

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: January 30, 2014

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
30-045-24259-00-00	GALLEGOS CANYON UNIT	221E	BP AMERICA PRODUCTION COMPANY	G	A	San Juan	F	P	31	29	N	12	W

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations

Provide CBL to agencies prior to proceeding with recompletion operations

NMOCD Approved by Signature

2-4-14
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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. 892000884F
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 31 T29N R12W SESE 0855FSL 0950FEL 36.677920 N Lat, 108.133610 W Lon		8. Well Name and No. GALLEGOS CANYON UNIT 221E
		9. API Well No. 30-045-24259-00-S1
		10. Field and Pool, or Exploratory BASIN
		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.

The Basin Dakota (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.

Production is proposed to be allocated based on the subtraction method using the Dakota projected future decline. That production will serve as a base for production subtracted from the total

RCVD FEB 3 '14
OIL CONS. DIV.
DIST. 3

DHC 3855 A2

14. I hereby certify that the foregoing is true and correct. Electronic Submission #233839 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 01/30/2014 (14SXM1630SE)	
Name (Printed/Typed) TOYA COLVIN	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 01/30/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By STEPHEN MASON	Title PETROLEUM ENGINEER	Date 01/30/2014
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 ****NMOCD
W

Additional data for EC transaction #233839 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 C-103 form.



GCU 221E DK
Dakota
API # 30-045-24259
Unit Sec 31 T29N R 12W
San Juan County, New Mexico

Reason/Background for Job

The proposed work is to re-complete the GCU 221E to Basin Mancos (Gallup/ChaCha lower formation). The Dakota will be isolated and Mancos (Gallup) will be produced by itself for approx. 6 months. After 6 months, drill out CIBP to open the Dakota and commingle production.

1. Pull tubing
2. Set bridge plug to isolate DK
3. MIT wellbore
8. Run CBL
9. Recomplete Mancos (Gallup) 5615 – 5630' ±
10. Produce Mancos (Gallup) for approx. 6 months
11. Drill out bridge plug
12. Produce well – DH commingle

Current WBD



GCU 221E DK
Dakota
API # 30-045-24259
Unit Sec 31 T29N R 12W
San Juan County, New Mexico

History

04/1980 - Spud in
07/1980 - Complete DK
01/1992 - Bradenhead Repair - c/o fill 6293 - 6308';
set BP @ 5990'; packer @ 5530'; press test csg
to 1500 psi - OK; press test backside (bradenhead ?)
to 1000 psi - OK; run CBL, VDL, GR, CCL // 3600' to surf -
poor bond 3600 - 1550'; TOC @ 1550'; perf @ 1400'
(2 holes); set packer @ 1026'
circ @ 1400' @ 3 bpm, 500 psi; 97 bbls
dyed fluid; squeeze 550 sxs, class B w/ 2% CaCl₂;
lost returns after 520 sxs; displace to 1150';
POH packer; drill out cement // 1146' to 1400';
press test csg to 600 psi - OK; run CBL - TOC @ 475'
retrieve BP; RIH prod string @ 6134'
09/1995 - csg repair - set BP @ 6024'; test to 1000 psi
isolate csg leag 3201 - 3217'; pump in @ 1.8 bpm
@ 800 psi; press test csg to 500 psi - OK;
squeeze 100 sxs class B, 15.6 ppg @ 2 bpm
drill out cement // 3155' to 3225'; press test to 500 psi - OK
c/o 6128 - 6310'; re-perf 6078 - 6098'; 6165 - 6184';
6190 - 6200'; land tbq @ 6145'
04/2010 - SL - tag FL @ 6000'; POH plunger & stop;
tag fill @ 6180'; slip dropped out of tbq; broach tbq to 6100';
gradient survey

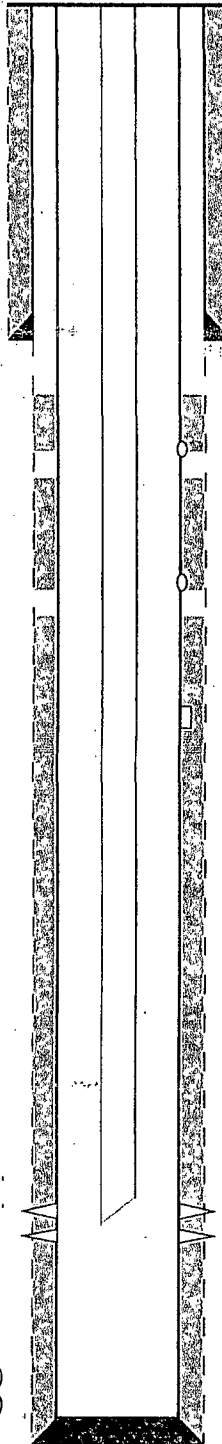
Formation Tops (ft)

Nothing logged above the Gallup
Gallup 5194
Mancos Shale 5650
Greenhorn 5974
Graneros Shale 6038
Graneros Dakota 6078
Main Dakota 6166

Deviation Survey

Depth (ft)	Dev (deg)
306	0.50
783	0.75
1277	0.75
2261	1.00
2446	0.75
2935	0.75
3426	1.00
3948	1.00
4467	1.25
4956	1.00
5353	1.00
5843	0.75
6351	1.00

GL 5661'
KB 5673'



12 1/4" Hole
8 1/4", 24#, @ 303'
315 sxs class B NEAT 2% CaCl₂
TOC @ surf (circ)

TOC @ 475'
Squeeze hole @ 1400'

Casing leak 3201 - 3217'

TOC unknown

DV Tool @ 4454

Tubing details	Length (ft)
Tbg 2 3/4", 4.7#, J55, MS	31
X Nipple 2 3/8" / 1 1/2"	1
Tbg 2 3/4", 4.7#, J55, 199 jts	6101

Dakota Perforations

6078 - 6098'
6165 - 6184'
6190 - 6200'
frac w/ 41 K gal & 140K # 20/40
reperf 09/1995

Prod Casing

7 1/4" hole
4 1/2" 10.5# J55 ST&C casing @ 6072'
stage 1 - 420 sxs Class B Neat 50:50 POZ, 6% gel
2 lb med Tuf plug/sk & 0.8% fluid loss; tail w/ 100 sxs
class B NEAT
stage 2 - 840 sxs Class B Neat 50:50 POZ, 6% gel
2 lb med Tuf plug/sk & 0.8% fluid loss; tailed w/ 100 sxs
class B Neat
no cement to surface
TOC @ 1550' (475')

X Nipple @ 6113'
EOT @ 6145'

Fill @ 6180' (wm)
(04/2010)

PBTD 6310'
TD 6351'

Proposed WBD - Mancos (Gallup) production



GCU 221E DK

Dakota

API # 30-045-24259

Unit Sec 31 T29N R12W

San Juan County, New Mexico

History

04/1980 - Spud in
07/1980 - Complete DK
01/1992 - Bradenhead Repair - c/o fill 6293 - 6308';
set BP @ 5990'; packer @ 5530'; press test csg
to 1500 psi - OK; press test backside (bradenhead ?)
to 1000 psi - OK; run CBL, VDL, GR, CCL // 3600' to surf -
poor bond 3600 - 1550'; TOC @ 1550'; perf @ 1400'
(2 holes); set packer @ 1026'
circ @ 1400' @ 3 bpm, 500 psi; 97 bibls
dyled fluid; squeeze 550 sxs, class B w/ 2% CaCl₂;
lost returns after 520 sxs; displace to 1150';
POH packer; drill out cement // 1146' to 1400';
press test csg to 600 psi - OK; run CBL - TOC @ 475'
retrieve BP; RIH prod string @ 6134'
09/1995 - csg repair - set BP @ 6024'; test to 1000 psi
isolate csg leag 3201 - 3217'; pump in @ 1.8 bpm
@ 800 psi; press test csg to 500 psi - OK;
squeeze 100 sxs class B, 15.6 ppg @ 2 bpm
drill out cement // 3155' to 3225'; press test to 500 psi - OK
c/o 6128 - 6310'; re-perf 6078 - 6098'; 6165 - 6184';
6190 - 6200'; land tbg @ 6145'
04/2010 - SL - tag FL @ 6000'; POH plunger & stop;
tag fill @ 6180'; slip dropped out of tbg; broach tbg to 6100';
gradient survey

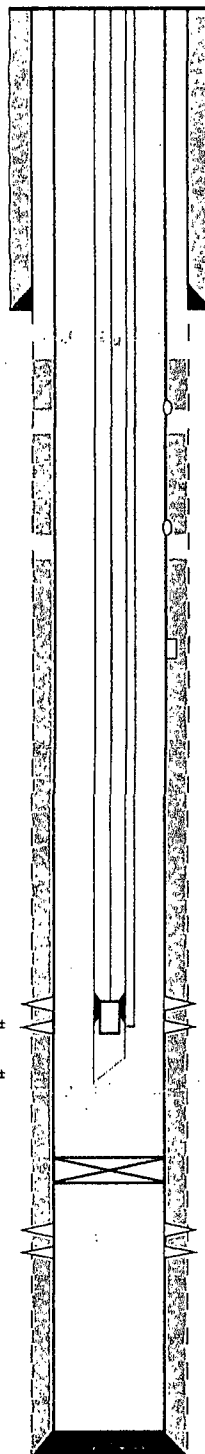
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315 sxs class B NEAT 2% CaCl₂
TOC @ surf (circ)

TOC @ 475'
Squeeze hole @ 1400'

Casing leak 3201 - 3217'
TOC unknown

DV Tool @ 4454

Tubing details

Tbg 2 3/8", 4.7#, J55, MS
F Nipple 2 3/8" / 1.78"
Tbg 2 3/8", 4.7#, J55

1/4" SS Capillary String
(banded outside prod tubing)

Proposed Mancos Perfs

5640 - 5660'

CIBP @ ± 6040'

Dakota Perforations

6078 - 6098'
6165 - 6184'
6190 - 6200'
frac w/ 41 K gal & 140K # 20/40
reperf 09/1995

Prod Casing

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stage 2 - 840 sxs Class B Neat 50:50 POZ, 6% gel
2 lb med Tuf plug/sk & 0.8% fluid loss; tailed w/ 100 sxs
class B Neat
no cement to surface
TOC @ 1550' (475')

PBTD 6310'
TD 6351'

Proposed WBD – Mancos (Gallup) & Dakota production



GCU 221E DK
Dakota
API # 30-045-24259
Unit Sec 31 T29N R 12W
San Juan County, New Mexico

History

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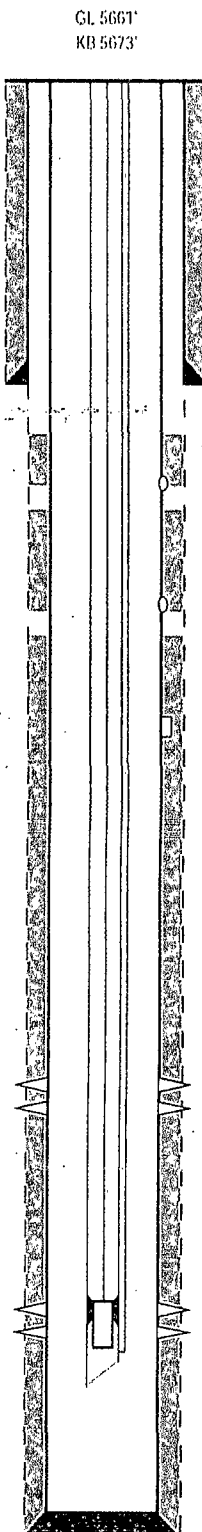
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5353	1.00
5843	0.75
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F Nipple @ 6246' ±

EOT @ 6278' ±



GL 5661'
KB 5673'

12 1/4" Hole
8 1/2", 24#, @ 303'
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class B Neat
no cement to surface
TOC @ 1550' (475')

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 30-045-24259	² Pool Code 71599	³ Pool Name Basin Dakota
⁴ Property Code 000570	⁵ Property Name Gallegos Canyon Unit	⁶ Well Number 221E
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation 5661

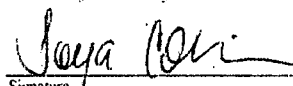
10 Surface Location

U/I. or lot no. P	Section 31	Township 29N	Range 12W	Lot Idn	Feet from the 855	North/South line South	Feet from the 950	East/West line East	County San Juan
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11 Bottom Hole Location If Different From Surface

U/I. 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						

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.

<div style="text-align: center;">16</div>					<div style="text-align: center;">17 OPERATOR CERTIFICATION</div> <p><i>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 undivided 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.</i></p> <p style="text-align: right;">  1/30/14 Signature Date </p> <p>Tova Colvin Printed Name</p> <p>Tova.Colvin@bp.com E-mail Address</p>
<div style="text-align: center;">18 SURVEYOR CERTIFICATION</div> <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</p> <p>Signature and Seal of Professional Surveyor:</p> <p style="text-align: center;">Previously Filed</p> <p>Certificate Number</p>					

District I

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1301 W. Grand Avenue, Artesia, NM 88210

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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 30-045-24259		² Pool Code 97232	³ Pool Name Basin Mancos
⁴ Property Code 000570	⁵ Property Name Gallegos Canyon Unit		⁶ Well Number 221E
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company		⁹ Elevation 5661

¹⁰ Surface Location

U/L or lot no. P	Section 31	Township 29N	Range 12W	Lot Idn	Feet from the 855	North/South line South	Feet from the 950	East/West line East	County San Juan
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¹¹ Bottom Hole Location If Different From Surface

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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	Tova Colvin <u>1/30/14</u> Signature Date	
	Tova Colvin Printed Name	
	Tova 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	