

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

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

WELL API NO. 30-045-26013
5. Indicate Type of Lease STATE [] FEE [x]
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Leeper Gas Com D
8. Well Number 1Y
9. OGRID Number 000778
10. Pool name or Wildcat Basin Fruitland Coal

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 [x] Other []
2. Name of Operator BP America Production Company
3. Address of Operator 737 North Eldridge Pkwy, 12.181A Houston, TX 77079
4. Well Location Unit Letter L_: 1500 feet from the South line and 840 feet from the West line
Section 34 Township 32N Range 10W NMPM County San Juan
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5838'

OIL CONS. DIV DIST. 3
MAR 20 2017

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

NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK [] PLUG AND ABANDON []
TEMPORARILY ABANDON [] CHANGE PLANS []
PULL OR ALTER CASING [] MULTIPLE COMPL []
DOWNHOLE COMMINGLE [x]
CLOSED-LOOP SYSTEM [x]
OTHER: Deepen-DHC PC [x]
SUBSEQUENT REPORT OF:
REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] P AND A []
CASING/CEMENT JOB []
OTHER: []

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 requests to deepen the subject well and run a new liner. No additional perforations will be added to the well.

As required by the NMOCD, BP requests to downhole commingle with the Blanco Pictured Cliffs formation in the subject well. Production is proposed to be allocated based on mud log results.

The Basin Fruitland Coal (71629) & Blanco Pictured Cliffs (72359) are Pre-Approved Pools for Downhole Commingling per NMOCD Case No.12346; Order No. R-11363 effective 04/26/2000. The owners in the Basin Fruitland Coal and Blanco Pictured Cliffs formations are different; therefore notification is required and has been sent by certified mail. Please see Land Letter.

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

Please see the attached procedure including wellbore diagrams & C-102 plat

File amended C-104 to show New TD & Liner info

Spud Date: 08/08/1984 Rig Release Date: []

DHC # 3966 AZ

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 3/16/2017

Type or print name Toya Colvin E-mail address: Toya.Colvin@bp.com PHONE: 281-892-5369

For State Use Only

APPROVED BY: [Signature] TITLE GEOLOGIST DISTRICT #3 DATE 3/20/2017

Conditions of Approval (if any):

MAR 20 2017

Leeper GC D 001Y

API # 30-045-26013-00

Location: L SEC. 34, T32N, R10W

San Juan County, New Mexico

Reason/Background for Job

The Leeper GC D 001Y was drilled and completed in the Fruitland coal in 1984. In order to maximize production by providing a "sump" from which to pump the liquids from the reservoir and ensuring the fluid level in the well stays below the coal seams, it is proposed to deepen the well beyond PBDT and run a new liner. The current perforations will continue to be the only source of production in the well.

Basic Job Procedure

1. Pull tubing
2. Deepen to TD of 2820'
 - i. Mud loggers will be on site
3. Run liner and set liner hanger at 2660'
4. Run tubing
5. Run rods & pump
6. Return well to production

Current WBD

OIL CONS. DIV DIST. 3

MAR 20 2011



Leeper GC D 001Y
 Fruitland Coal
 API #30-045-26013
 Unit L - Sec 34 - T32N - R10W
 San Juan County, New Mexico

Deviation Survey

| Depth | Inclination |
|-------|-------------|
| 518 | 0.50 |
| 1064 | 0.50 |
| 1540 | 0.50 |
| 2650 | 0.75 |

