

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: Dec 30th, 2013

Application Type:

- P&A
 Drilling/Casing Change
 Recomplete/DHC
 Location Change
 Other: _____

Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf. Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-23897-00-00	GALLEGOS CANYON UNIT	207E	BP, AMERICA PRODUCTION COMPANY	G	A	San Juan	F	D	14	28	N	12	W

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations

Provide CBL to agencies for review prior to perforating

Hold C104 for approved NSL and NSP from Santa Fe

NMOCD Approved by Signature

2-5-14
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. NMSF078905
2. Name of Operator BP AMERICA PRODUCTION CO		6. If Indian, Allottee or Tribe Name EASTERN NAVAJO
3a. Address 200 ENERGY COURT FARMINGTON, NM 87401		7. If Unit or CA/Agreement, Name and/or No. 892000884F
3b. Phone No. (include area code) Ph: 281-366-7148		8. Well Name and No. GALLEGOS CANYON UNIT 207E
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 14 T28N R12W NVNW 0950FNL 1070FWL 36.666760 N Lat, 108.085850 W Lon		9. API Well No. 30-045-23897-00-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 America Production Company requests permission to re-complete into the Basin Mancos by setting a CIBP over the Basin Dakota, then remove the CIBP & downhole commingle production with the existing Basin Dakota.

DHC 3856 A2

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

RCVD JAN 9 '14

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

OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct. Electronic Submission #230635 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 01/07/2014 (14SXM1613SE)	
Name (Printed/Typed) TOYA COLVIN	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 12/30/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>STEPHEN MASON</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>01/07/2014</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 <u>Farmington</u>

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 ****

NMOCD

Additional data for EC transaction #230635 that would not fit on the form

32. Additional remarks, continued

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 plat. NMOCD notified via form C-103.



Gallegos Canyon Unit 207E

Dakota

API # 30-045-23897

T-28N, R-12-W, Sec. 14

San Juan County, New Mexico

Reason/Background for Job

The proposed work is to re-complete the GCU 207E 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. MIRU service rig
2. Pull tubing
3. Set bridge plug to isolate DK
4. MIT wellbore to \pm 1850 psi (maximum expected reservoir pressure 1650 psi)
8. Run CBL
9. Perforate Mancos \pm 5640 – 5660' (to be correlated w/ open hole log of 1980)
10. RDMO
11. Frac Mancos
12. Flowback
13. Install facilities
14. MIRU Service Unit
15. Drill out bridge plug; Clean out to PBTD; Drill out PBTD to 6372' (if possible)
16. Run production tubing
17. Run pump and rods & produce well (DH commingle)

Current WBD



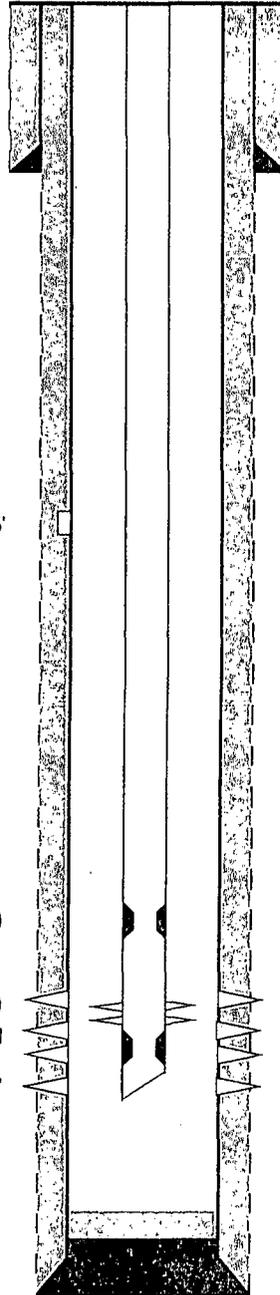
Gallegos Canyon Unit 207E
 Dakota
 API # 30-045-23897
 T-28N, R-12-W, Sec. 14
 San Juan County, New Mexico

Well History

01/1980 - Spud in
 04/1980 - Complete DK
 11/2010 - SL - tag fluid @ 5997'; retrieve plunger;
 unable to retrieve plunger stop; IB tag fill in tbg @ 6250;
 pull sample - sand; well produces up casing
 05/2013 - Tag fill in tbg @ 6250'; Perf tubing 6230 - 6245'
 set plunger stop @ 6201'

Formation Tops (ft)	
Ojo Alamo	105
Kirtland	280
Fruitland	1303
PC	1580
Lewis Shale	1685
Mesaverde	3160
Mancos Shale	4322
Gallup	5222
Mancos Shale	5698
Greenhorn	6012
Grancros	6054
Dakota	6096

GL 5702'
 KB 5715'



Surface Casing Data

12 1/4" hole
 8 3/4", 24#, K55 @ 298'
 Cmt w/ 315 sx (class B)
 TOC @ surface (circ 20 sxs)

DV tool @ 4435'

Tubing Details (4/1980)

Tubing 2 3/8", 4.7#, J55 @ 6271'

Plunger Stop @ 6201' (KB)

Tubing Perforations

6230 - 6245' (KB) (6 spf)

