

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	2. Name of Operator BP AMERICA PRODUCTION CO	Contact: MARY CORLEY E-Mail: CORLEYML@BP.COM	5. Lease Serial No. NMSF077123
3a. Address 200 ENERGY CT FARMINGTON, NM 87402	3b. Phone No. (include area code) Ph: 281-366-4491	8. Well Name and No. WARREN LS 1	9. API Well No. 30-045-07497-00-S1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T28N R9W NENE Tract A GONZALES 0990FNL 0890FEL 36.66669 N Lat, 107.73340 W Lon		10. Field and Pool, or Exploratory BLANCO MESAVERDE OTERO CHACRA	
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		11. County or Parish, and State SAN JUAN COUNTY, NM	

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Subsurface Commingling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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.)

BP America Production Company request permission to recomplete the subject well into the Otero Chacra and commingle production Downhole with the existing Blanco Mesaverde as per the attached procedure.

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

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #51828 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 12/22/2004 (05MXH0262SE)	
Name (Printed/Typed) MARY CORLEY	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 12/13/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>[Signature]</i>	Title <i>Petr. Eng</i>	Date <i>12/29/04</i>
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

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.

Additional data for EC transaction #51828 that would not fit on the form

32. Additional remarks, continued

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.

Warren LS 1
Complete to the Chacra & Downhole Commingle with Mesaverde
December 8, 2004

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, if earth pit is required have One Call made 48 hours prior to digging.
2. Perform second site visit after lines are marked to ensure all lines clear marked pit locations. Planning and Scheduling to ready location for rig.
3. RU slickline unit or wireline unit. Pressure test lubricator and equipment. RIH and set **two** barriers (CIBP, tbg collar stop w/plug, or plug set in nipple) for isolation in tubing string.
4. Check and record tubing, casing, and bradenhead pressures. Ensure production casing has double casing valves installed. Double valve all casing strings.
5. MIRU workover rig. LO/TO all necessary equipment including but not limited to: meter run, Automation, Separators and water lines.
6. Blow down well. Kill with 2% KCL water ONLY if necessary.
7. Check all casing strings to ensure no pressure exist on any annulus. **The operations of removal of wellhead and installation of BOP's will be performed under a dispensation for one (1) barrier on the backside.**
8. 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.
9. Install stripping rubber, pull tubing hanger up above pipe rams, and shut pipe rams. Remove stripping rubber. Strip tubing hanger out of hole. Re-install stripping rubber.
10. TOH and LD 2-3/8" production tubing currently set at 4191'. Using approved "Under Balance Well Control Tripping Procedure".
11. PU 3-1/2" drillpipe workstring.
12. TIH w/ scraper for 7". Check the distance between the top of the blind rams and the length of the bottom hole assembly that is being run. If the BHA is too long then the well has to be top killed and monitored prior to opening blind rams. RIH to 3,750'. POOH.

13. Set retrievable BP at 3,700'. Fill casing w/ 2%KCl and test to 2,500 psi w/ rig pumps.
14. RU E-line equipment. Pressure test lubricator and equipment. Log well w/ CBL and TDT log from PBTD to surface. If TOC is below 2805', contact engineer to discuss need for remedial cement squeeze. Send TDT log to Houston to allow Chacra perforations to be picked.
15. TIH w/ workstring and blow well dry. Retrieve packer set at 3,700'
16. TIH with bit for 6-1/4" open hole and work down to PBTD at 4708'. Contact drilling engineer to discuss details of open hole clean out.
17. NU Frac isolation equipment. Install and monitor production casing and treating pressure during entire job in frac van via pressure transducers on production casing and treating line. Spearhead 500 gal 15% HCL, establish injection rate, and proceed with fracture stimulation according to Schlumberger schedule. Maintain surface pressures <3,000 psi during frac job. Flush frac with foam. Fill out GWSI scorecard.
18. Flowback frac immediately. Flow well through choke manifold on 1/4", 1/2" and 3/4" chokes increasing drawdown until well dies or stabilizes. This is to aid in reducing sand flowback. Recommend 8 hours of flow for each choke size.
19. Set retrievable BP at 3500'.
20. Prepare for explosive operations. Follow Schlumberger Explosive SOP including radio silence, suspension of welding operations, and isolation of electrical devices from the work area. Perform Pre-job Safety Meeting to review JSA and procedures. Meeting should address the VDR (vehicle data recorder) System that Bp people have installed on their vehicles. They must be shut off at the 300 foot sign by hitting 00 and then the enter button, and then wait for about 5 minutes for the unit to turn off. When the green light goes out, call the control center at 326-9475. This number is on a pickup list in the Optimizer room and should be your first point of contact followed by the front desk then the weekend pager. Verify the unit is not transmitting. You then can drive to location and park, but do not to exceed 10 Miles/hr. Note: 20 MPH will turn unit back on. If someone has On Star on their vehicle they cannot enter closer than 300 foot. On Star cannot be turned off. PLEASE take special caution. This is in conjunction with all cell phones, pagers, radios and any electronic devise that transmits a signal.
21. RIH with 3-1/8" casing guns w/lubricator. Perforate Chacra formation (correlate to TDT log run above). Interval to be determined from TDT log.
22. NU Frac isolation equipment. Install and monitor production casing and treating pressure during entire job in frac van via pressure transducers on production casing and treating line. 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.

