Form 3160-5 (August 1999) FORM APPROVED UNITED STATES OMB No. 1004-0135 DEPARTMENT OF THE INTERIOR Expires November 30, 2000 **BUREAU OF LAND MANGEMENT** Lease Serial No. SUNDRY NOTICES AND REPORTS ON WELLS SF - 078139 Do not use this form for proposals to drill or to re-enter an Abandoned well. Use Form 3160-3 (APD) for such proposeds. Indian, Allottee or tribe Name RECEIVE If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on reverse side ON NM Type of Well Well Name and No. Other Oil Well Gas Well Elliott GC K #1 & Elliott GC H #1A Name of Operator API Well No. **BP America Production Company** Attn: Cherry Hlava 30-045-09109 & 30-045-22681 3b. Phone No. (include area code) 3a. Address Field and Pool, or Exploratory Area Blanco Pictured Cliffs & Blanco MV P.O. Box 3092 Houston, TX 77253 281-366-4081 County or Parish, State Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 26 T30N R09W #1 - 1190' FSL & 1675' FEL # 1A - 1020' FSL & 1590' FEL San Juan County, New Mexico 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OR NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Production (Start/Resume) Water shut-Off Acidize Deepen Notice of Intent Reclamation Well Integrity Alter Casing Fracture Treat Casing Repair Recomplete Subsequent Report New Construction Plug and Abandon Water Disposal Final Abandonment Notice Change Plans Surface Commingle Other Convert to Injection Plug Back 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 respectfully requests authorization to surface commingle gas production from the Elliott GC K #1 reservoir Blanco Picutured Cliffs (30-045-09109) and the Elliott GC H 1A reservoir Blanco Mesaverde (30-045-72319). The production from each well will be separated & metered prior to commingling and the liquids will be removed. The commingled gas production will then be sent through compression prior to entering the sales meter. (please see attached schematic). The working interest, royalty and overriding royalty interest owners in the subject wells are different therefore notification is required by certified return receipt sent 9/01/06. The proposed commingling of production is to reduce operating expenses between the wells and will result in increased economic life of the wells. PC 1175 Attached in support of our application are copies of documentation submitted to the NMOCD for State approval. I hereby certify that the foregoing is true an dcorrect Name (Printed/typed) Cherry Hlava Title Regulatory Analyst

Cherry Hlava

Title Regulatory Analyst

Date 09/01/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Party R. Libson

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.

Title Feat.

Office

Farmington Hill Applicant Hill Applicant

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 witin its jurisdiction.



Aug. 31, 2006

San Juan South Asset

Cherry Hlava WL1-19.132 281-366-4081 (direct) 281-366-0700 (FAX) Hlavacl@bp.com

P. O. Box 3092 Houston, Texas 77253-3092 501 Westlake Park Boulevard Houston, Texas 77079

New Mexico Oil Conservation Division Energy and Minerals Department P. O. Box 2088 Santa Fe, New Mexico 87501

Surface Commingling Notice

Elliott Gas Com K 1 Blanco Pictured Cliffs Elliott Gas Com H 1A Blanco Mesaverde Section 26, T30N, R09W San Juan County, New Mexico

BP America Production Company respectfully request authorization to surface commingle gas production from the Blanco Pictured Cliffs & Blanco Mesaverde. Surface commingling Pictured Cliffs production will be from the Elliott GC K #1 and the Blanco Mesaverde will be from the Elliott GC H #1A. Both of these 'leases' are of the same base lease with different Working Interest ownership percentages between formations.

The production from each well will be separated & metered prior to commingling and the liquids will be removed. The commingled gas will then be sent through compression prior to entering the sales meter.

All interest owners are notified by copy of this application, via certified mail return receipt requested.

Attached in support of our application and in compliance with NMOCD Rule 303(B) are the following documents:

- Plat with lease boundaries marked
- 2. Site Facility Schematic Flow Diagram
- 3. Address listing Interest Owners Notified
- 4. Form C-107-B
- 5. Form C-103

Should you have any questions concerning this matter please contact me at 281-366-4081.

Sincerely,

Cherry Hlava
Cherry Hlava
Regulatory Analyst

CC: NMOCD

1000 Rio Brozos Rd Aztec, NM 87410 District I

1625 N. French Drive, Hobbs, NM 88240 District II

1301 W. Grand Ave, Artesia, NM 88210 District III

1000 Rio Brazos Road, Aztec, NM 87410 District IV

1220 S. St Francis Dr, Santa Fe, NM 87505

E-MAIL ADDRESS:

hlavacl@bp.com

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 S. St Francis Drive Santa Fe, New Mexico 87505 Revised June 10, 2003

Form C-107-B

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

		COMMINGLING	DIVERSE	OWNERSHIP)	
	rica Production Co				
OPERATOR ADDRESS: P O Box	3092 Houston, T	X 77253			
APPLICATION TYPE:	—				
NPool Commingling ☐ Lease Commingling —			torage and Measur	ement (Only if not Surface (Commingled)
LEASE TYPE: Fee	State X Feder				
Is this an Amendment to existing Order Have the Bureau of Land Management \(\overline{\mathbb{N}} \) Yes \(\subseteq \mathbb{N}\text{0}\)					ingling
	` '	L COMMINGLIN s with the following in			
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Blanco Picture Cliffs 72359 (#1)	1171 BTU	1171 BTU		29 MCFD	29
Blanco MV 72319 (#1A	1211 BTU	1211 BTU		50 MCFD	50
				-	
(4) Measurement type: N Metering (5) Will commingling decrease the value of (1) Pool Name and Code. (2) Is all production from same source of (2)	(B) LEA Please attach sheet	SE COMMINGLINGS with the following in	NG	ing should be approved	
(3) Has all interest owners been notified by (4) Measurement type: Metering	certified mail of the pro		□Yes □	No	
		LEASE COMMIN			
(1) Complete Sections A and E.					
(I		ORAGE and MEA		7	
(1) Is all production from same source of(2) Include proof of notice to all interest of	supply? 🗌 Yes 🔲 N				
(E) AI		RMATION (for al		types)	
 A schematic diagram of facility, inclu A plat with lease boundaries showing Lease Names, Lease and Well Number 	all well and facility locat	ions. Include lease numb	ers if Federal or S	itate lands are involved.	
I hereby certify that the information above is	s true and complete to the	best of my knowledge ar	nd belief.		
SIGNATURE: Chiry Hang	<u>~</u>	ITLE: Regulatory	Analyst	DATE: 09/01/2006	<u>.</u>
TYPE OR PRINT NAME Cherr	y Hlava		TELEPHO	NE NO.: 281-366-	4081

'Submit 3 Copies To Appropriate District Office		of New Me			Form C-103
District I 1625 N. French Dr., Hobbs, NM 88240	Energy, Minera	als and Natur	al Resources	WELL API NO.	Revised March 25, 1999
District II	OIL CONSE	PVATION	DIVISION		ence Below
811 South First, Artesia, NM 88210 District III		uth St. Fran		5. Indicate Type of	t e e e e e e e e e e e e e e e e e e e
1000 Rio Brazos Rd., Aztec, NM 87410		Fe, NM 87		STATE 6. State Oil & G	FEE as Lease No
<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM	54	, , , , , , , , , , , , , , , , , , , ,		o. State On & G	as Lease No.
87505 SUNDRY NOT	TICES AND REPORTS	ON WELLS		7 Lease Name or	Unit Agreement Name:
(DO NOT USE THIS FORM FOR PROP	OSALS TO DRILL OR TO D	EEPEN OR PLU		7. Double Hame of	
DIFFERENT RESERVOIR. USE "APPL PROPOSALS.)	ICATION FOR PERMIT" (F	ORM C-101) FO	R SUCH	1	K & Elliott GC H
1. Type of We <u>ll:</u>					MSF - SF - 078139 BLM on Form 3160-5)
Oil Well Gas Well	X Other			Notifica	3117 01111 0 700 37
2. Name of Operator BP America Production Company	Attn: Cherry Hlava			8. Well No.	. 1 & 1A
3. Address of Operator	Attil. Cherry mava	<u> </u>		9. Pool name or \	
P.O. Box 3092 Houston, TX 77253	3			Blanco PC & Blan	
4. Well Location					
Unit LetterO(see	C-102) feet from the	South lin	e and feet	from the Fast	line
Olit Letter O Ise	; 0-102] leet from the _	IIII	e andreet	nom me <u>Last</u>	inic
Section 26	Township 30N		W NM		County
	10. Elevation (Sho	w whether DI	R, RKB, RT, GR, etc	:.)	
11 Check	Appropriate Box to	Indicate Na	ature of Notice	Report or Other	Data
	NTENTION TO:	marcare i ve		SEQUENT RE	
PERFORM REMEDIAL WORK		ON 🗆	REMEDIAL WOR		ALTERING CASING
TEMPORARILY ABANDON	CHANGE PLANS		COMMENCE DRI	LLING OPNS.	PLUG AND
PULL OR ALTER CASING	J MULTIPLE		CASING TEST A	ND 🗆	ABANDONMENT
	COMPLETION		CEMENT JOB		
OTHER: Surface Commingle		X	OTHER:		
12. Describe proposed or comple					
of starting any proposed work or recompilation.	k). SEE RULE 1103. F	For Multiple C	Completions: Attac	h wellbore diagram	of proposed completion
BP America Production Company	respectfully requests a	authorization	to surface commin	gle gas production	from the Elliott GC K #1
reservoir Blanco Pictured Cliffs (3	0-045-09109) and the Elli	iott GC H 1A	reservoir Blanco Me	esaverde (30-045-226	881). The production from
each well will be separated & med compression prior to entering the		ing and the li	quids removed. The	ne commingled gas	will then be sent through
compression prior to entering the	sales meter.				
The working interest, royalty a					
required by certified return r between the wells and will resul				oduction is to red	uce operating expenses
between the wens and win result	t in increased economi	ic me or the v	vens.		
BLM has also been notified of t	his proposal by copy o	f BLM Form	3160-5.		
I hereby certify that the information	1	•	•	•	
SIGNATURE Churry All	ava	TITLE_Re	gulatory Analyst	DATE	09/01/2006
Type or print name Cherry HI			<u> </u>		ne No. 281-366-4081
(This space for State use)					
APPPROVED BY Conditions of approval, if any:		TITLE			DATE
Conditions of approval, if any:					

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

Form C-102 Revised August 15, 2000

OIL CONSERVATION DIVISION

2040 South Pacheco Santa Fe, NM 87505 Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

AMENDED REPORT

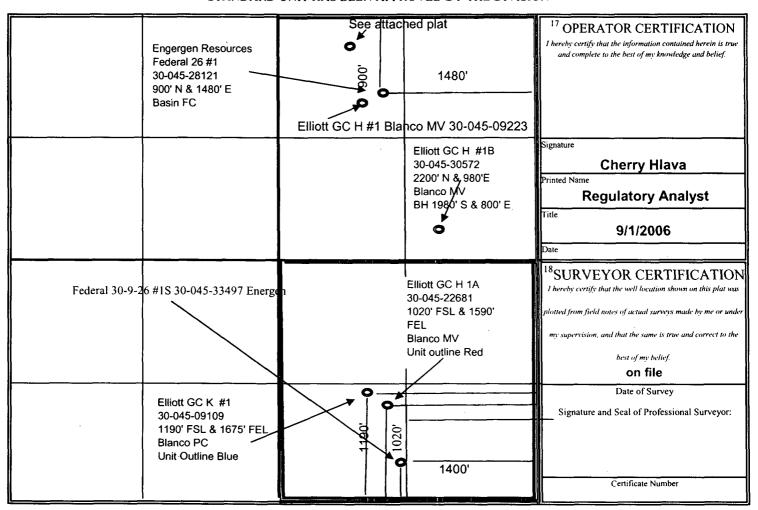
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ AP1 Number	² Pool Code	³ Pool Name						
See Below	See Below 72359 & 72319 Blanco Pictured Cliffs & B							
⁴ Property Code 449 & 448	Elliott Gas C	**Property Name Om K & Elliott Gas Com H "Well Number #1 & #1A						
OGRID No. 000778	BP Americ	*Operator Name Production Company **Elevation 5773						

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet from	East/West	County
0	26	30N	09W	l l		South		East	San Juan
			Botto	m Hole L	ocation If D	ifferent From	Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet	East/West	County
						<u> </u>	<u> </u>		
12 Dedicated Ac 160 & 32		int 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



<u>Pistrict I</u> 1625 N. French Dr., Hobbs, NM 88240 State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

District II 311 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505 Submit to Appropriate District Office

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV 1040 South Pacheco, Santa Fe, NM 87505 State Lease - 4 Copies Fee Lease - 3 Copies

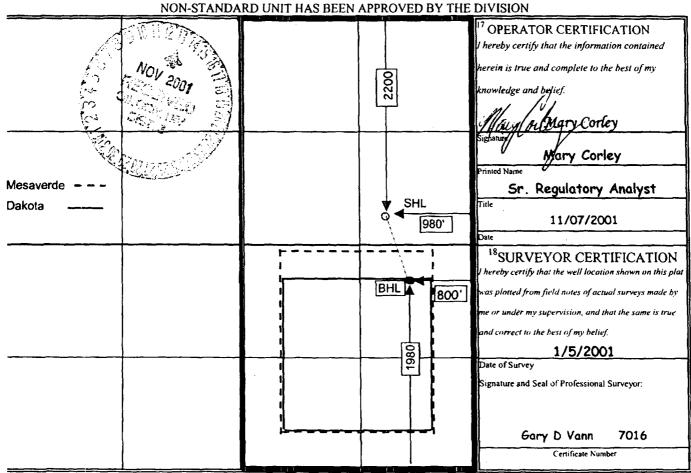
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