Fill @ 6250' (KB)

Plunger Stop stuck in tubing

Dakota Perforations

6094 - 6108'
 6161 - 6202'
 6214 - 6222'
 6253 - 6257'
 frac w/ 338K # 20/40 sand &
 146K gal fluid

EOT @ 6271'

Production Casing Data

7 7/8" hole
 4 1/2", 11.6#, K55 @ 6376'
 Stage 1 - 440 sx Class B
 Stage 2 - 885 sx Class B
 TOC @ surface (circ)

PBTD 6332'
 TD 6377'

Final WBD

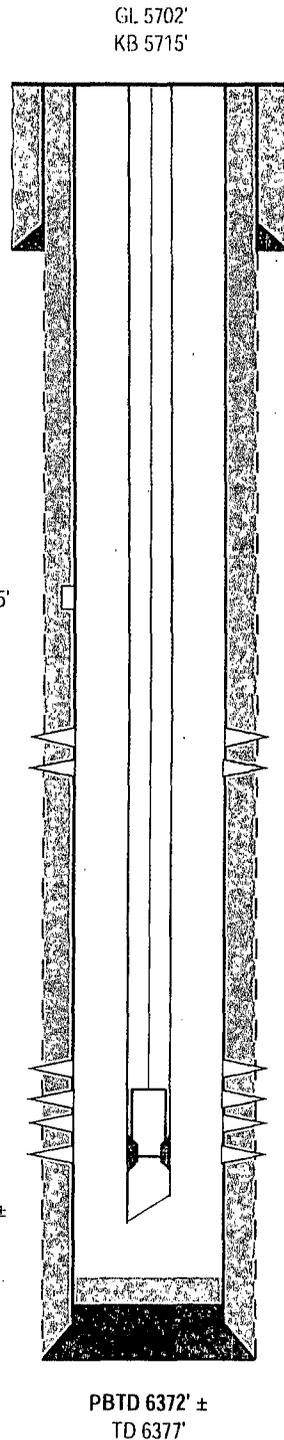


Gallegos Canyon Unit 207E
 Dakota
 API# 30-045-23897
 T-28N, R-12-W, Sec. 14
 San Juan County, New Mexico

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 8 5/8", 24#, K55 @ 298'
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Tubing 2 3/4", 4.7#, J55 @ 6310' ±

Proposed Mancos Perfs

5640 - 5660'

Dakota Perforations

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 frac w/ 338K # 20/40 sand &
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District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, 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

¹ API Number 30-045-23897	² Pool Code 71599	³ Pool Name Basin Dakota
⁴ Property Code 000570	⁵ Property Name Gallegos Canyon Unit	
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	
		⁶ Well Number 207E
		⁹ Elevation 5702

¹⁰ Surface Location

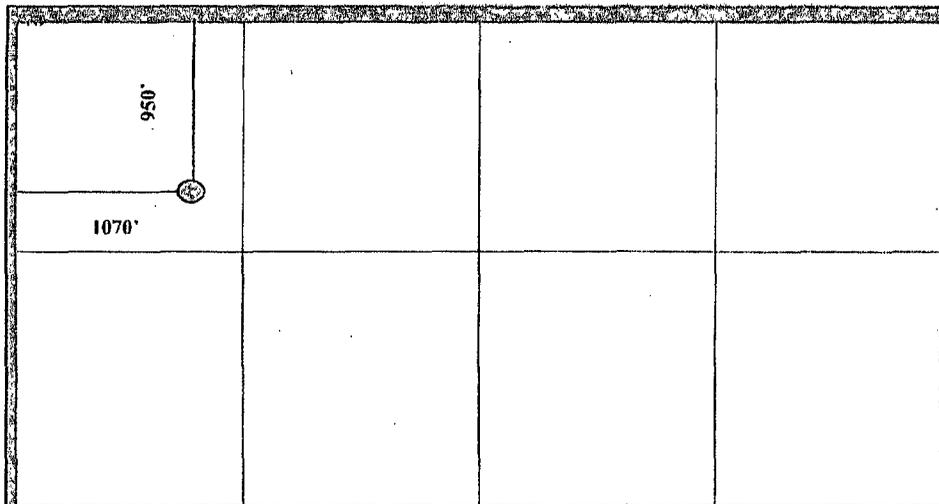
III. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	14	28N	12W		950	North	1070	West	San Juan

¹¹ Bottom Hole Location If Different From Surface

III. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. R-11567
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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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Toya Colvin 12/30/13
Signature Date

Toya Colvin
Printed Name

Toya.Colvin@bp.com
E-mail Address

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.

Date of Survey

Signature and Seal of Professional Surveyor:

Previously Filed

Certificate Number

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
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Form C-102
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-23897		² Pool Code 97232		³ Pool Name Basin Mancos	
⁴ Property Code 000570		⁵ Property Name Gallegos Canyon Unit			⁶ Well Number 207E
⁷ OGRID No. 000778		⁸ Operator Name BP America Production Company			⁹ Elevation 5702

¹⁰ Surface Location

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	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Date of Survey: Signature and Seal of Professional Surveyor:</p> <p>Previously Filed</p> <p>Certificate Number</p>	