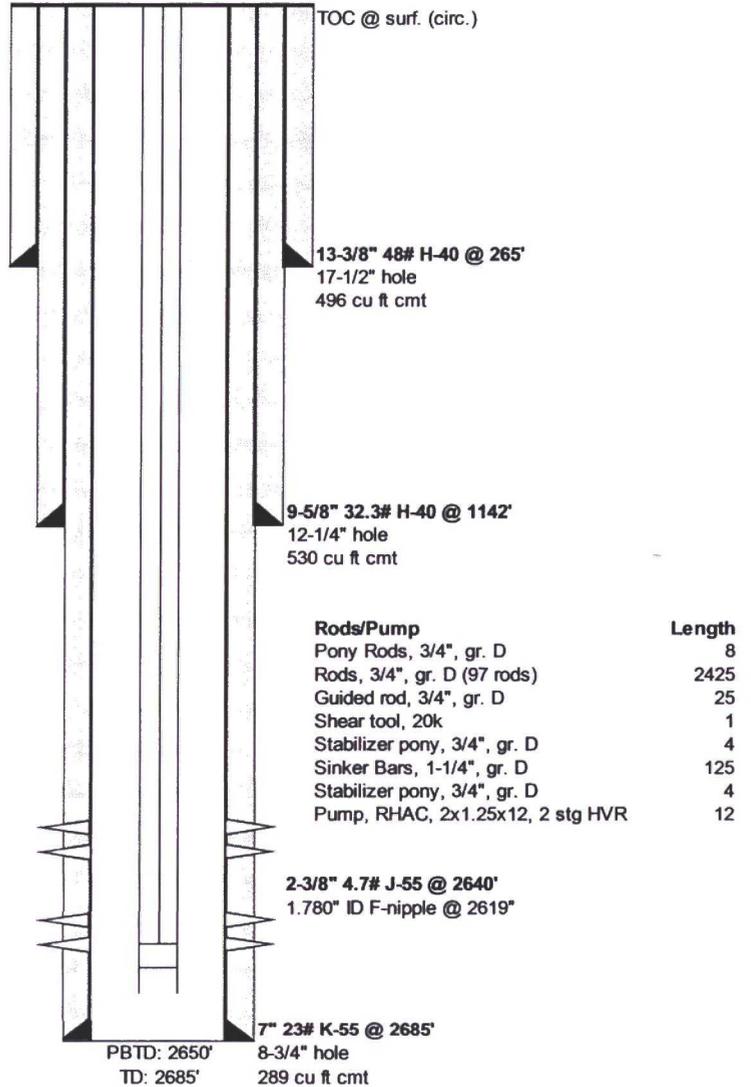
Formation Tops

| | |
|--------------------|------|
| Ojo Alamo | 1247 |
| Farmington Sand | 1280 |
| Kirtland-Fruitland | 1807 |

Fruitland Perforations

| | |
|---|----------------|
| 2387' - 2394' | 4 jspf, 0.410" |
| 2396' - 2400' | 4 jspf, 0.410" |
| 2402' - 2410' | 4 jspf, 0.410" |
| Frac'd w/ 25k# 20/40 Brady & 255 bbl foam | |
| 2608' - 2640' | 12 jspf, 0.75" |
| Frac'd w/ 450k# 12/20 Brady & 226k gal 40#/50# XL gel | |

KB 14'



Proposed WBD



Leeper GC D 001Y
 Fruitland Coal
 API #30-045-26013
 Unit L - Sec 34 - T32N - R10W
 San Juan County, New Mexico

GL: 5838'
 14' KB

Deviation Survey

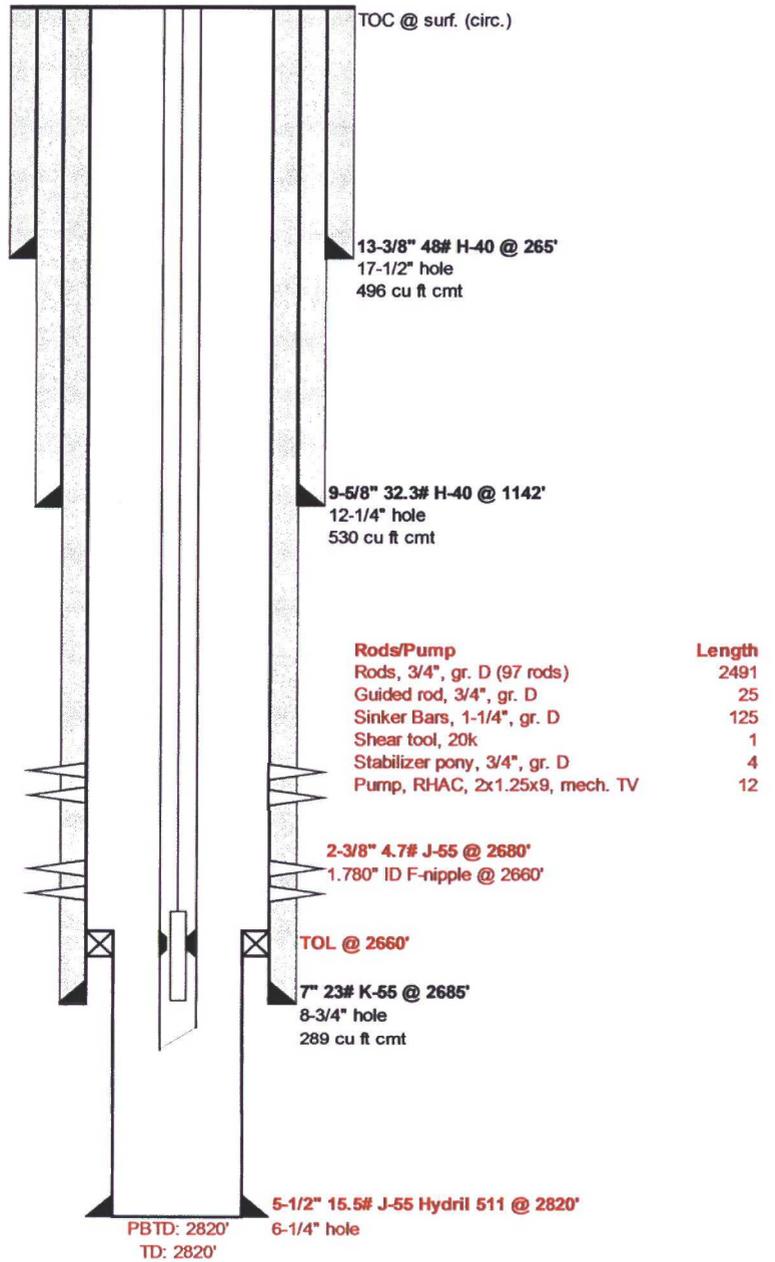
| Depth | Inclination |
|-------|-------------|
| 518 | 0.50 |
| 1064 | 0.50 |
| 1540 | 0.50 |
| 2650 | 0.75 |