23. Flowback frac immediately. Flow well through choke manifold on ¼", ½" and ¾" chokes increasing drawdown until well dies or stabilizes. This is to aid in reducing sand flowback. Recommend 8 hours of flow for each choke size.
24. Rig up air package/unit, pressure test all lines (Testing procedure to be supplied from air company), TIH with tubing and bit for 7" casing. Cleanout fill to top of retrievable BP. **Perform well test on Chacra for regulatory and document well test in DIMS.** Then cleanout fill and retrieve BP set at 3500'.
25. TIH w/ bit for 6-1/4" open hole. Cleanout fill to PBTD 4708'. Blow well dry.
26. Rabbit tubing and RIH with 2-3/8" production tubing (with muleshoe, F-nipple with plug, 4 ft pup, X-nipple with plug).
27. Land 2-3/8" production tubing at +/-4150'. Lock down hanger.
28. Pressure test tubing to 500 psi with air unit, make sure tubing spool valves are open. Care should be taken during pressure testing of the tubing due to potential problem caused if tubing parts close to surface or above the hanger. Check all casing string for pressure. **The operations of removal of wellhead and installation of BOP's will be performed under a dispensation for one (1) barrier on the backside.**
29. 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. Pressure test Wellhead.
30. RU WL unit. Run gauge ring for 2-3/8" tubing. Pull plugs and set tubing stop for plunger. Communicate plunger equipment status to IC room personnel.
31. RD slickline unit.
32. Test well for air. Return well to production and downhole co-mingle Chacra and Mesaverde.

Warren LS #1

Sec 13, T28N, R9W

API # 30-045-07497

GL: 5831'

History:

Completed as in Dec 1952

est. TOC @ surface (circ)

10-3/4" 32# H40 8rd @ 167'
150 sxs cmt (circulated)

Est. TOC @ 2805' (temp surv)

7" 20#, J55 8rd @ 3855'
200 sxs cmt

Tubing: 1-1/2" 2.7#, J55 10rd @ 4191'

Openhole Interval: 3855' - 4708'
-shot with 1900 qts SNG

6-1/4" openhole TD: 4708'

NOTES:

updated: 5/6/04 GKC

Future Production Decline Estimate

Mesaverde Daily Rates

$$\ln(Q_f/Q_i) = -dt$$

$$Q_f = 16$$

$$Q_i = 19$$

$$\text{rate} = 16$$

$$\text{time} = 4$$

$$dt = -0.171850257$$

$$\text{decline} = -0.687401028$$

Month	Gas Volume
Jan-2003	7
Feb-2003	16
Mar-2003	28
Apr-2003	27
May-2003	26
Jun-2003	23
Jul-2003	22
Aug-2003	29
Sep-2003	25
Oct-2003	21
Nov-2003	21
Dec-2003	19
Jan-2004	18
Feb-2004	17
Mar-2004	17
Apr-2004	15
May-2004	16
Jun-2004	15
Jul-2004	14
Aug-2004	24
Sep-2004	23
Oct-2004	23
Nov-2004	22
Dec-2004	21
Jan-2005	21
Feb-2005	20
Mar-2005	19
Apr-2005	19
May-2005	18
Jun-2005	17
Jul-2005	16
Aug-2005	16
Sep-2005	15
Oct-2005	14
Nov-2005	14
Dec-2005	13

Month	Gas Volume
Jan-2006	12
Feb-2006	12
Mar-2006	11
Apr-2006	11
May-2006	10
Jun-2006	10
Jul-2006	9
Aug-2006	9
Sep-2006	8
Oct-2006	8
Nov-2006	7
Dec-2006	7
Jan-2007	6
Feb-2007	6
Mar-2007	5
Apr-2007	5
May-2007	4
Jun-2007	4
Jul-2007	3
Aug-2007	3
Sep-2007	2
Oct-2007	2
Nov-2007	1
Dec-2007	1
Jan-2008	0.30
Feb-2008	0
Mar-2008	0
Apr-2008	0
May-2008	0
Jun-2008	0
Jul-2008	0
Aug-2008	0
Sep-2008	0
Oct-2008	0
Nov-2008	0
Dec-2008	0
Jan-2009	0

Month	Gas Volume
Feb-2009	0
Mar-2009	0
Apr-2009	0
May-2009	0
Jun-2009	0
Jul-2009	0
Aug-2009	0
Sep-2009	0
Oct-2009	0
Nov-2009	0
Dec-2009	0
Jan-2010	0
Feb-2010	0
Mar-2010	0
Apr-2010	0
May-2010	0
Jun-2010	0
Jul-2010	0
Aug-2010	0
Sep-2010	0
Oct-2010	0
Nov-2010	0
Dec-2010	0
Jan-2011	0
Feb-2011	0
Mar-2011	0
Apr-2011	0
May-2011	0
Jun-2011	0
Jul-2011	0
Aug-2011	0
Sep-2011	0
Oct-2011	0
Nov-2011	0
Dec-2011	0
Jan-2012	0

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 87505Form 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 30-045-07497	² Pool Code 82329	³ Pool Name Otero Chacra
⁴ Property Code 001212	⁵ Property Name Warren LS	⁶ Well Number 1
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation

¹⁰ Surface Location

UL or lot no. Unit A	Section 13	Township 28N	Range 09W	Lot Idn	Feet from 990	North/South North	Feet from 890	East/West East	County San Juan
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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 160	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

					¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Mary Corley</i> Signature Mary Corley Printed Name Sr. Regulatory Analyst Title 12/13/2004 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. 7/28/1951 Date of Survey Signature and Seal of Professional Surveyor: Charles J Finklea 1302 Certificate Number