State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, 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: 5/24/17
Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-045-35775-00-00	NORTHEAST BLANCO UNIT 602 COM	001H	BP AMERICA PRODUCTION COMPANY	G	N	San Juan	F	D	12	31	N	7	W

Application Type:

☐ P&A ☐ Drilling/Casing Change ☐ Location Change

☐ Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84; Submit Gas Capture Plan form prior to spudding or initiating recompletion operations)

☒ Other: Casing report

Conditions of Approval:

- BP did not comply with the reporting timelines in 19.15.7.14.C&D for reporting of Spud and reports of casing installations. These reports are required to be submitted within 10 days of each individual action. BP needs to review the rule and ensure they comply with the requirements in the future.
- File an amended sundry indicating, as discussed, that cement was circulated on the first intermediate casing from the stage tool to surface.
- Include cement types with the cementing information in the future.

Please review rule 19.15.7.16.C for confidential status

Brandon Powell

NMOCD Approved by Signature

6/2/17
Date

1220 South St. Francis Drive • Santa Fe, New Mexico 87505
Phone (505) 476-3441 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd

Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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 page 2

5. Lease Serial No.
NMNM03358

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
NEBU 602 COM 1H

2. Name of Operator
BP AMERICA PRODUCTION CO
Contact: TOYA COLVIN
E-Mail: Toya.Colvin@bp.com

9. API Well No.
30-045-35775-00-X1

3a. Address
PO BOX 3092
HOUSTON, TX 77253

3b. Phone No. (include area code)
Ph: 281.892.5369

10. Field and Pool or Exploratory Area
BASIN MANCOS

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 12 T31N R7W NWNW 674FNL 825FWL
36.919422 N Lat, 107.528473 W Lon

11. County or Parish, State
SAN JUAN COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF 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	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Well Spud
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Please see the attached spud report including the plug back of the pilot hole drilled, CBLs, C-102 plats and wellbore diagram for the subject well.

In accordance with NMOCD Rule 19.15.7.16.C, BP America Production Company respectfully requests confidential status of the Spud Report, CBL, Wellbore Diagram, and C-102 plats for our Northeast Blanco Unit 602 Com #1H well. Please see attached letter of our request.

OIL CONS. DIV DIST. 3

JUN 01 2017

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #377206 verified by the BLM Well Information System
For BP AMERICA PRODUCTION CO, sent to the Farmington
Committed to AFMSS for processing by JACK SAVAGE on 06/01/2017 (17JWS0103SE)

Name *(Printed/Typed)* TOYA COLVIN — Title REGULATORY ANALYST

Signature (Electronic Submission) — Date 05/24/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED — JACK SAVAGE
Title PETROLEUM ENGINEER — Date 06/01/2017

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NMOCD

Spud Report for the NEBU 602 Com 1H – February- April 2017

February- April 2017

02/09/2017- INSTALLED 24" CONDUCTOR @ 70' GL

02/13/2017- **SPUD 12-1/4" PILOT HOLE TO 348' GL, CIRC HOLE CLEAN, PULL BACK UP, RIH WITH 20" HOLE OPENER- OPEN UP PILOT HOLE TO 20", TD OF 20" SURFACE HOLE AT 373', RIH W/ 16" 65# J-55 STC CASING SET @ 338'**

02/16/2017- CEMENT AS FOLLOWS:

TEST LINES TO 2000 PSI. TEST GOOD
- PUMP 20 BBLS FRESH WATER SPACER
- PUMP 99.8 BBLS 15.8 PPG CLASS G CEMENT (475 SKS)
- DROP PLUG AND DISPLACE WITH 67.3 BBLS FRESH WATER
- 115 PSI FINAL CIRC PRESSURE BUMP PLUG TO 150 PSI
- HELD PRESSURE 3 MIN. CHECK FLOAT. FLOAT GOOD
- FULL RETURNS WITH 45 BBLS CEMENT TO SURFACE

CEMENT JOB WITNESS BY BILL DIERS WITH BLM

02/25/2017- **16" SURFACE CASING – PRESSURED TEST CASING 1500 PSI FOR 30 MINUTES, GOOD TEST.**

02/26/2017- **03/04/2017-** DRILL AHEAD, DIR DRILL **14 ¾" INT1 HOLE** F/ 373' **TO TD 3,910', RUN 11 ¾" INTERMEDIATE CASING**

03/05/2017- **RIH W/ 11 ¾" 47/54# J-55/K-55 BTC-combo INT 1 CSG TO TD 3886'**, FILLING AS NEEDED AND BREAKING CIRC EVERY 10 JTS, CIRC & COND HOLE, PRESSURE TEST LINES TO 3345 PSI. TEST OK,
-PUMP 1ST STAGE CEMENT JOB AS FOLLOWS:

PUMP 20 BBLS, 8.4#, MUD FLUSH III SPACER @ 0 PSI, 3.6 BPM, PUMP 50 BBLS, 8.4# CHEMWASH @ 62 PSI, 3.6 BPM, PUMP 10 BBLS, 8.3# FRESH WATER @ 78 PSI, 3.6 BPM, PUMP 110 BBLS, 12.3#, *LEAD CEMENT (315 SXS)* @ 96 PSI, 3.6 BPM, PUMP 110.8 BBLS, 13.5#, *TAIL CEMENT (475 SXS)* @ 6.0 BPM, 284 PSI, DROP WIPER PLUG, PUMP 444 BBLS DISPLACEMENT (190 BBLS FW & 254 BBLS WBM) @ 7.0 BPM, 505 PSI, BUMP PLUG @ 3 BPM, PRESSURE UP TO 791 PSI, CHECK FLOATS, HELD, 1.5 BBLS BACK TO SURFACE, 0 PSI, STAGE UP PRESSURE FROM 500 PSI TO 1830 PSI. SAW PRESSURE FALL OFF. PRESSURE UP TO 2040 PSI AND HOLD 5 MINS, BLED BACK 4 BBLS TO 0 PSI, DROP DV OPENING PLUG (WASH UP TRUCK AND LINE TO CELLAR), WAIT 15 MINS FOR PLUG TO FALL, PUMP OPEN STAGE TOOL AND BREAK CIRC, FLOW AT SHAKERS, CIRC OFF TOP OF STAGE TOOL W/ 300 BBLS WBM' 60 BBLS **GOOD CEMENT TO SURFACE** (CALC 88.1 BBLS) @ 7.0 BPM, 257 PSI, SHUT DOWN TO MIX SPACERS FOR STAGE 2

-PUMP 2ND STAGE CEMENT JOB AS FOLLOWS:

PUMP 50 BBLS, 8.4# CHEMWASH @ 35 PSI, 3.6 BPM, PUMP 10 BBLS, 8.3# FRESH WATER @ 167 PSI, 3.6 BPM, PUMP 228.1BBLS, 12.3#, *LEAD CEMENT (650 SXS)* @ 6.1BPM, 154 PSI, PUMP 32.8 BBLS, 15.8#, *TAIL CEMENT (160 SXS)* @ 5.3 BPM, 249 PSI, DROP WIPER PLUG, PUMP 275 BBLS FW DISPLACEMENT @ 7.0 BPM, 521 PSI, BUMP PLUG @ 3 BPM, PRESSURE UP TO 2124 PSI, CHECK FLOATS, HELD, BLED BACK 4 BBLS TO 0 PSI

03/07/2017- **11 ¾" INTERMEDIATE 1 CASING – PRESSURED TEST CASING 1500 PSI FOR 30 MINUTES, GOOD TEST**

03/08/2017- 03/10/2017- **DIR DRILL 10 5/8" INT2 HOLE F/ 3910' TO TD 6510'**

03/11/2017- **RIH LAND 8 5/8" N-80 32# BTC CASING @ 6490'** CIRC & COND HOLE FOR CEMENT JOB, CEMENT AS FOLLOWS:

LEAD SLURRY*: 415 SX*, 12.3 PPG, 1.96 YIELD, TAIL SLURRY*: 135 SX* 13.5 PPG,
1.3 YIELD. TOP OF CEMENT ESTIMATED AT 2,200' MD BASED OFF OF PLUG
BUMP PRESSURE AND LIFTING PRESSURES. WE HAD FULL RETURNS
THROUGH CEMENT JOB, **CEMENT TOP @ 2132' CBL RAN 3/28/2017**

03/12/2017- **TEST CASING TO 1500 PSI FOR 30 MIN- GOOD TEST**

03/13/2017- 03/26/2017- **DIR DRILL 7 7/8" PILOT HOLE** F/ 6510' TO 7000', RIH WITH CORING TOOLS. C&C. CORE F/ 7000' TO 7300'. C&C. TOOH TO 6,321'.
- TRIP OUT W/ CORE F/ 7300' TO 4170' @ 4 MIN / STAND, TRIP OUT W/ CORE F/ 4170' TO 846' @ 6 MIN / STAND
- CORE F/ 7300'-7410', CIRC, CORE F/ 7410-7415', FLOW CKs
- TOOH L/D CORE. RIH TO SHOE WITH NEXT CORE ASSY TO 6,433' TROUBLE SHOOT DRWKS VFD/ CHANGE HMT SCREEN IN DOGHOUSE
- TIH WITH CORE ASSY, ATTEMPTED TO CORE, HEALED LOSSES, TOOH TO INSPECT CORING BHA, RIH WITH CLEAN OUT ASSY FOR CORING RUN.
- TRIP IN HOLE TO CORE, CORE F/ 7422' - T/ 7580', CIRC, FLOW CK, CIRC, TRIP OUT OF HOLE WITH CORE
- L/D CORE, TRIP IN HOLE WITH DRILLING ASSEMBLY, DRLG F/ 7,580' - T/ 7,885' , NEXT CORE POINT
- TRIP OUT OF HOLE WITH DIRC TOOLS, P/U CORING ASSEMBLY, TRIP IN HOLE, CORE F/ 7,885' - T/ 7,935'
- TRIP OUT OF HOLE WITH CORING ASSEMBLY, P/U DIRC ASSEMBLY, TRIP IN HOLE, DRLG F/ 7941' T/ 8041'
- DIR DRILL 7 7/8" PILOT HOLE F/ 8,041' TO 8,170'
- TRIP OUT OF HOLE FOR CORING ASSEMBLY, TRIP IN HOLE, CORE F/ 8170' - T/ 8217'
- FINISH CORING, TRIP OUT OF HOLE & L/D CORE, TRIP IN HOLE WITH MOTOR & BIT TO DRILL RAT HOLE

03/27/2017- **DIR DRILL 7 7/8" PILOT HOLE F/ 8,217' - TD DEPTH 8342' (MD)** - 8204' (TVD) , MONITORING WELL BORE , WAITING ON LOGGERS

03/28/2017- MONITOR WELL, W/O LOGGERS, TIH, CORC & COND, POH, LD-TOOLS, SAFETY MTG, RU & RUN BAKER WIRELINE LOGS **CBL TOC IN 8 5/8" CASING @ 2,132', POOH,** LOG WELL

03/31/2017- 04/01/2017- CEMENT PILOT HOLE:
BALANCED CEMENT PLUG #1 F/ 7,693' - 8,342', POOH SLOWLY TO 7,667', CIRC AND COND MUD TO 10.7 PPG, PUMP 30 BBLS 11.7# TUNED SPACER AND SPOT 2ND 15.8# BALANCED CEMENT PLUG #2 F/ 7,017' - 7,667', POOH SLOWLY TO 6,998', CIRC AND COND MUD TO 10.7 PPG, PUMP 40 BBLS 11.7# TUNED SPACER AND SPOT 3RD 17.0# BALANCED CEMENT PLUG #3 F/ 6,330' - 6,998', POOH SLOWLY TO 5,794', CIRC AND COND MUD TO 10.7 PPG
TEST BOPE, 250-LOW, 5000-HIGH ON ALL VALVES, 250-LOW & 3500 HIGH ON ANNULAR- **ALL TESTS GOOD/PASSED.**

04/02/2017- 04/20/2017- WOC, WASH DOWN TO 6,448', CIRC, WASH DOWN TO 6,544', PUMP SLUG, TOH TO 3,119', PU-DP SINGLE & TIH, W & R F/ 6544' TO 6590' (FIRM CEMENT), BUILD & PUMP SLUG, POH TO 3,100'
- FINISH TOH, PU-DIR BHA, RIH, CIRC

04/21/2017- **DIR DRILL 7 7/8" LATERAL F/ 6,591 TO TD @ 17517'**

04/22/2017- 04/28/2017- TRIP IN HOLE, CIRC FOR LOGS, TRIP OUT OF HOLE FOR LOGS, LOGGING LATERAL
-LAYING DOWN DRILL STRING, RIG UP TO RUN PRODUCTION CASING
-RIH W/ 5-1/2" P1110 20# VARoughneck PRODUCTION CASING AS PER PLAN TO TD 17,457'
-CEMENT 5-1/2" PRODUCTION CASING AS FOLOWS:

-TUNED SPACER - 60 BBLS, 12.3 PPG W/ 5 MILLICURIES OF RA
TAG IN LAST PART OF SLURRY
-CEMENT- 1750 SX, 13.3 PPG, 425 BBLS SLURRY
-DROP PLUG
-DISPLACE W/ 40 BBLS SPACER W/ MICRO RETARDER @ 8.33
PPG
-DISPLACE W/ 308 BBLS DISPLACEMENT @ 8.33 PPG
-CHECKED FLTS, 4.25 BBLS RETURNED, FLOATS HELD
-W.O.C, CLEANING RIG, START RIGGING DOWN, LAY DERRICK OVER, CLEAN DERRICK

*****RELEASE RIG @ 1800 HRS ON 4/29/2017*****

****CBL RAN 05/04/2017 TOC 5 ½" CASING @ 3370'**