

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.
SF - 078499

6. If Indian, Allottee or tribe Name

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

8. Well Name and No.
Tapps 3

9. API Well No.
30-045-23816

10. Field and Pool, or Exploratory Area
Basin Dakota & Blanco Mesaverde

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)
1850' FNL & 1640' FEL Sec 22 T28N R08W

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Abandon
	☐ Change Plans	☐ Plug and Abandon	☐ Water Disposal	
	☐ Injection	☐ Plug Back	☒ Other	Recompletion & 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 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 request permission to complete the subject well into the Blanco Mesaverde Pool and commingle production Downhole with the existing Basin Dakota production as per the attached procedure.

The working and overriding royalty interest owners in the proposed commingled pools are identical, therefore no additional notification is required.

Production is proposed to be allocated based on the subtraction method using the projected future decline for production from the Dakota. 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 Mesaverde. Attached is the future production decline estimates for the Dakota.

No OHC order 3-14-06

CONDITIONS OF APPROVAL

Adhere to previously issued stipulations.

Commingling Production Downhole in the subject well from the proposed Pools with not reduce the value of the total remaining production

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 **2/7/2006**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *Dan Halbert* Title **PETR ENG** Date **3/2/06**

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 **BLM-FFO**

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

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-23816	² Pool Code 72319	³ Pool Name Blanco Mesaverde
⁴ Property Code 001159	⁵ Property Name Tapp	⁶ Well Number 3
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation 5872' GR

¹⁰ Surface Location

UL or lot no. Unit G	Section 22	Township 28N	Range 08W	Lot Idn	Feet from 1850	North/South North	Feet from 1640	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 320	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. <i>Mary Corley</i> Signature Mary Corley Printed Name Sr. Regulatory Analyst Title 2/7/2006 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. On File Date of Survey Signature and Seal of Professional Surveyor: Certificate Number				

Tapp 3
Perforate & frac Mesaverde, and DHC Mesaverde & Dakota
February 6, 2006

Procedure:

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 6801'. Using approved "Under Balance Well Control Tripping Procedure".
11. TIH w/ scraper for 4-1/2". 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 PBTD at 6,863'. POOH.
12. Tubing set bridge plug at 5,000'. Fill casing w/ 2%KCl from the bottom up and test to 2,500 psi w/ rig pumps.
13. RU E-line equipment. Pressure test lubricator and equipment. Log well w/ CBL from 5,000' to 3200. If TOC is below **3500'**, 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. Meeting should address the VDR (vehicle data recorder) System that Bp people have installed on their vehicles.
16. RIH with 3-1/8" casing guns w/lubricator. Perforate Mesaverde formation:

w/ 2 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 4-1/2" casing. Cleanout fill to top of BP set at 5,000'. **Perform well test on MesaVerde and document well test in DIMS.**
20. Cleanout fill and BP set at 5,000'. Cleanout to PBTD at 6,863'. 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 +/-6,770'. 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 Chacra and Mesaverde.

Tapp #3

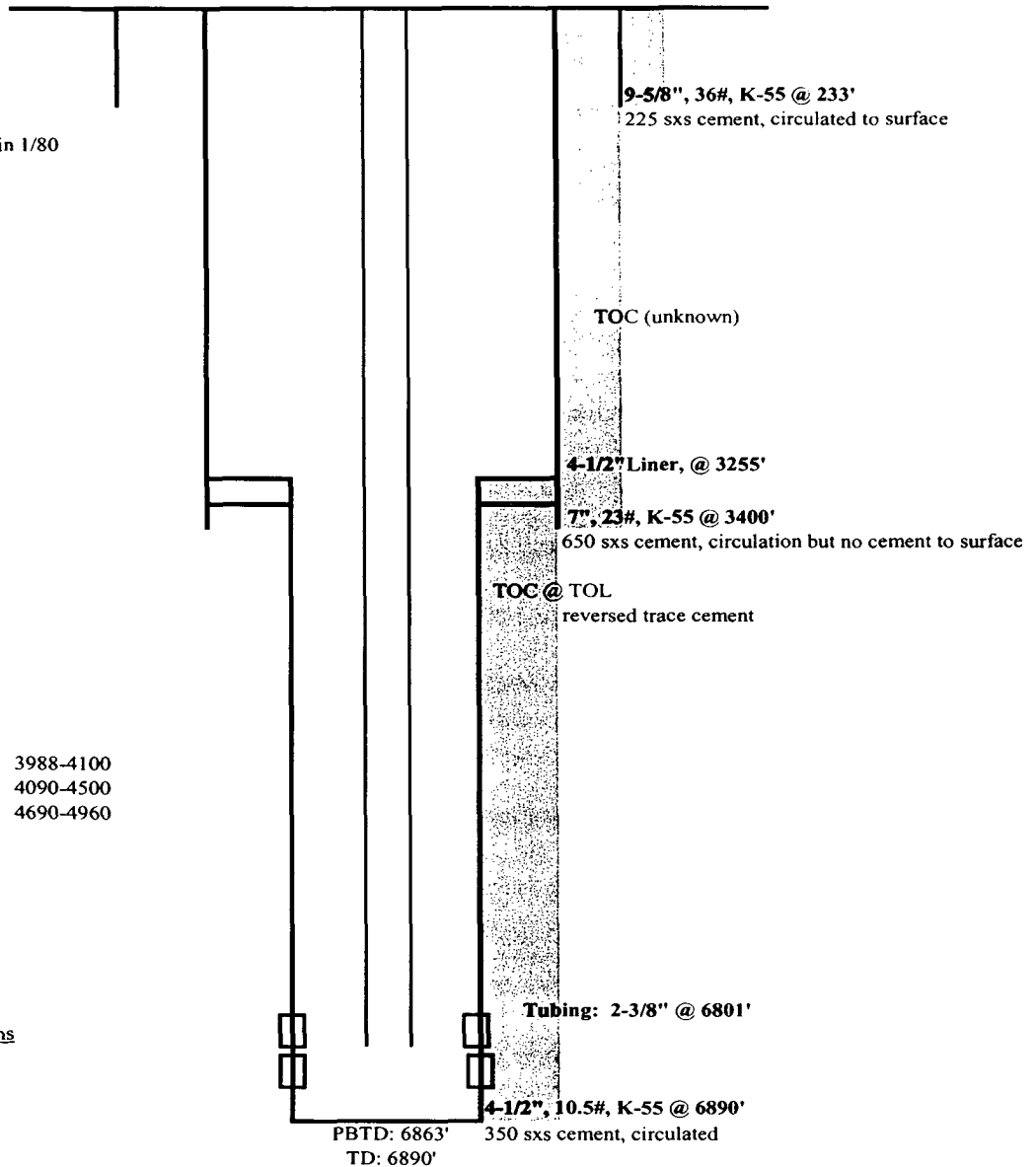
T28N R8W Sec 22
API # 30-045-23816

GL: 5872'

History:
Completed in DK in 1/80

Formation Tops
Cliffhouse 3988-4100
Menefee 4090-4500
Pt. Lookout 4690-4960

Dakota Perforations
6620-6838' 2 SPF
80,000# 20/40
20,000# 10/20



updated: 2/1/2006 JG