

DATE IN 04/16/09	SUSPENSE	ENGINEER W. Jones	LOGGED IN 04/16/09	TYPE DAC	APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -
2009 APR 16 12:07 PM South 18 Francis Drive, Santa Fe, NM 87505



3004521791
Flourance Gas Com. K
ODSA
BP America
778

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	<i>Cherry Hlava</i>	Regulatory Analyst	04/14/2009
_____ Print or Type Name	_____ Signature	_____ Title	_____ Date
		hlavacl@bp.com e-mail Address	

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. 30-045-21791
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

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

7. Lease Name or Unit Agreement Name
Florance Gas Com K

8. Well Number
5A

9. OGRID Number
778

10. Pool name or Wildcat
Blanco MV & Basin FC

4. Well Location
 Unit Letter C : 860 feet from the North line and 1510 feet from the West line
 Section 22 Township 30N Range 09W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5940' 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 <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: DUAL TO SINGLE & DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>	
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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 Production Company requests permission to **convert** the subject well from a **dual string to a single string & commingle** production downhole from the Blanco Mesaverde & Basin Fruitland Coal as per the attached procedure.

~~The Blanco MV (72319) & Basin Fruitland Coal (71629) are Pre-Approved pools for Downhole commingling per NMOCD order R-11363. The working & overriding royalty interest owners in the proposed commingled pools are identical therefore no further notification is required~~

Production is proposed to be allocated based on actual production from both the MV & FC pools. MV 70% & FC 30%

BLM has been notified by form 3160-5 SF - 080003

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

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 NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Cherry Hlava TITLE Regulatory Analyst DATE 03/26/2009

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

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

Handwritten notes:
 please to submit on C-101A not pre-approved
 OCD Santa Fe
 pool commingled

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

District II
1301 W. Grand Avenue, Artesia, NM 88210

Oil Conservation Division
1220 South St. Francis Dr.

APPLICATION TYPE
 Single

District III
Well
1000 Rio Brazos Road, Aztec, NM 87410

Santa Fe, New Mexico 87505

Establish Pre-Approved Pools
EXISTING WELLBORE

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

Yes No

DAC-4185

Operator **BP America Production Company** Address **P.O Box 3092 Houston, TX 77253**
Lease **Florance Gas Com K** Well No. **5A** Unit Letter-Section-Township-Range **Unit C Section 22 T30N, R09W** County **San Juan**
OGRID No. **000778** Property Code **00538** API No. **30-045-21791** Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE ✓		LOWER ZONE ✓
Pool Name	Basin Fruitland Coal		Blanco Mesaverde
Pool Code	71629		72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2479' - 2688'		3441' - 5093'
Method of Production (Flowing or 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)	590		989
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1187		1187
Producing, Shut-In or New Zone	Producing		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: Rates:	Date: Rates:	Date: Rates:
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 % 30%	Oil Gas % %	Oil Gas % 70%

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 No
Yes No
Are all produced fluids from all commingled zones compatible with each other? Yes No
Will commingling decrease the value of production? Yes No
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 No

NMOCD Reference Case No. applicable to this well: _____

- 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 04/14/2009

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

E-MAIL ADDRESS hlavacl@bp.com

BP - SJ Basin Proposed Well Work Procedure

Well Name: Florance GC K 5A
Date: March, 20 2009
Location: Sec 22 T30N R09W
API: 30-045-21791
Engineer: Matthew Mientka (Office 281.366.5721)

Objective: Pull dual completion, remove packer, cleanout to PBTB, return well as downhole commingled Mesa Verde and Fruitland Coal.

1. Pull 1 1/4" tubing string (FT completion)
2. Pull 2 3/8" Tubing string and Seal Assembly (MC completion)
3. Mill packer slips and fish as necessary.
4. Clean out to PBTB @ 5214'.
5. Re-land tubing in MV perfs.
6. Return well to production commingled and running a plunger.

Pertinent Information: Gas BTU content for this well is above 950. Therefore, venting and flaring document needs to be followed.

Well History: Well completed in the Mesa Verde in 1975. In 1985 the well was recompleted and the Fruitland was added. The MV was never properly cleaned out when the packer was installed and the long string is landed high in the MV perforations. The two zones were surface commingled and compressed in 2005. Currently, the well is producing, but production is not optimized.

Notes :

Vertical well

Casing data : 4 1/2" production liner, 11.6# J-55 @ 2880' to 5248'. (75% of burst is 4012 psi)

7" production casing, K-55 20#/ft run to 3098'. (75% of burst is 2805 psi)

PBTB: 5214' (fill was last tagged at 5150' during FT payadd in 1985')

Procedure:

1. Perform pre-rig site inspection. Check for: size of location, Gas Taps, other wells, other operators, running equipment, wetlands, wash (dikes req.), H2S, barriers needed for equipment, Landowner issues, location of pits (buried lines in pits), Raptor nesting, critical location, check anchors. Check ID wellhead.
2. RU wireline unit. Pressure test lubricator and equipment. RIH and set **two** barriers for isolation in tubing string. Tubing equipment lists one profile, but G-packoffs and slip-stops can be used if scale is an issue.
3. Check and record tubing, casing, and bradenhead pressures. Ensure production casing has double casing valves installed. Double valve all casing strings.

4. MIRU workover rig. LO/TO all necessary equipment including but not limited to: meter run, Automation, Separators and water lines.
5. Blow down well. Kill with 2% KCL water ONLY if necessary.
6. Nipple down Wellhead. NU BOPs and diversion spool with 3" outlets and 3" pipe to the blow tank. Pressure test BOPs
7. POOH with 1 1/4" tubing currently set @ 2698'.
8. Adjust BOP and rig up POOH with long string (2 3/8" currently set @ 4593')
9. Pickup and RIH to fish packer. POOH with 7" Model 'D' packer.
10. TIH w/ BHA for scraper run.
11. Rig up air package/unit, pressure test all lines. TIH with tubing and cleanout fill to PBTB @ 5214'.
12. Rabbit tubing and RIH with 2-3/8" production tubing (with wireline entry guide, 1.780" profile 'F-nipple' with plug, 4 ft pup, 1.875" profile 'X-nipple' with plug).
13. Land 2-3/8" production tubing at +/-5000' lock down hanger.
14. Pressure test tubing to 500 psi.
15. ND BOP's. NU Wellhead. During Master valve placement ensure the top of hanger has spacer nipple in place to bottom of bonnet flange so plunger equipment will not hang up through tree. Tree Pressure test Wellhead.
16. RU WL unit. Broach 2-3/8" tubing. Pull plugs and set tubing stop for plunger. Communicate plunger equipment status to IC room personnel.
17. Purge well, test for air. Return well to production and downhole commingle MV and FT.

Matthew Mientka

Wellwork Production Engineer
BP San Juan - Base Conventional Team
Office: 281.366.5721
Email: Matt.Mientka@bp.com

Wellbore Diagram:



WELL NAME: Florance GC K5A
LOCATION: 860' FNL 1510' FWL
SEC/TWN/RNG: 22 T30N R9W
COUNTY, ST: San Juan Co., NM
WELL TYPE: Gas
BP WI: 50.0% NRI: 34.5%

BCPD	BWPD	MCFD

FC IP: 681
MV IP: 356

SPUD DATE: 07/19/75
RIG REL: 07/28/75
COMP DATE: 09/10/75
FORMATION: Fruitland/ Mesa Verde
API#: 30-045-21791

INTERMEDIATE CASING DESIGN

7"
 75 jnts K-55 20 & 23#
SET @ 3098'
1st Stg CEMENT 450 sx 65/35 poz. 12% gel +additiv
TAIL IN W/ 50 sx Class 'A' + 3% CaCl
TOC
Det. By

PRODUCTION LINER DESIGN

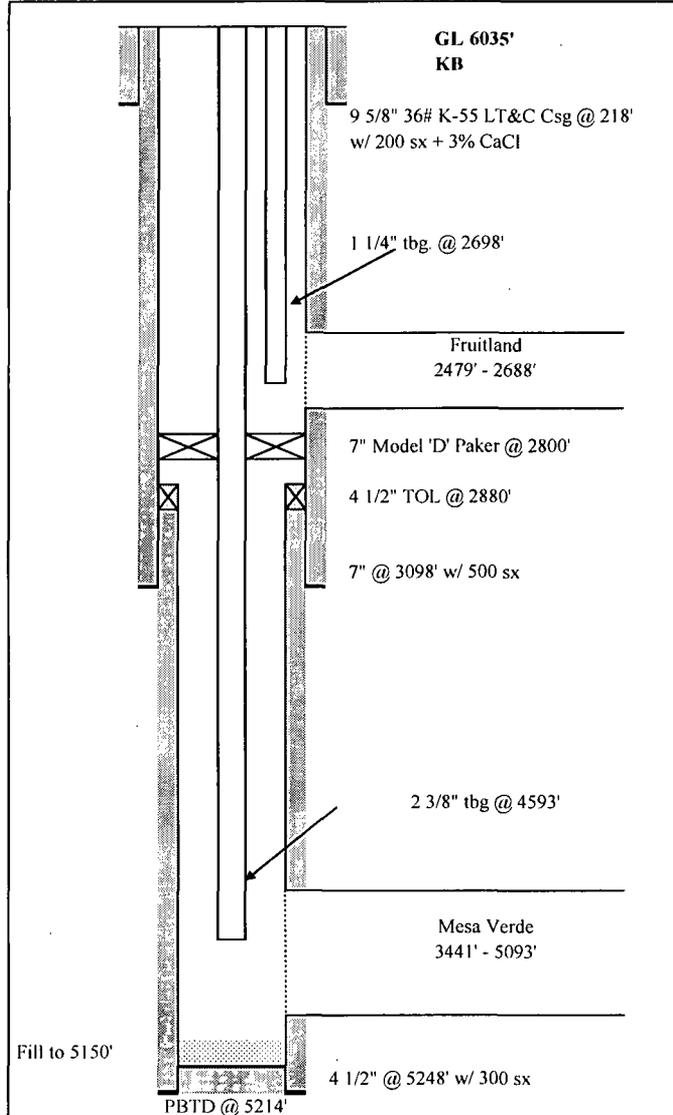
4 1/2"
 72 jnts K-55 11.6#
SET @ 2880' - 5248'
CEMENT W/ 300 sx Class 'B' + 4% gel + additiv.
TAIL IN W/
CMT TOP @
DETER. BY

PERF. DATA:	SPF	FORM.
4 2479' - 2688'	78 Holes	Fruitland
3 3441' - 3495'	6 holes	Cliffhouse
3 4448' - 4533'	18 Holes	Cliffhouse
2 4619' - 4845'	16 Holes	Menefee
1 4999' - 4925'	12 holes	Point Lookout
1 5003' - 5093'	16 holes	Point Lookout

TUBING DATA

2 3/8" 4593'
1 1/4" 2698'
SET @
PACKER 1985 Model D @ 2800'
S.N ID / @
 ID = 1.780" @ 7184 (F Nipple)

Florance GC K5A



FRAC JOB: (1) - MV - 2273 bbl H2O w/ 155,200# 20/40 sand. Tailed with 152 bbl w/ 10,000# 10/20#
 (2) - MV - 2660 bbl H2O w/ 91,600# 20/40 sand and 5000# 10/20 sand
 Rate = 51 BPM @ 2700psi
 (3) - MV - 3552 bbl H2O w/ 127,600# 20/40 sand and 8000# 10/20
 Rate = 53 BPM @ 2400psi
 (4) - FT - 62000 gal 70Q foam w/ 20# gel and 96,000# 20/40 sand
 Rate = 30 BPM @ 1550psi, ISIP = 1600psi
NOTES: MV completed in 1975. Fruitland added in 1985
 Tubing is landed high in MV.

Prepared By: Matt Mientka
Date: 17-Feb-09

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

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-21791		² Pool Code 22319; 71629		³ Pool Name Blanco Mesaverde & Basin Fruitland Coal	
⁴ Property Code 000538		⁵ Property Name Florance Gas Com K			⁶ Well Number 5A
⁷ OGRID No. 000778		⁸ Operator Name BP America Production Company			⁹ Elevation

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet from	East/West	County
Unit C	22	30N	09W		860	North	1510	West	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 320	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

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p style="text-align: right;"><i>Mary Corley</i></p>
	<p>Signature Mary Corley</p> <p>Printed Name Sr. Regulatory Analyst</p> <p>Title 09/30/2004</p> <p>Date</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p style="text-align: right;">4/16/1975</p>
	<p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor: James P Leese</p> <p style="text-align: right;">Certificate Number</p>