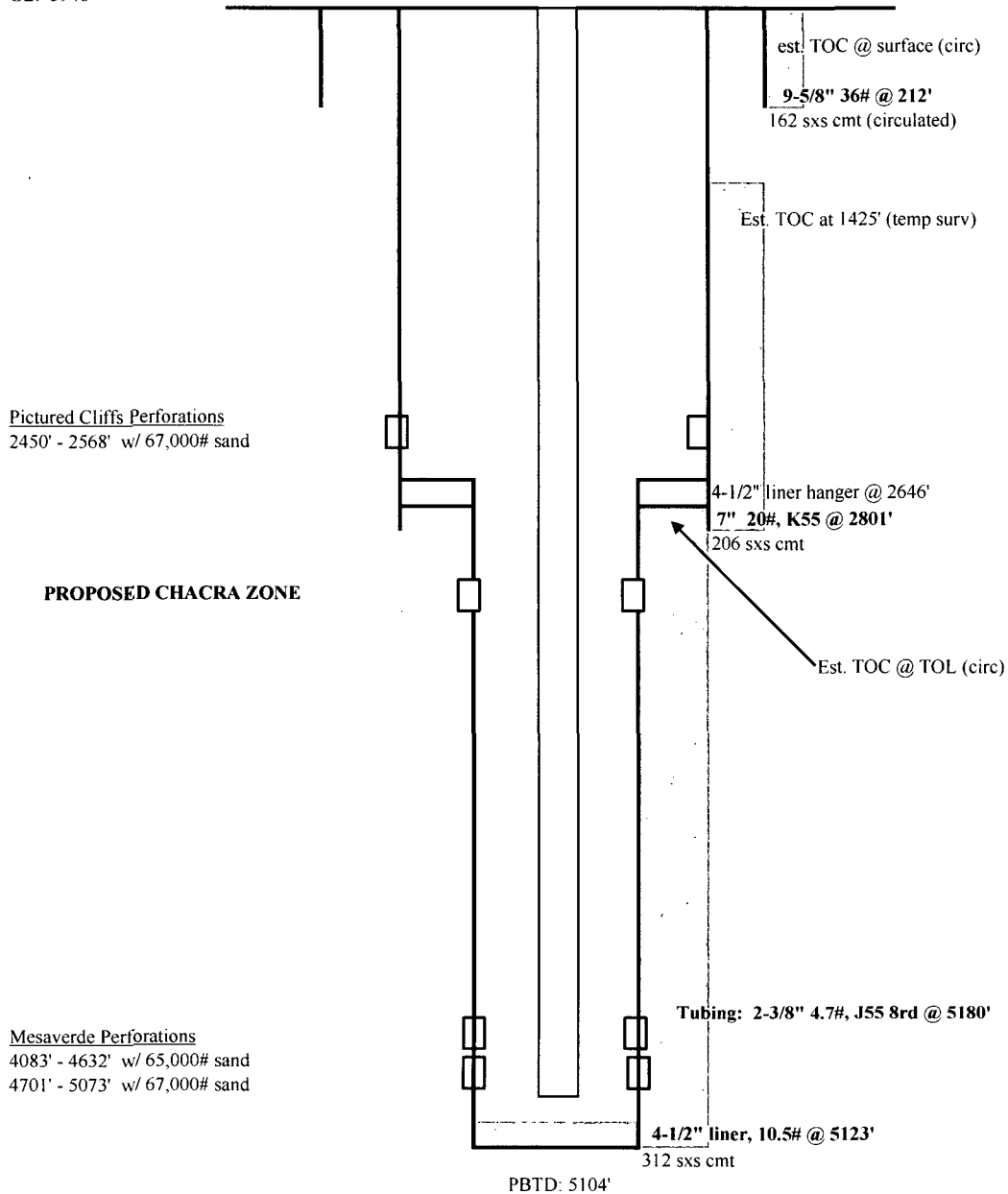


# Jones A LS #1A

Sec 10, T28N, R8W

API # 30-045-22747

GL: 5948'



## History:

Completed as DK/PC dual in 11/83  
Surface commingled in Aug 1995  
Downhole commingled in Aug 2002

updated: 2/5/08 RWP

BONANZA CREEK MINERALS LLC  
ATTN: RICHARD HUGHES MANAGER  
2321 CANDELARIA NW  
ALBUQUERQUE, NM 87107

**Interest Owners notified 3/25/2008**  
**30-045-22747**

BRIAN D GIBSON  
66 C ARROYO HONDO TRAIL  
SANTA FE, NM 87508

DOROTHY B HUGHES , REV LIVING TR  
SUZY SARNA SUCCESSOR TRUSTEE  
U/T DATED 05-17-1991  
303 MISTY CREEK LN  
PORT ANGELES, WA 98363-9762

ELIZABETH H WHITE , FAMILY TRUST  
LINDA PAYNE, TRUSTEE  
PO BOX 780099  
DALLAS, TX 75378-0099

EMILY B HUGHES  
PO BOX 1497  
RATON, NM 87740-1497

GIBSON FAMILY TRUST  
JAFFA D WAHLBERT &  
GEORGE ANNE SCHARHAG CO-TRUSTEES  
P O BOX 546  
TESUQUE, NM 87574

GURDON RANSON MILLER III  
704 CANYON CREST  
SIERRA MADRE, CA 91024

H LIMITED PARTNERSHIP  
PO BOX 2185  
SANTA FE, NM 87504-2185

HANSON MCBRIDE PETROLEUM COMPANY  
PO BOX 1515  
ROSWELL, NM 88202-1515

INACTIVE OWNER  
PO BOX 19036  
DOVER, DE 19901

LELAND PRICE INC  
1511 NORTHGATE PL  
ARTESIA, NM 88210

MABEL GLENN HAM , REVOCABLE TRUST  
KATHLYN NORA BLACK TRUSTEE  
PO BOX 15040  
SANTA FE, NM 87592

MINERALS MANAGEMENT SERVICE  
PO BOX 5810 TA  
DENVER, CO 80217-5810

PAUL SLAYTON  
PO BOX 2035  
ROSWELL, NM 88202-2035