

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary-Designate

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey, Division Director**  
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: July 10, 2013

Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf. Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-11649-00-00	GALLEGOS CANYON UNIT	221	BP AMERICA PRODUCTION COMPANY	G	A	San Juan	F	G	31	29	N	12	W

Conditions of Approval:

- \*Notify NMOCD 24hrs prior to beginning operations.
- \*Prior to perforating provide CBL to agencies for review
- \*File C104 and completion report for Basin Mancos before returning to production

JUL 26 2013

NMOCD Approved by Signature

Date

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**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		5. Lease Serial No. NMSF078109
2. Name of Operator BP AMERICA PRODUCTION CO      Contact: TOYA COLVIN E-Mail: Toya.Colvin@bp.com		6. If Indian, Allottee or Tribe Name EASTERN NAVAJO
3a. Address 200 ENERGY COURT FARMINGTON, NM 87401	3b. Phone No. (include area code) Ph: 281-366-7148	7. If Unit or CA/Agreement, Name and/or No. 892000844F
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 31 T29N R12W SWNE 2445FNL 1690FEL 36.683440 N Lat, 108.136190 W Lon		8. Well Name and No. GALLEGOS CANYON UNIT 221
		9. API Well No. 30-045-11649-00-S1
		10. Field and Pool, or Exploratory BASIN DAKOTA
		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			
<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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 submitted and received BLM approval to recomplete & downhole commingle the Basin Dakota & Pinon Gallup 6/25/2013 for the subject well. After further evaluation, BP would like to amend the recompletion and downhole commingle to the Basin Dakota & Basin Mancos pools.

BP America Production Company respectfully request permission to recomplete into the Basin Mancos by setting a composite bridge plug over the Basin Dakota, establishing a steady production rate in the Basin Mancos, then remove the composite bridge plug & downhole commingle with the existing Basin Dakota.

The DK(71599) & the Basin Mancos(97232)pools are pre-approved for DHC per NMOCD Case No. 12520 Order No. R-11567 effective 04/26/2001. Although the interest owners are not identical between these two pools, this same order established approval for subsequent applications for DHC of

RCVD JUL 16 '13  
OIL CONS. DIV.  
DIST. 3

DHC 3840 AZ

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

**Electronic Submission #213039 verified by the BLM Well Information System  
For BP AMERICA PRODUCTION CO, sent to the Farmington  
Committed to AFMSS for processing by STEVE MASON on 07/11/2013 (13SXM1549SE)**

Name (Printed/Typed) TOYA COLVIN	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 07/10/2013

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <u>STEPHEN MASON</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>07/11/2013</u>
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 Farmington

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 \*\***

**Additional data for EC transaction #213039 that would not fit on the form**

**32. Additional remarks, continued**

production in wellbores within the GCU without notice to the unit interest owners. Therefore, no additional notification is required prior to DHC approval.

Production is proposed to be allocated based on the subtraction method using the DK projected future decline. That production will 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 Basin Mancos.

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

Please see attached DHC procedure, wellbore schematics & C-102.

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1600 Ito Brazos Rd., Artec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised July 16, 2010  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APL Number 30-045-11649		Pool Code 71599 & 97232		Pool Name Basin Dakota & Basin Mancos	
Property Code 000570		Property Name Gallegos Canyon Unit			Well Number 221
OGRID No. 000778		Operator Name BP America Production Company			Elevation 5589

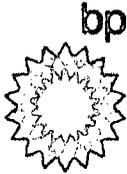
Surface Location									
Alt. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	31	29N	12W		2445	North	1690	East	San Juan

Bottom Hole Location If Different From Surface									
Alt. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320		Joint or Infill		Consolidation Code		Order No. R-11567			

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DIST. 3

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>16</p>	<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, and that this organization either owns or working interests or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well in this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Joey Colvin</i> 7/10/13 Signature Date</p> <p>Joey Colvin Printed Name</p> <p>Joey.Colvin@bp.com E-mail Address</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>Date of Survey Signature and Seal of Professional Surveyor:</p>	
	<p>Previously Filed:</p>	
	<p>Certificate Number</p>	



**GCU 221**  
Dakota  
API # 30-045-11649  
T-29N, R-12-W, Sec. 31  
San Juan County, New Mexico

**Reason/Background for Job**

The proposed work is to re-complete the GCU 221 to Basin Mancos. The proposed work is to isolate the Dakota, perf and frac the Mancos with approx 100,000# of sand in a 70Q foam. Then clean out, re-open the Dakota and set well back on production by commingling the Dakota and Basin Mancos zones.

1. Retrieve plunger and stop (if still in well)
2. Set barriers
3. MIRU service rig
4. NU BOP
5. Pull tubing
6. Run bit & scraper; Cleanout
7. Set composite bridge plug to isolate DK
8. MIT wellbore to 1800 psi (maximum expected reservoir pressure 1600 psi)
8. Run logs (CBL & PND)
9. Change out wellhead
10. Perforate Mancos
11. RIH frac string and set packer (if casing MIT indicates issues)
12. Set up frac stack and pressure test
13. Pressure test frac string and packer (if applicable)
14. RDMO
15. Frac Gallup - 70Q N2 foam and  $\pm$  100K # of sand
16. Flowback
17. Install BH gauges for the duration of facilities installation
18. Install facilities
19. MIRU Service Unit
20. Drill out composite plug; Clean out to PBTD
21. Run production tubing and land @  $\pm$  6125'
22. Run Pump and rods & produce well (DH commingle)

