

Submit 1 Copy To Appropriate District Office  
 District I - (575) 393-6161  
 1625 N. French Dr., Hobbs, NM 88240  
 District II - (575) 748-1283  
 811 S. First St., Artesia, NM 88210  
 District III - (505) 334-6178  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV - (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised July 18, 2013

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

WELL API NO. 30-045-24974
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Schneider Gas Com Fruitland B
8. Well Number 1S
9. OGRID Number 000778
10. Pool name or Wildcat Basin Fruitland Coal
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6063'

SUNDRY NOTICES AND REPORTS ON WELLS  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

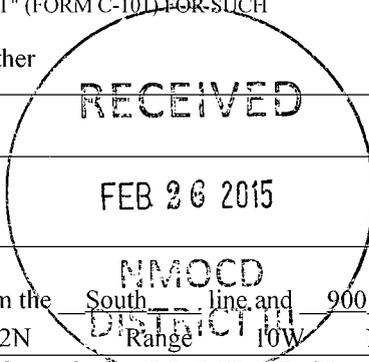
1. Type of Well: Oil Well  Gas Well  Other

2. Name of Operator  
BP America Production Company

3. Address of Operator  
501 Westlake Park Blvd.  
Houston, TX 77079

4. Well Location  
 Unit Letter M\_: 950 feet from the South line and 900 feet from the West line  
 Section 28 Township 32N Range 10W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
6063'



12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>			
CLOSED-LOOP SYSTEM <input checked="" type="checkbox"/>			
OTHER: <b>Deepen/Install Liner</b> <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

**BP America Production Company respectfully requests to deepen & install liner in the subject well. Although we believe the Blanco Pictured Cliffs will be non-productive in the well without perforation & fracture stimulation, BP will also pursue downhole commingling of the Basin Fruitland Coal & Blanco Pictured Cliffs formations.**

The Basin Fruitland Coal (71629) & the Blanco Pictured Cliffs (72359) pools are pre-approved for DHC per NMOCD Case No. 12346; Order No. R-11363 effective 04/26/2000. The interest owners are not identical in the subject well therefore notification is required. Dugan Production is the working interest owner in the Basin Fruitland Coal of the subject well and was notified by certified mail. BP owns 100% of the Pictured Cliffs formation. Please see attached Land Letter.

BP will not perforate or hydraulic fracture the subject well in the Blanco Pictured Cliffs formation. The Blanco Pictured Cliffs formation will be covered by an un-cemented liner and again will not be stimulated, therefore we are allocating the production as follows: Blanco Pictured Cliffs= Oil 0%, Gas 0%, and Water 0%, and Basin Fruitland Coal= Oil 100%, Gas 100%, and Water 100%. The basis for this allocation is solely contributed to offset production.

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

**Please see attached Deepening procedure, wellbore schematics & C-102 plats.**

Spud Date:  Rig Release Date:

*COA mudlogger required, submit mud log to OGD for review.*

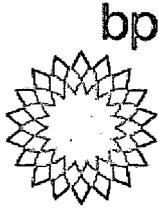
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Toya Colvin TITLE Regulatory Analyst DATE 02/23/2015

Type or print name Toya Colvin E-mail address Toya.Colvin@bp.com PHONE: 281-366-7148

APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR DATE MAR 03 2015

Conditions of Approval (if any): AV



BP America Production Co. P.O. Box 3092  
North American Gas - San Juan Houston, TX 77253-3092  
281-366-2761 (direct) 501 West Lake Park Blvd.  
281-366-0700 (fax) Houston, TX 77079

February 19, 2015

Ms. Toya Colvin – Regulatory Analyst  
BP America Production Company  
501 Westlake Park Blvd.  
Houston, TX 77079

RE: Schneider Gas Com Fruitland “B” #1S – Commingle Application  
Section 28-T32N-R10W  
San Juan County, NM  
API #30-045-24974

Ms. Colvin:

I have reviewed BP America Production Company’s division order records and other BP files concerning the above captioned well by comparing interest records for the Fruitland Coal formation against the interest records for the Pictured Cliffs formation in the S/2 of Section 28-T32N-R10W. This review indicated that ownership in the Fruitland Coal and Pictured Cliffs formations are as follows:

Fruitland Coal – S/2 Section 28-T32N-R10W (320 acres)

BP America Production Company	98.296880% WI
Evelyn J Bailey-Trust	1.703120% WI

Pictured Cliffs – SE/4 Section 28-T32N-R10W (160 acres)

BP America Production Company	100% WI
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Please contact me at x2761 if you have any questions concerning this topic.

Sincerely,

A handwritten signature in cursive script that reads "Craig A. Carley".

Craig A. Carley  
Land Negotiator – San Juan Asset

**Schneider GC B 001S**

Coal

API # 30-045-24974-00

Unit M - Sec 28 - T32N - R10W

**Reason/Background for Job**

The proposed work is to deepen the well to provide additional rathole and install liner to effectively produce the Fruitland Coal formation.

**Basic job procedure**

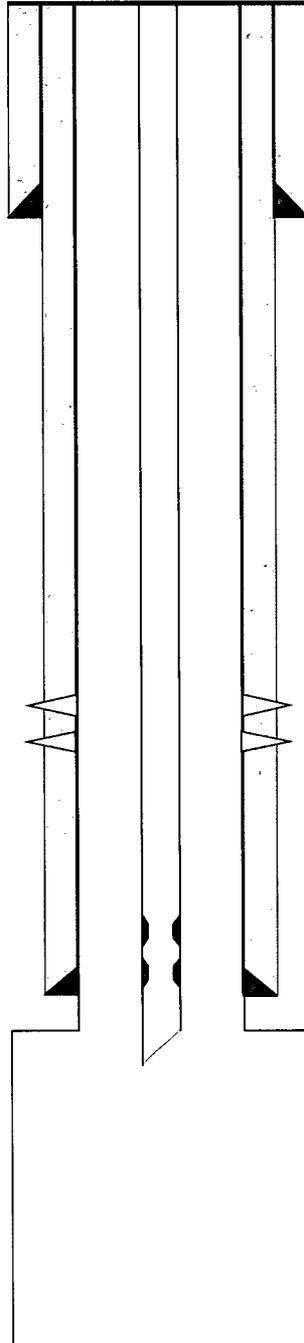
1. Pull tubing
2. Deepen well to  $\pm 2955'$
3. Run liner – either pre-slotted or perforate after installation; liner might be run with bit and sub on bottom (TOL @  $\pm 2785'$ )
4. Run tubing
5. Install artificial lift
6. Return well to production

**Current WBD**



**Schneider GC B 001S**  
 Coal  
 API # 30-045-24974-00  
 Unit M - Sec 28 - T32N - R10W

GL 6063'  
 KB 6075'



**Surface Casing**

12 1/4" hole  
 9 5/8", 32.3#, K55 @ 307'  
 350 sxs B  
 TOC @ surf (circ)

**Tubing String**

**Length(ft)**

MS 2 7/8", 6.5#, J55	18
F-Nipple 2 7/8" / 1.78" ID	1
Pup Jt 2 7/8", 6.5#, J55	4
X-Nipple 2 7/8" / 2.313" ID	1
Tbg 2 7/8", 6.5#, J55, xx jts	2759
Pup Jt 2 7/8", 6.5#, J55	4
Tbg 2 7/8", 6.5#, J55	30

**Deviation survey**

depth (ft)	dev (deg)
307	0.5
817	0.75
1310	0.75
1805	1
2331	1
2810	0.75

X Nipple @ 2794'  
 F Nipple @ 2799'  
 EOT @ 2818'

**Ignacio Perfs**

2616 - 2655' - 4 spf

**Cottonwood Perfs**

2709 - 2718' - 4 spf  
 frac in 1 stage w/ 70% Q foam and 59 K #

**Production Casing**

8 3/4" hole  
 7", 20#, K55 @ 2826'  
 545 sxs B  
 TOC @ surf (circ)

6 1/4" hole  
 Underreamed to 9"

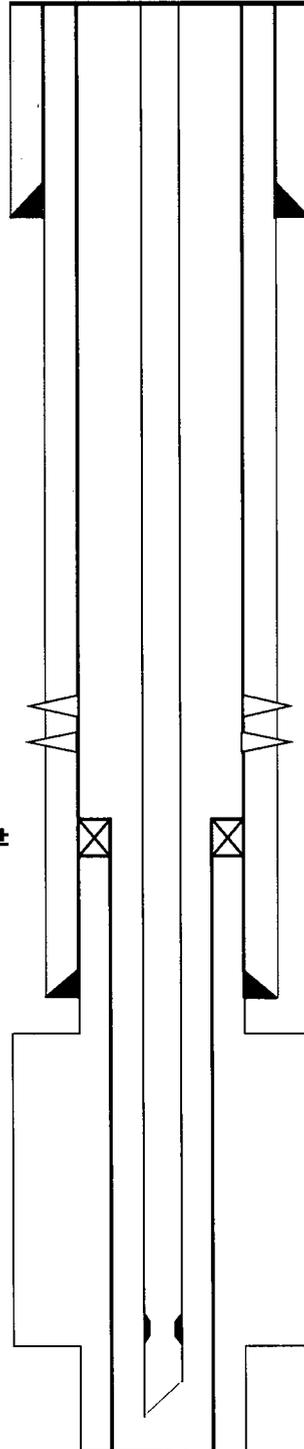
TD 2853'

**Proposed WBD**



**Schneider GC B 001S**  
 Coal  
 API # 30-045-24974-00  
 Unit M - Sec 28 - T32N - R10W

GL 6063'  
 KB 6075'



**Surface Casing**

12 1/4" hole  
 9 5/8", 32.3#, K55 @ 307'  
 350 sxs B  
 TOC @ surf (circ)

**Tubing String**

MS 2 7/8", 6.5#, J55, 18' ±  
 F-Nipple 2 7/8" / 1.78" ID  
 Tbg 2 7/8", 6.5#, J55  
 add pup jts for spaceout

**Ignacio Perfs**

2616 - 2655' - 4 spf

**Cottonwood Perfs**

2709 - 2718' - 4 spf  
 frac in 1 stage w/ 70% Q foam and 59 K #

**Production Casing**

8 3/4" hole  
 7", 20#, K55 @ 2826'  
 545 sxs B  
 TOC @ surf (circ)

**Liner perfs will be determined based on logs**

6 1/4" hole to 2853'  
 Underreamed to 9"  
 6 1/4" hole 2853 - 2955' ±  
 5 1/2", 15.50#, J55,  
 511 Hydrill @ 2955' ±

**Deviation survey**

depth (ft)	dev (deg)
307	0.5
817	0.75
1310	0.75
1805	1
2331	1
2810	0.75

TOL @ 2785' ±

F Nipple @ 2900' ±

EOT @ 2920' ±

TD 2955' ±

**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**

<sup>1</sup> API Number <b>30-045-24974</b>		<sup>2</sup> Pool Code <b>71629</b>		<sup>3</sup> Pool Name <b>Basin Fruitland Coal</b>	
<sup>4</sup> Property Code <b>001027</b>		<sup>5</sup> Property Name <b>Schneider Gas Com Fruitland B</b>			<sup>6</sup> Well Number <b>IS</b>
<sup>7</sup> OGRID No. <b>000778</b>		<sup>8</sup> Operator Name <b>BP America Production Company</b>			<sup>9</sup> Elevation <b>6063</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	28	32N	10W		950	South	900	West	San Juan

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres <b>320</b>		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No. <b>R- 11363</b>			

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><b>17 OPERATOR CERTIFICATION</b></p> <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 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.</i></p> <p><i>Toya Colvin</i> 2/23/15 Signature Date</p> <p>Toya Colvin Printed Name</p> <p>Toya.Colvin@bp.com E-mail Address</p>
	<p><b>18 SURVEYOR CERTIFICATION</b></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 style="text-align: center;">Previously Filed</p> <p>Certificate Number</p>				



**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
*Dugan Production Co.  
 709 E. Murray Dr.  
 Farmington, NM 87401*

2. Article Number  
*(Transfer from service label)* 7008 1140 0001 9414 9221

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
**X**  Agent  
 Addressee

B. Received by *(Printed Name)* C. Date of Delivery

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail®  Priority Mail Express™  
 Registered  Return Receipt for Merchandise  
 Insured Mail  Collect on Delivery

4. Restricted Delivery? *(Extra Fee)*  Yes

PS Form 3811, July 2013

Domestic Return Receipt



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 7008 1140 0001 9414 9221

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Return Receipt Fee <small>(Endorsement Required)</small>		
Restricted Delivery Fee <small>(Endorsement Required)</small>		
Total Postage & Fees	\$	

Sent To  
*Dugan Production Co.*  
 Street, Apt. No.,  
 or PO Box No. *709 E. Murray Dr.*  
 City, State, ZIP+4  
*Farmington, NM 87401*

PS Form 3800, August 2006 See Reverse for Instructions