

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.

NM - 0606

6. If Indian, Allottee or tribe Name

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

8. Well Name and No.

Atlantic A LS 2A

9. API Well No.

30-045-22993

10. Field and Pool, or Exploratory Area

Blanco Mesaverde & Pictured Cliffs

11. County or Parish, State

San Juan County, New Mexico

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

2. Name of Operator

BP America Production Company Attn: Mary Corley

3a. Address

P.O. Box 3092 Houston, TX 77253

3b. Phone No. (include area code)

281-366-4491

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

860' FSL & 870' FEL Sec 28 T31N R10W

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

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 type="checkbox"/> Abandon
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Water Disposal	
	<input type="checkbox"/> Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Other	

Downhole Commingle

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 recompleat 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 recompleat 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 complete the subject well into the Blanco Pictured Cliffs Pool and commingle production Downhole with the existing Blanco Mesaverde as per the attached procedure.

The Blanco Mesaverde (72319) and Blanco Pictured Cliffs (72359) 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 additional notification is required. BLM has been notified via FORM 3160-5.

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 Pictured Cliffs. 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.

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Name (Printed/typed) Mary Corley

Title Senior Regulatory Analyst

Signature

Mary Corley

Date

4/15/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

John Lovato

Title

Petr. Eng

Date

6/9/05

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.

NMOCD

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 30-045-22993		² Pool Code 72359		³ Pool Name Blanco Pictured Cliffs	
⁴ Property Code 000277		⁵ Property Name Atlantic A LS			⁶ Well Number 2A
⁷ OGRID No. 000778		⁸ Operator Name BP America Production Company			⁹ Elevation 6165' GR

¹⁰ Surface Location

UL or lot no. P	Section 28	Township 31N	Range 10W	Lot Idn	Feet from 860	North/South South	Feet from 870	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. Signature Mary Corley	
				Printed Name Sr. Regulatory Analyst	
				Title 4/13/2005	
				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. 1/3/1974	
				Date of Survey	
				Signature and Seal of Professional Surveyor: 1760	
				Certificate Number	

Atlantic A LS 2A
Procedure to Complete into the Pictured Cliffs & DHC with the Mesaverde
March 29, 2005

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 5507'. Using approved "Under Balance Well Control Tripping Procedure".
11. 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 liner top at 3,073'. POOH.
12. Set bridge plug at 3,000'. Fill casing w/ 2%KCl and test to 2,500 psi w/ rig pumps.
13. RU E-line equipment. Pressure test lubricator and equipment. Log well w/ CBL from PBTD to 2,000'. If TOC is below PC, contact engineer to discuss need for remedial cement squeeze.
14. TIH w/ workstring and blow well dry.
15. 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.

16. RIH with 3-1/8" casing guns w/lubricator. Perforate Pictured Cliffs formation w/ 4 SPF.
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 less than 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. 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 BP set at 3,000'. **Perform well test on Pictured Cliffs for regulatory and document well test in DIMS.**
20. Cleanout fill, and BP set at 3,000'. Cleanout to PBTD at 5,542'. Blow well dry.
21. Rabbit tubing and RIH with 2-3/8" production tubing (with muleshoe, F-nipple with plug, 4 ft pup, X-nipple with plug).
22. Land 2-3/8" production tubing at +/-5,450'. Lock down hanger.
23. 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.**
24. 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.
25. 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.
26. RD slickline unit.
27. Test well for air. Return well to production and downhole co-mingle Pictured Cliffs and Mesaverde.

Atlantic A LS 2 A

Sec 28, T31N, R10W

API # 30-045-22993

GL: 6165'

History:

Completed in MV in 3/79

9-5/8", 36#, K-55 @ 215'
224 cu ft cmt
circulated cement to surface

TOC at 2200' (temp survey)

7", 20#, K55 @ 3238'
402 cu ft cmt

TOC unknown

Tubing: 2-3/8" @ 5507'

4-1/2", 10.5#, K-55 @ 5560'
438 sxs cmt

Mesaverde Perforations

4410' - 5008' w/ 90,000 #'s sand

5070' - 5505' w/ 88,000 #'s sand

PBTD: 5542'

TD: 5560'

updated: 9/29/04 CFR

Atlantic A LS 2A

Future Production Decline Estimate

Mesaverde Daily Rates

$$\ln(Q_i/Q_1) = -dt$$

$$Q_i = 168$$

$$Q_1 = 171$$

$$\text{rate} = 168$$

$$\text{time} = 6$$

$$dt = -0.017699577$$

$$\text{decline} = -0.00294993$$

Month	Gas Volume
Jan-2004	167
Feb-2004	148
Mar-2004	158
Apr-2004	140
May-2004	129
Jun-2004	168
Jul-2004	155
Aug-2004	171
Sep-2004	191
Oct-2004	182
Nov-2004	180
Dec-2004	173
Jan-2005	168
Feb-2005	170
Mar-2005	163
Apr-2005	157
May-2005	224
Jun-2005	223
Jul-2005	222
Aug-2005	222
Sep-2005	221
Oct-2005	220
Nov-2005	220
Dec-2005	219
Jan-2006	219
Feb-2006	218
Mar-2006	217
Apr-2006	217
May-2006	216
Jun-2006	215
Jul-2006	215
Aug-2006	214
Sep-2006	213
Oct-2006	213
Nov-2006	212
Dec-2006	212

Month	Gas Volume
Jan-2007	211
Feb-2007	210
Mar-2007	210
Apr-2007	209
May-2007	208
Jun-2007	208
Jul-2007	207
Aug-2007	207
Sep-2007	206
Oct-2007	205
Nov-2007	205
Dec-2007	204
Jan-2008	204
Feb-2008	203
Mar-2008	202
Apr-2008	202
May-2008	201
Jun-2008	201
Aug-2008	200
Sep-2008	199
Oct-2008	199
Nov-2008	198
Dec-2008	198
Jan-2009	197
Feb-2009	196
Mar-2009	196
Apr-2009	195
May-2009	195
Jun-2009	194
Jul-2009	194
Aug-2009	193
Sep-2009	192
Oct-2009	192
Nov-2009	191
Dec-2009	191
Jan-2010	190

Month	Gas Volume
Feb-2010	190
Mar-2010	189
Apr-2010	189
May-2010	188
Jun-2010	187
Jul-2010	187
Aug-2010	186
Sep-2010	186
Oct-2010	185
Nov-2010	185
Dec-2010	184
Jan-2011	184
Feb-2011	183
Mar-2011	183
Apr-2011	182
May-2011	181
Jun-2011	181
Jul-2011	180
Aug-2011	180
Sep-2011	179
Oct-2011	179
Nov-2011	178
Dec-2011	178
Jan-2012	177
Feb-2012	177
Mar-2012	176
Apr-2012	176
May-2012	175
Jun-2012	175
Jul-2012	174
Aug-2012	174
Sep-2012	173
Oct-2012	173
Nov-2012	172
Dec-2012	172
Jan-2013	171

Atlantic A LS 2A

Future Production Decline Estimate

Mesaverde Daily Rates

Month	Gas Volume	Month	Gas Volume
Feb-2013	171	Feb-2016	153
Mar-2013	170	Mar-2016	153
Apr-2013	170	Apr-2016	152
May-2013	169	May-2016	152
Jun-2013	169	Jun-2016	152
Jul-2013	168	Jul-2016	151
Aug-2013	168	Aug-2016	151
Sep-2013	167	Sep-2016	150
Oct-2013	167	Oct-2016	150
Nov-2013	166	Nov-2016	149
Dec-2013	166	Dec-2016	149
Jan-2014	165	Jan-2017	148
Feb-2014	165	Feb-2017	148
Mar-2014	164	Mar-2017	148
Apr-2014	164	Apr-2017	147
May-2014	163	May-2017	147
Jun-2014	163	Jun-2017	146
Jul-2014	162	Jul-2017	146
Aug-2014	162	Aug-2017	145
Sep-2014	161	Sep-2017	145
Oct-2014	161	Oct-2017	145
Nov-2014	160	Nov-2017	144
Dec-2014	160	Dec-2017	144
Jan-2015	159	Jan-2018	143
Feb-2015	159	Feb-2018	143
Mar-2015	158	Mar-2018	142
Apr-2015	158	Apr-2018	142
May-2015	157	May-2018	142
Jun-2015	157	Jun-2018	141
Jul-2015	157	Jul-2018	141
Aug-2015	156	Aug-2018	140
Sep-2015	156	Sep-2018	140
Oct-2015	155	Oct-2018	140
Nov-2015	155	Nov-2018	139
Dec-2015	154	Dec-2018	139
Jan-2016	154	Jan-2019	138

Bureau of Land Management Conditions of Approval:

- 1) If cement squeeze work is necessary, contact Matt Halbert of the BLM Farmington Field Office @ (505) 599-6350.**
- 2) If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.**
- 3) Pits must be lined with an impervious material at least 12 mils thick. The pit must be fenced on three (3) sides during workover operations and on the 4th side after the rig moves off location. Pits must be closed within 90 days of completion of the workover operations. Prior to closing the pit the liner must be cut off at mud level.**