Formation Tops

| | |
|--------------------|------|
| Ojo Alamo | 1247 |
| Farmington Sand | 1280 |
| Kirtland-Fruitland | 1807 |

Fruitland Perforations

| | |
|---|----------------|
| 2387' - 2394' | 4 jspf, 0.410" |
| 2396' - 2400' | 4 jspf, 0.410" |
| 2402' - 2410' | 4 jspf, 0.410" |
| Frac'd w/ 25k# 20/40 Brady & 255 bbl foam | |
| 2608' - 2640' | 12 jspf, 0.75" |
| Frac'd w/ 450k# 12/20 Brady & 226k gal 40#/50# XL gel | |



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

MAR 20 2017

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 30-045-26013 | ² Pool Code 71629 | ³ Pool Name Basin Fruitland Coal |
| ⁴ Property Code 000792 | ⁵ Property Name Leeper Gas Com D | |
| ⁷ OGRID No. 000778 | ⁸ Operator Name BP America Production Company | ⁶ Well Number 1Y |
| ⁹ Elevation 5838 | | |

¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| L | 34 | 32N | 10W | | 1500 | South | 840 | West | San Juan |

¹¹ 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|
| 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.

| | |
|--------------------------|--|
| <p>840'</p> <p>1500'</p> | <p>¹⁷ OPERATOR CERTIFICATION</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> 3/14/2017 Signature Date</p> <p>Toya Colvin Printed Name</p> <p>Toya.Colvin@bp.com E-mail Address</p> |
| | |



OIL CONS. DIV DIST. 3

MAR 20 2017

BP America Production Co.
Lower 48 Onshore

Craig T. Ferguson
craig.ferguson@bp.com
281-892-5743 (direct)

E3, 12.173B
737 N. Eldridge Parkway
Houston, Texas 77079

March 14, 2017

BP America Production Company
737 N. Eldridge Parkway
Houston, TX 77079

RE: Commingle Request
API # 30-045-26013-(FC)
SW Section 34-T32N-R10W
San Juan County, NM

Hello:

On behalf of BP America Production Company ("BP"), operator of the Leeper GC D 1Y (FC) located in an irregular section containing 309.02 acre non-standard unit defined as all of W/2 Section 34 T32N R10W, San Juan County, NM. I have reviewed BP's division order records and other title records concerning the above reference well and determined the following WI interest for the Fruitland Coal and Pictured Cliffs formations:

| <u>Company</u> | <u>WI</u> |
|--------------------------------------|------------------|
| BP America Production Cos. | 96.844864% |
| WPC Oil and Gas LP | 1.340933% |
| <u>Southland Royalty Company LLC</u> | <u>1.814203%</u> |
| | 100.000000% |

The Leeper GC D 1Y - FC consists of one (1) Federal leases:
SF-078604-A, 109.02 Acres, 1/8th Royalty

Please contact me at 281.892.5743 if you have any questions concerning this topic.

Sincerely,
Craig T. Ferguson
Sr. Land Negotiator

| SENDER: COMPLETE THIS SECTION | COMPLETE THIS SECTION ON DELIVERY |
|--|---|
| <ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. ■ 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. | <p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>X</p> <p>B. Received by (<i>Printed Name</i>) C. Date of Delivery</p> |
| <p>1. Article Addressed to:</p> <p>WPC Oil & Gas 8100 Lomo Alto No 125 Dallas, TX 75225-5897</p> | <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> |
|  9590 9402 1758 6074 6890 54 | <p>3. Service Type <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input checked="" type="checkbox"/> Certified Mail® <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p>(over \$500)</p> |
| <p>2. Article Number (Transfer from service label)</p> <p>7008 1140 0001 9414 8552</p> | |

PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt

| SENDER: COMPLETE THIS SECTION | COMPLETE THIS SECTION ON DELIVERY |
|--|---|
| <ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. ■ 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. | <p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>X</p> <p>B. Received by (<i>Printed Name</i>) C. Date of Delivery</p> |
| <p>1. Article Addressed to:</p> <p>Southland Royalty 400 West 7th St. Fort Worth, TX 76102</p> | <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> |
|  9590 9402 1758 6074 6890 61 | <p>3. Service Type <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input checked="" type="checkbox"/> Certified Mail® <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p>(over \$500)</p> |
| <p>2. Article Number (Transfer from service label)</p> <p>7008 1140 0001 9414 8743</p> | |

PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt