Submit 3 Copies To Appropriate District Office State of New 1						
<u>District I</u> Energy, Minerals and N	atural Resources WELL API NO.	2004				
is 25 N. French Dr., Hobbs, NM 88240 District II	20.045.26542	ŀ				
1301 W. Grand Ave., Artesia, NM 88210 OIL CONSERVATION	JN DIVISION 5 Indicate Type of Lease					
District III 1220 South St. F 1000 Rio Brazos Rd., Aztec, NM 87410	rancis Dr. STATE FFF					
District IV Santa Fe, NM	6. State Oil & Gas Lease No.					
1220 S. St. Francis Dr., Santa Fe, NM 87505						
SUNDRY NOTICES AND REPORTS ON WEL	LS NOV. 7. Lease Name or Unit Agreement Nam	ie				
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEED OF	PLUGBACKOOA S Blanco LS (Filed with BLM - Feder					
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-1011 PROPOSALS.)	Lease IVVI - U122UI)					
1. Type of Well:	8. Well Number	ľ				
Oil Well Gas Well X Other	12A					
2. Name of Operator	9. OGRID Number					
BP America Production Company	000778					
3. Address of Operator	10. Pool name or Wildcat					
P O Box 3092 Houston, TX 77253 Attn: Mary Corley Rm 19	171 Blanco Mesaverde & Otero Chacra	a				
4. Well Location						
Unit Letter D : 610 feet from the No	rth line and 920 feet from the West line					
Section 36 Township 28N 11. Elevation (Show whether In the Company of the Compan	Range 08W NMPM San Juan County OR, RKB, RT, GR, etc.)					
61	42' GL					
Pit or Below-grade Tank Application (For pit or below-grade tank closures, a for	rm C-144 must be attached)					
Pit Location: UL D Sect 36 Twp 28N Rng 08W Pit type Workover Depth to Groundwater >100 Distance from nearest fresh water well >1000						
Distance from nearest surface water_>1000' Below-grade Tank Location	JLSectTwpRng;					
+/- 610 feet from the North line and +/-920 feet from the West	_line					
T The state of the						
12. Check Appropriate Box to Indicate	Nature of Notice, Report or Other Data					
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO:	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF:	_				
12. Check Appropriate Box to Indicate	Nature of Notice, Report or Other Data	<u> </u>				
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO:	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK					
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON TEMPORARILY ABANDON CHANGE PLANS	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT	 				
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON TEMPORARILY ABANDON CHANGE PLANS PULL OR ALTER CASING MULTIPLE	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT CASING TEST AND	 				
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON TEMPORARILY ABANDON CHANGE PLANS PULL OR ALTER CASING MULTIPLE COMPLETION	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT CASING TEST AND CEMENT JOB	 				
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON TEMPORARILY ABANDON CHANGE PLANS PULL OR ALTER CASING MULTIPLE COMPLETION	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT CASING TEST AND					
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON TEMPORARILY ABANDON CHANGE PLANS PULL OR ALTER CASING MULTIPLE COMPLETION OTHER: Recompletion & DHC - Pit Permit 13. Describe proposed or completed operations. (Clearly state at the complete of the complet	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT CASING TEST AND CEMENT JOB	date				
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON PLUG AND ABANDON MULTIPLE COMPLETION OTHER: Recompletion & DHC - Pit Permit 13. Describe proposed or completed operations. (Clearly state of starting any proposed work). SEE RULE 1103. For Multiple or recompletion.	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT CASING TEST AND CEMENT JOB OTHER: Ill pertinent details, and give pertinent dates, including estimated tiple Completions: Attach wellbore diagram of proposed completions.	date				
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON PLUG AND ABANDON MULTIPLE COMPLETION OTHER: Recompletion & DHC - Pit Permit 13. Describe proposed or completed operations. (Clearly state a of starting any proposed work). SEE RULE 1103. For Multiple Completion. BP America Production Company request permission to recomplete.	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT CASING TEST AND CEMENT JOB OTHER: All pertinent details, and give pertinent dates, including estimated tiple Completions: Attach wellbore diagram of proposed complete the subject well into the Otero Chacra and	date				
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON PLUG AND ABANDON MULTIPLE COMPLETION OTHER: Recompletion & DHC - Pit Permit 13. Describe proposed or completed operations. (Clearly state of starting any proposed work). SEE RULE 1103. For Multiple or recompletion.	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT CASING TEST AND CEMENT JOB OTHER: All pertinent details, and give pertinent dates, including estimated tiple Completions: Attach wellbore diagram of proposed complete the subject well into the Otero Chacra and	date				
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON PLUG AND ABANDON MULTIPLE COMPLETION OTHER: Recompletion & DHC - Pit Permit 13. Describe proposed or completed operations. (Clearly state a of starting any proposed work). SEE RULE 1103. For Multiple or recompletion. BP America Production Company request permission to recomplete production Downhole with the existing Blanco.	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT CASING TEST AND CEMENT JOB OTHER: All pertinent details, and give pertinent dates, including estimated tiple Completions: Attach wellbore diagram of proposed complete the subject well into the Otero Chacra and Mesaverde as per the attached procedure.	date				
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON PLUG AND ABANDON MULTIPLE COMPLETION OTHER: Recompletion & DHC - Pit Permit 13. Describe proposed or completed operations. (Clearly state a of starting any proposed work). SEE RULE 1103. For Multiple or recompletion. BP America Production Company request permission to recomplete production Downhole with the existing Blanco.	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT CASING TEST AND CEMENT JOB OTHER: All pertinent details, and give pertinent dates, including estimated tiple Completions: Attach wellbore diagram of proposed complete the subject well into the Otero Chacra and Mesaverde as per the attached procedure.	date				
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON PLUG AND ABANDON MULTIPLE COMPLETION OTHER: Recompletion & DHC - Pit Permit 13. Describe proposed or completed operations. (Clearly state a of starting any proposed work). SEE RULE 1103. For Multiple Commingle production Company request permission to recommingle production Downhole with the existing Blanco.	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT CASING TEST AND CEMENT JOB OTHER: All pertinent details, and give pertinent dates, including estimated tiple Completions: Attach wellbore diagram of proposed complete the subject well into the Otero Chacra and Mesaverde as per the attached procedure.	date				
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON PLUG AND ABANDON MULTIPLE COMPLETION OTHER: Recompletion & DHC - Pit Permit 13. Describe proposed or completed operations. (Clearly state a of starting any proposed work). SEE RULE 1103. For Multiple or recompletion. BP America Production Company request permission to recomplete production Downhole with the existing Blanco.	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT CASING TEST AND CEMENT JOB OTHER: All pertinent details, and give pertinent dates, including estimated tiple Completions: Attach wellbore diagram of proposed complete the subject well into the Otero Chacra and Mesaverde as per the attached procedure.	date				
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON PLUG AND ABANDON MULTIPLE COMPLETION OTHER: Recompletion & DHC - Pit Permit 13. Describe proposed or completed operations. (Clearly state a of starting any proposed work). SEE RULE 1103. For Multiple or recompletion. BP America Production Company request permission to recommingle production Downhole with the existing Blanco. I hereby certify that the information above is true and complete to the	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK	date etion				
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON TEMPORARILY ABANDON CHANGE PLANS PULL OR ALTER CASING MULTIPLE COMPLETION OTHER: Recompletion & DHC - Pit Permit 13. Describe proposed or completed operations. (Clearly state a of starting any proposed work). SEE RULE 1103. For Multiple or recompletion. BP America Production Company request permission to recommingle production Downhole with the existing Blanco of the pr	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK	date etion				
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON TEMPORARILY ABANDON CHANGE PLANS PULL OR ALTER CASING MULTIPLE COMPLETION OTHER: Recompletion & DHC - Pit Permit 13. Describe proposed or completed operations. (Clearly state a of starting any proposed work). SEE RULE 1103. For Multiple or recompletion. BP America Production Company request permission to recommingle production Downhole with the existing Blanco I hereby certify that the information above is true and complete to the grade tank has been/will be constructed or closed according to NMOCD guidelin SIGNATURE	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK	date etion				
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON TEMPORARILY ABANDON CHANGE PLANS PULL OR ALTER CASING MULTIPLE COMPLETION OTHER: Recompletion & DHC - Pit Permit 13. Describe proposed or completed operations. (Clearly state a of starting any proposed work). SEE RULE 1103. For Multiple or recompletion. BP America Production Company request permission to recommingle production Downhole with the existing Blanco I hereby certify that the information above is true and complete to the grade tank has been/will be constructed or closed according to NMOCD guideling SIGNATURE TITLE Type or print name Many Corley E-mail address: co	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK	date etion				
12. Check Appropriate Box to Indicate NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON TEMPORARILY ABANDON CHANGE PLANS PULL OR ALTER CASING MULTIPLE COMPLETION OTHER: Recompletion & DHC - Pit Permit 13. Describe proposed or completed operations. (Clearly state a of starting any proposed work). SEE RULE 1103. For Multiple or recompletion. BP America Production Company request permission to recommingle production Downhole with the existing Blanco of the pr	Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: REMEDIAL WORK	date etion				

Blanco LS 12A 30-045-26542 Downhole Commingling

The Blanco Mesaverde (72319) and 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 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.

PIT

Construct a lined workover pit per BP America — San Juan Basin Drilling/ Workover Pit Construction Plan issued date of 04/15/2004. Pit will be closed according to closure plan on file.

Blanco LS # 12A API #: 30-045-26542

Recompletion Into The Chacra and DHC With Mesaverde Procedure

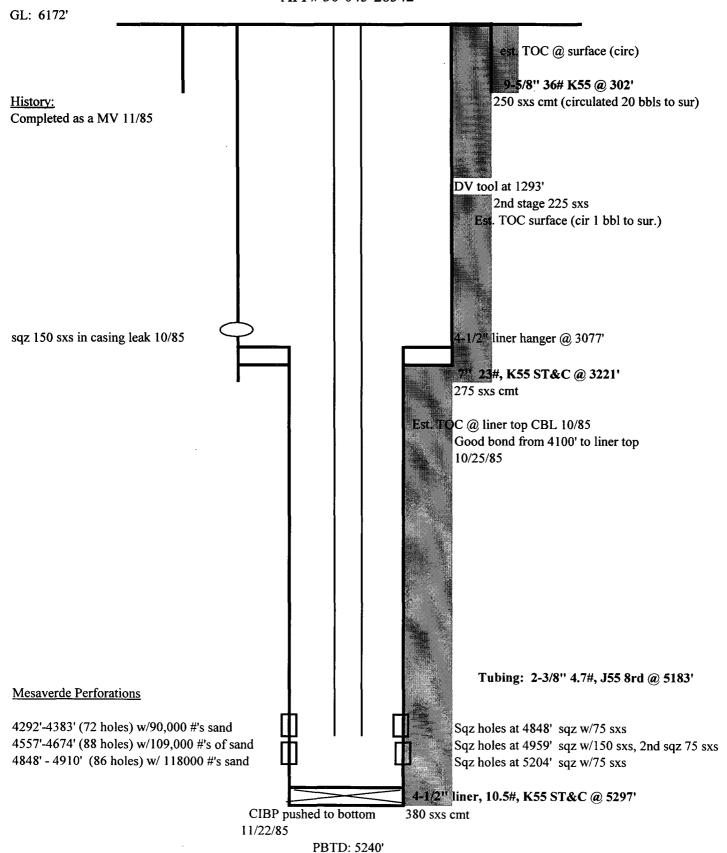
Procedure:

- 1. Perform pre-rig site inspection. Check ID wellhead, if earth pit is required have One Call made 48 hours prior to digging.
- 2. RU slickline unit or wireline unit. Pressure test lubricator and equipment. RIH and set barriers for isolation in tubing string.
- 3. MIRU workover rig.
- 4. Blow down well. Kill with 2% KCL water ONLY if necessary.
- 5. Check all casing strings to ensure no pressure exist on any annulus
- 6. Nipple down Wellhead. NU BOPs and diversion spool with 3" outlets and 3" pipe to the blow tank. Pressure test BOPs to 200 psi above BHP. Monitor flowing casing pressure with gauge (with casing flowing to blow tank) throughout workover.
- 7. RIH and tag fill, then TOH with 2-3/8" production tubing currently set at 5183'. Visually inspect tubing while POOH.
 - <u>Contingency:</u> If the 2-3/8" tubing is in poor condition, replace entire tubing string.
- 8. TIH with bit and scraper for 4-1/2" casing to PBTD. Work casing scraper across old Mesaverde perforations (4292' 4674'), setting depth of CIPB (+/- 4000'), and then new Chacra interval. POOH.
- 9. RIH with 4-1/2" CIBP on pipe. Set CIBP @ +/- 4000'.
- 10. Load well with 2% KCl. Pressure test casing to 1800 psi with rig pumps. POOH.
- 11. RIH with 3-1/8" casing guns w/lubricator. Perforate Chacra formation (correlate to GR log). 125'gross, 15 spots @ 4 SPF=60 holes 3749', 3743, 3732, 3727, 3722, 3715, 3709, 3643, 3634, 3625, 3605, 3600, 3594, 3590', 3585'.
- 12. NU Frac Isolation equipment, Spearhead 500 gal 15% HCL, establish injection rate, and proceed with fracture stimulation according to Schlumberger schedule. Flush frac with foam.
- 13. Flowback frac immediately.
- 14. ND Frac isolation equipment.

- 15. Rig up air package/unit, pressure test all lines. TIH with tubing and bit for 4-1/2" casing. Cleanout fill to top of CIBP. **Perform well test on Chacra for regulatory and document well test in DIMS.** Then finish cleanout fill and drill bridge plug set at +/-4000'. Cleanout fill to PBTD 5240'.
- 16. RIH with 2-3/8" production tubing.
- 17. Land 2-3/8" production tubing at +/- 4900'.
- 18. ND BOP's. NU Wellhead. Pressure test Wellhead.
- 19. RU WL unit. Run gauge ring for 2-3/8" tubing. Pull plugs and set tubing stop for plunger
- 20. RD slickline unit.
- 21. Test well for air. Return well to production and downhole co-mingle Chacra, and Mesaverde. RD and release all equipment.

Blanco LS 12 A

T28N, R8W, Sec 36 API # 30-045-26542



TD: 5300'

updated: 10/26/04 GKC

Dig'rict I' 1625 N. French Dr., Hobbs, NM 88240 State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

<u>District II</u> 811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505 Submit to Appropriate District Office State Lease - 4 Copies

<u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410

<u>District IV</u> 2040 South Pacheco, Santa Fe, NM 87505 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-26542	Pool Code 3 Pool Name 82329 Otero Chacra			
⁴ Property Code 000322		⁵ Property Name Blanco LS	⁶ Well Number 12A	
⁷ OGRID No. 000778	BP Ameri	⁹ Elevation		

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet from	East/West	County
Unit D	36	28N	W80		610	North	920	West	San Juan
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.									

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

610		¹⁷ OPERATOR CERTIFICATION
i <u> </u>		I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
920'		. 1
		I augusty cortes ly
		Mary Corley
		Printed Name
		Sr. Regulatory Analyst
Ì		Title 11/08/2004
		11/00/2004 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
Ì		my supervision, and that the same is true and correct to the
		best of my belief.
	l	8/19/1985
		Date of Survey
		Signature and Seal of Professional Surveyor:
		Fred B Kerr 3950
	The state of the s	Certificate Number