Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

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 reverse side.

5. Lease Serial No.
NMNM03549

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

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

8. Well Name and No.
FLORANCE C LS 10M

2. Name of Operator
BP AMERICA PRODUCTION CO
Contact: MARY CORLEY
E-Mail: corleyml@bp.com

9. API Well No.
30-045-26558-00-C1

3a. Address
P. O. BOX 3092
HOUSTON, TX 77253

3b. Phone No. (include area code)
Ph: 281.366.4491
Fx: 281.366.0700

10. Field and Pool, or Exploratory
BASIN DAKOTA
BLANCO MESAVERDE

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 30 T28N R8W SWSE 0790FSL 1900FEL
36.62709 N Lat, 107.71913 W Lon

11. County or Parish, and State
SAN JUAN COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Subsurface Commingling
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The production from Dakota and Mesaverde is currently being commingled downhole in the subject well. At this point, I would like to TA the DK and co-mingle the CH/MV.
BP America Production Company request permission to temporarily abandon the Dakota, recomplete the subject well into the Otero Chacra and commingle production downhole with the existing Blanco Mesaverde as per the attached procedure.

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

The Blanco Mesaverde (72319) & Otero Chacra (82329) Pools are Pre-Approved Pools for Downhole Commingling per NMOCD order R-11363. The working and overriding royalty interest owners in the proposed commingled pools are identical, therefore, no further notification of this application is required.

Production is proposed to be allocated based on the subtraction method using the projected future

DHC 901 Not ammended to this pool combination, 5-24-04

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #29544 verified by the BLM Well Information System
For BP AMERICA PRODUCTION CO, sent to the Farmington
Committed to AFMSS for processing by MATTHEW HALBERT on 05/13/2004 (04MXH1647SE)

Name *(Printed/Typed)* MARY CORLEY — Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission) — Date 04/13/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By — Title Petr. Eng — Date 5/17/04

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 NMOCD

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Florance C LS 10 M
TA Dakota, Complete Chacra, Downhole Commingle Chacra, and Mesaverde

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Procedure:

1. Check anchors. MIRU workover rig.

2. Check and record tubing, casing, and bradenhead pressures.

3. Blow down well. Kill with 2% KCL water ONLY if necessary.

4. Nipple down WH. NU BOPs and diversion spool with 3" outlets and 3" pipe to the blow tank. Pressure test BOPs to 500 psi. Monitor flowing casing pressure with gauge (with casing flowing to blow tank) throughout workover.

5. RU slickline unit or wireline unit. RIH and set plug (CIBP, tbg collar stop, or plug set in nipple) for isolation.

6. TOH with 2-3/8" production tubing currently set at 7022'.

   Contingency: If the tubing is in poor condition, replace entire tubing string.

7. TIH with bit and scraper for 4-1/2" casing to 7000'.

8. Set CIBP at 6,980' to TA Dakota.

9. TIH w/ bit and scraper for 7" casing to 5150'. Work casing scraper across Mesaverde perforations from 4526' - 5102' and across proposed Chacra interval from 3600'-3750'.

10. RU WL unit. RIH with 7" CIBP. Set CIBP at 4500'.

11. Load hole w/ 2% KCl and pressure test casing to 2,500 psi w/ rig pumps

12. RIH with 3-1/8" casing guns. Perforate Chacra formation (correlate to GR log).

    Chacra perforations, 4 **spf** (15 shots/ 60 holes):
    3605, 3606, 3410, 3620, 3631, 3632, 3635, 3636, 3704, 3705, 3726, 3731, 3741, 3742, 3747'

13. Spearhead 500 gal 15% HCL, establish injection rate, and proceed with fracture stimulation according to Schlumberger schedule. Maintain surface pressures ≤ 3000 psi during frac job. Flush frac with foam. Fill out GWSI scorecard.

14. Flowback frac immediately.

15. TIH with tubing and bit. Cleanout fill and drill bridge plug set at 4500'. Cleanout fill to liner top at 5211'. Blow well dry at liner top.