**Current WBD**



**GCU 221**  
 Dakota  
 API # 30-045-11649  
 T-29N, R-12-W, Sec. 31  
 San Juan County, New Mexico

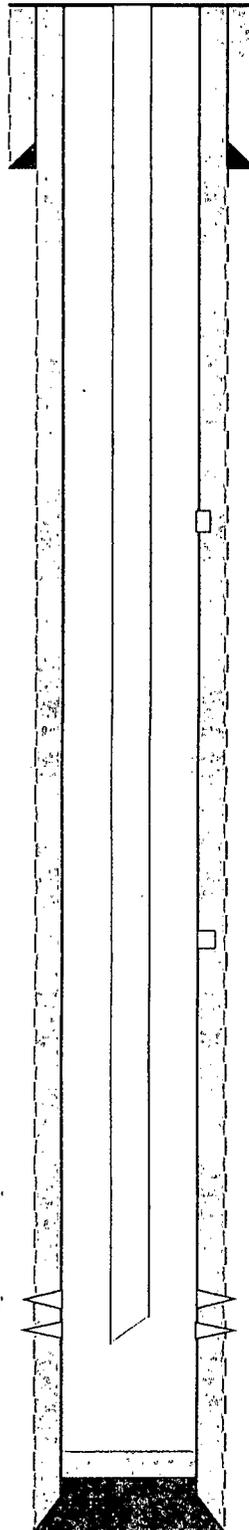
**Well History**

02/1966 - Spud in  
 03/1966 - Complete DK  
 04/1969 - Cut paraffin in tubing from 1300' to surface  
 10/1969 - Cut paraffin in tubing from 1200' to surface  
 11/1969 - Cut paraffin in tubing from 800' to surface  
 03/1970 - Cut paraffin in tubing  
 10/1970 - Cut paraffin in tubing from 250' to surface  
 07/1971 - Cut paraffin in tubing from 760' to surface  
 12/1981 - Wirelined. Installed plunger.  
 01/1995 - Swabbed well.  
 11/2000 - WL - Fish plunger at 5978'. Tag fill at 5979'; broach tubing to 5978'. set plunger stop at 5970'  
 02/2011 - WL - pull plunger; pull hard up to 1000' pull plunger stop; tag @ 5966'; retrieve what looked like the bottom part of a plunger; Impression block showed a mandrel off a slip stop; Reset plunger stop @ 5953'  
 12/2012 - WL - Pull plunger but could not pull stop; stop @ 5940' WLM

Formation Tops	
Pictured Cliffs	1460
Lewis Shales	1650
Mesaverde	3060
Mancos	4,220
Gallup	5130
Base Gallup	5695
Greenhorn	5905
Graneros Shale	5959
Graneros Dakota	6010
Main Dakota	6092

Deviation Data	
Depth (ft)	Dev (deg)
347	0.75
764	0.75
1517	0.5
1912	0.5
2552	0.5
2942	0.75
3400	0.5
4041	0.75
4560	0.75
5061	0.75
5436	1
6047	0.75

GL 5589'  
KB 5601'



**Surface Casing Data**

12 1/4" Hole  
 8 3/4", 24#, @ 347'  
 Cmt w/ 225 sks  
 TOC @ surf

DV Tool @ 1696'

**Tubing Details**

2 1/2", EOT @ 6019'

DV Tool @ 4288'

Plunger stop stuck @ 5952'

EOT @ 6019'

**Perforation Data - Dakota**

6013 - 6028' : 6044 - 6053'  
 frac w/ 48 K gals wr, 40K # snd  
 6098 - 6118' & 6132 - 6142'  
 Frac w/ 56,440 gals wr, 50,000# snd

**Production Casing Data**

7 7/8" Hole  
 4 1/2", 10.50#, @ 6193'  
 Cmt: 1st stage w/ 500 sx  
 2nd stage: 550 sx  
 3rd stage: 450 sx  
 TOC @ surf

PBTD: 6159'  
 TD: 6193'

**Final WBD**



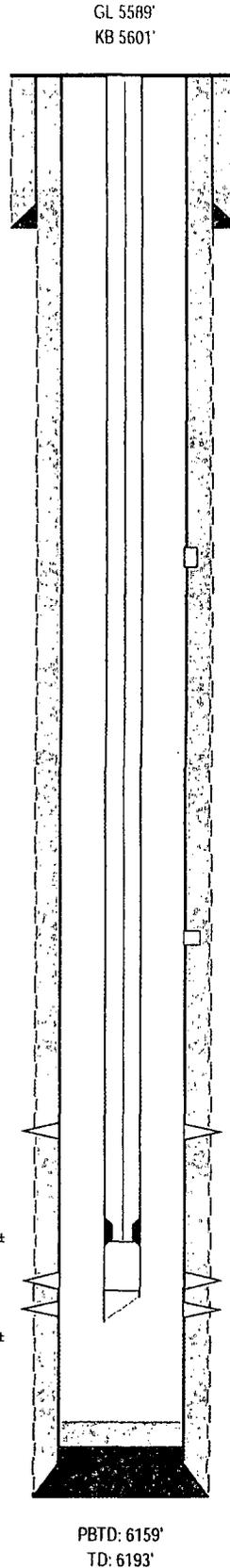
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Cmt w/ 225 sks  
TOC @ surf

**Tubing Details**

MS 2 3/4", 4.7#, J55 x 20' ±  
F nipple 2 3/8" x 1.78"  
Tbg 2 3/4", 4.7#, J55 EUE

DV Tool @ 1696'

**Rod Details**

Pump 2" x 1 1/2" x 16' RHAC  
Sinker bars 1 1/4" x 200' ±  
Rods 3/4" grd D x 1275' ±  
Rods 1/2" grd D, slim hole cpl x 1575' ±  
Fiber rod 1" x 3045' ±  
Polished rod 1 1/2" x 26' ±

DV Tool @ 4288'

**Proposed Perfs - Mancos**

5554 - 5570'

**Perforation Data - Dakota**

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