16. Rabbit tubing and RIH with 2-3/8" production tubing (with a muleshoe and X-nipple with blanking plug). Fill tubing with KCL water while RIH.

17. Land 2-3/8" production tubing at 5050'.

18. Pressure test tubing to 500 psi with rig pumps.

19. Swab down tubing with sandline.

20. RU SL unit. Run gauge ring for 2-3/8" tubing. Pull plug and set tubing stop for plunger. RD slickline unit.

21. ND BOP's. NU WH. Test well for air. Return well to production and downhole co-mingle Chacra, and Mesaverde.

Additional data for EC transaction #29544 that would not fit on the form

32. Additional remarks, continued

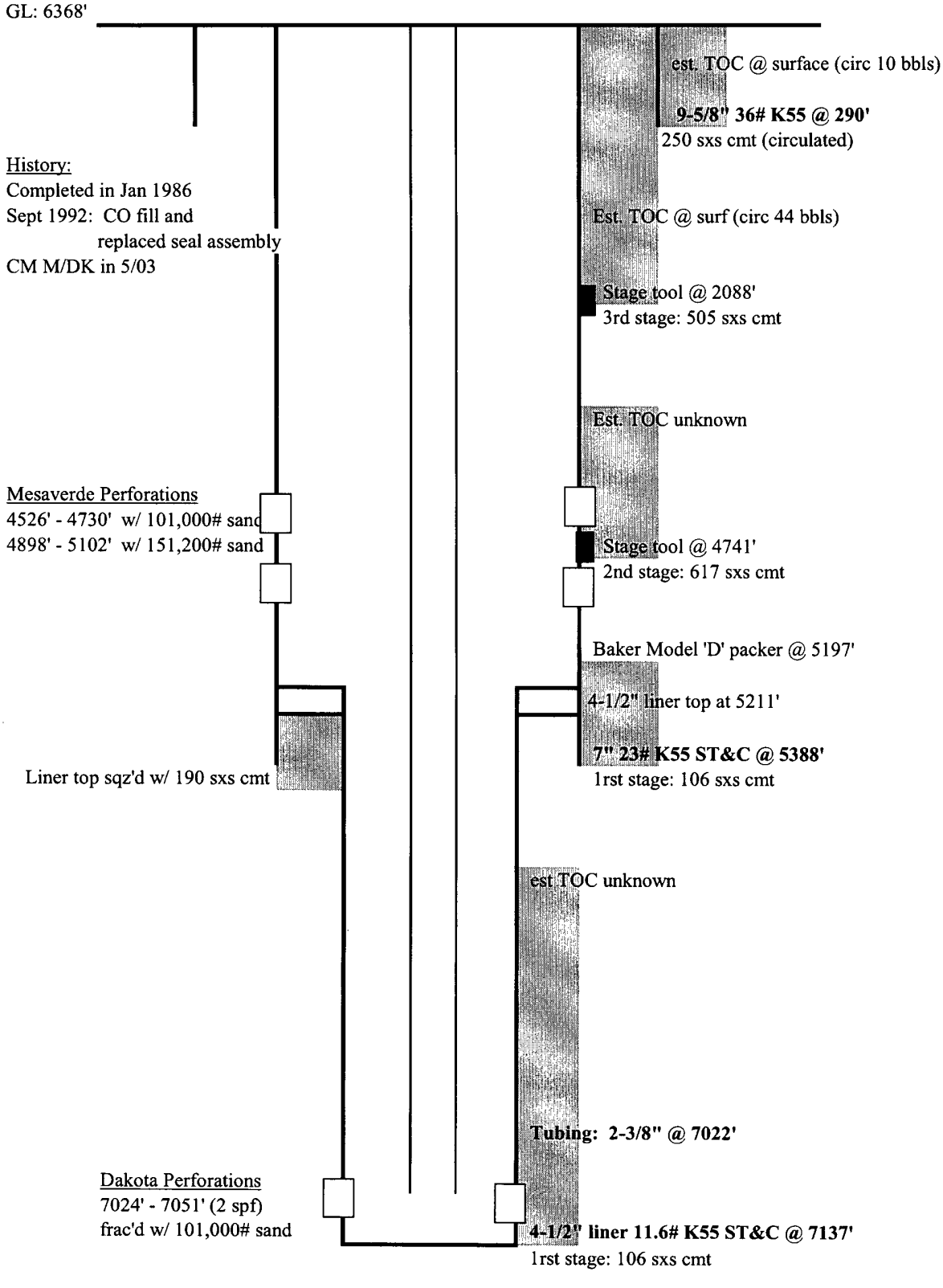
decline for production from the Mesaverde. That production shall serve as a base for production subtracted from the total production for the commingled well. The balance of the production will be attributed to the Chacra. Attached is the future production decline estimates for the Mesaverde.

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

Florance C LS #10M

Sec 30, T28N R8W

API: 30-045-26558



Updated: 10/1/03 CFR

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	[2] Pool Code	[3] Pool Name
30-045-26558	82329	Otero Chacra

[4] Property Code	[5] Property Name	[6] Well Number
000326	Florance C LS	10M

[7] OGRID No.	[8] Operator Name	[9] Elevation
000778	BP America Production Company	6368' GR

[10] Surface Location

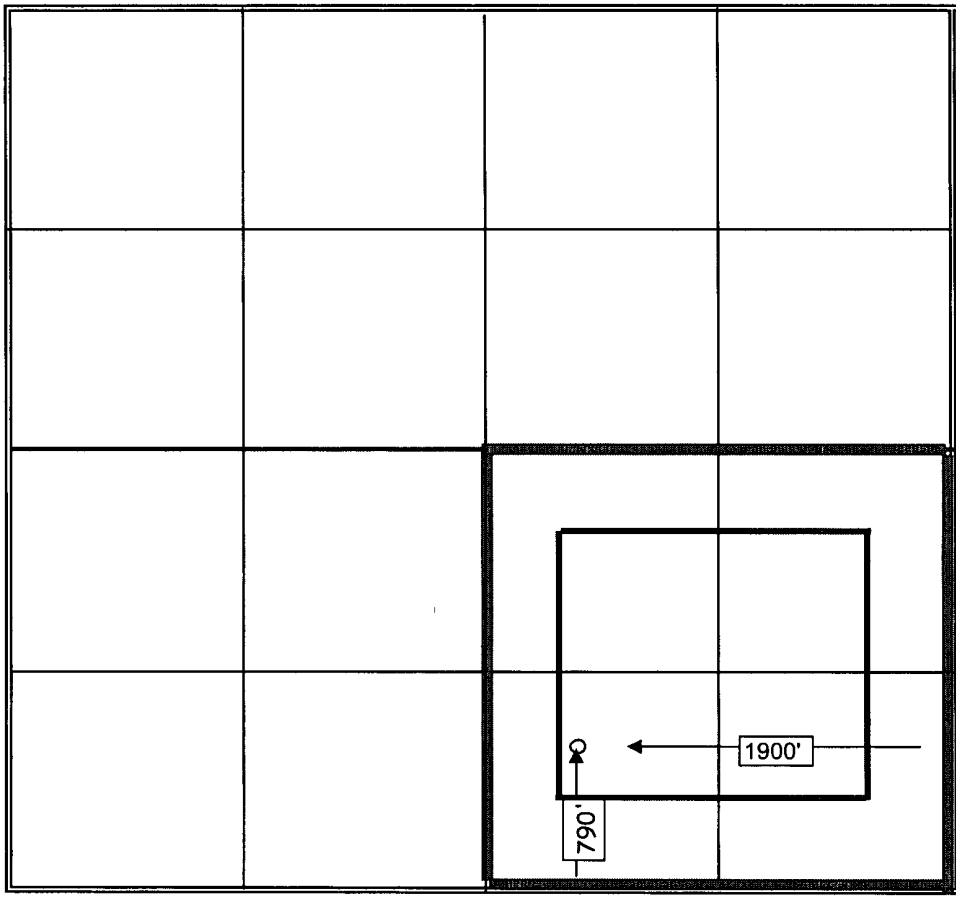
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet from	East/West	County
Unit O	30	28N	08W		790'	South	19050'	East	San Juan

[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.
160			

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.

Mary Corley

Signature

Mary Corley

Printed Name

Sr. Regulatory Analyst

Title

04/13/2004

Date

[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.

8/13/1979

Date of Survey

Signature and Seal of Professional Surveyor:

William E Mahnke 8466

Certificate Number

Florance C LS 10M

Future Production Decline Estimate

Mesaverde Daily Rates

Month	Gas Volume
Jan-2003	**84**
Feb-2003	**219**
Mar-2003	**204**
Apr-2003	**173**
May-2003	**203**
Jun-2003	**140**
Jul-2003	**237**
Aug-2003	**121**
Sep-2003	**205**
Oct-2003	**215**
Nov-2003	**216**
Dec-2003	**221**
Jan-2004	220
Feb-2004	220
Mar-2004	219
Apr-2004	219
May-2004	219
Jun-2004	218
Jul-2004	218
Aug-2004	217
Sep-2004	217
Oct-2004	216
Nov-2004	216
Dec-2004	215
Jan-2005	215
Feb-2005	215
Mar-2005	214
Apr-2005	214
May-2005	213
Jun-2005	213
Jul-2005	212
Aug-2005	212
Sep-2005	211
Oct-2005	211
Nov-2005	211
Dec-2005	210

ln(Qf/Qi) = -dt

** Qf= 215

Qi= 219

rate= 215

time= 9

dt= -0.018433702

decline= -0.440360651

**

Month	Gas Volume
Jan-2006	210
Feb-2006	209
Mar-2006	209
Apr-2006	208
May-2006	208
Jun-2006	207
Jul-2006	206
Aug-2006	206
Sep-2006	205
Oct-2006	205
Nov-2006	204
Dec-2006	203
Jan-2007	203
Feb-2007	202
Mar-2007	202
Apr-2007	201
May-2007	201
Jun-2007	200
Jul-2007	199
Aug-2007	199
Sep-2007	198
Oct-2007	198
Nov-2007	197
Dec-2007	196
Jan-2008	196
Feb-2008	195
Mar-2008	195
Apr-2008	194
May-2008	193
Jul-2008	193
Aug-2008	192
Sep-2008	192
Oct-2008	191
Nov-2008	191
Dec-2008	190
Jan-2009	189

Month	Gas Volume
Feb-2009	189
Mar-2009	188
Apr-2009	188
May-2009	188
Jun-2009	187
Jul-2009	187
Aug-2009	186
Sep-2009	186
Oct-2009	185
Nov-2009	185
Dec-2009	185
Jan-2010	184
Feb-2010	184
Mar-2010	183
Apr-2010	183
May-2010	182
Jun-2010	182
Jul-2010	181
Aug-2010	181
Sep-2010	181
Oct-2010	180
Nov-2010	180
Dec-2010	179
Jan-2011	179
Feb-2011	178
Mar-2011	178
Apr-2011	177
May-2011	177
Jun-2011	177
Jul-2011	176
Aug-2011	176
Sep-2011	175
Oct-2011	175
Nov-2011	174
Dec-2011	174
Jan-2012	174

Month	Gas Volume
Feb-2012	173
Mar-2012	173
Apr-2012	172
May-2012	172
Jun-2012	171
Jul-2012	171
Aug-2012	170
Sep-2012	170
Oct-2012	170
Nov-2012	169
Dec-2012	169
Jan-2013	168
Feb-2013	168
Mar-2013	167
Apr-2013	167
May-2013	166
Jun-2013	166
Jul-2013	166
Aug-2013	165
Sep-2013	165
Oct-2013	164
Nov-2013	164
Dec-2013	163
Jan-2014	163
Feb-2014	163
Mar-2014	162
Apr-2014	162
May-2014	161
Jun-2014	161
Jul-2014	160
Aug-2014	160
Sep-2014	159
Oct-2014	159
Nov-2014	159
Dec-2014	158
Jan-2015	158