	API Number		² Pool Code 71599 & 72319			³ Pool Name					
30	-045-305	572				2 71599 & 72319 Basin Dakota & Blanco A				Basin Dakota & Blanco Mesaverde	
'Propert	y Code				⁵ Property Nam	perty Name					
0004	00448 Elliott Gas Com H						000448 Elliott Gas Com H			1M	
OGRID No. Operator Name							' Elevation				
0007	778	Amoco Pr			Production	Production Company					
					Surface I	ocation					
	, 							,			
or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet from	East/West	County		

DE 01 101 1	~~	Section	. commanip	IV-HIEC	1 200 1011	1	Northesouth	1	240,,,,,,	County
Unit	Н	26	30N	09W		2200'	North	980'	East	San Juan
				Botto	m Hole	Location If	Different I	From Sur	face	
UL or lo	t no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet	East/West	County
Unit	I	26	30N	09W		1980'	South	800'	East	San Juan
12 D	edicate	d Acres	¹³ Joint o	r Infill		¹⁴ Consolidation (ode	15 Order No.		Order No.
	315.	32	1							

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



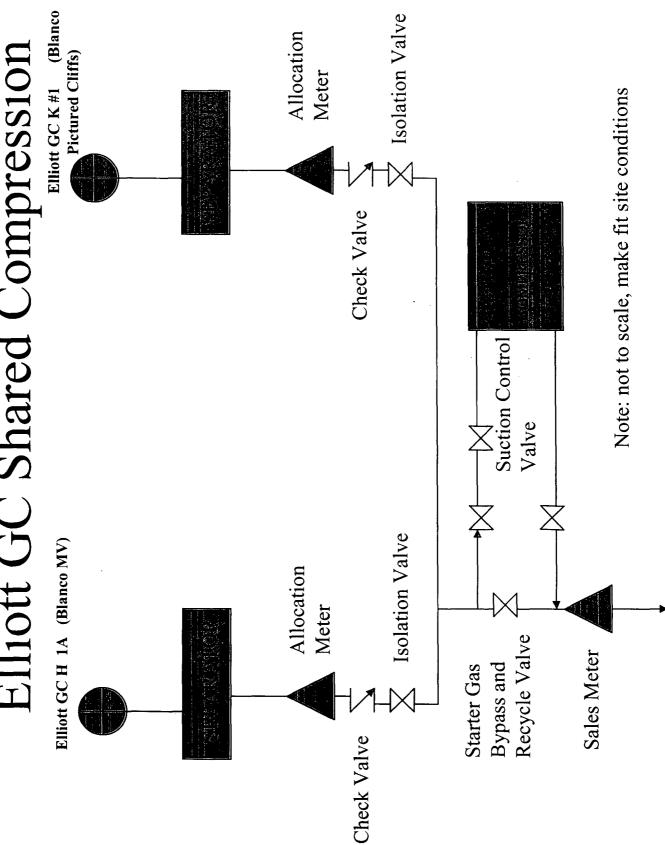
NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACERAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section

		All distant	es musi de	trom the outer	poundaries or	the Jection			
erator	ERICAN PETRO	LEUM CORPO	OR ATTOM	Leose	IOTT GAS	COM UTI		Well No.	
t Letter	Section	Township	MATION	Ronge		County			
B	26		NORTH		WEST		JUAN		
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								·	74.163
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y communitiza	ation, unitization	, force-poolin	g. etc?					owners been cons	olidated
) Yes () No If	answer is "ye	s," type of	consolicatio	n	***************************************	******************	******************************	***********
	o," list the owner				actually co	onsolidated	. (Use re	verse side of this	Form if
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	NOTES EQUALS 1		FARMING	3TON, N. M.		Cer	1463 tificate Na	A STATE OF THE STA	·

Elliott GC Shared Compression



Surface Commingling Interest Owners for Elliott Gas Com K 1 & Elliott Gas Com H 1A Notification sent certified mail return receipt 9/1/2006

SYNERGY OPERATING LLC P O BOX 5513 FARMINGTON, NM 87499-5513 BURLINGTON RESOURCES OIL AND GAS CO PO BOX 840656 DALLAS, TX 75284-0656 EDWINA PETERSEN , 1980 TRUST EDWINA PETERSEN TRUSTEE 704 REFUGIO RD SANTA YNEZ, CA 93460-9701

ELLIOTT HALL COMPANY PO BOX 1231 OGDEN, UT 84402-1231 ELLIOTT INDUSTRIES PO BOX 3300 ROSWELL, NM 88202 JO ANNE TRELOAR 4951 PARADISE RD SANTA BARBARA, CA 93105-9708

MIDWEST OIL CORPORATION GENERAL DELIVERY OKLAHOMA CITY, OK 73102 MINERALS MANAGEMENT SERVICE PO BOX 5810 TA DENVER, CO 80217-5810



August 31, 2006

Interest Owners

Elliott Gas Com K 1 Blanco Pictured Cliffs Elliott Gas Com H 1A Blanco Mesaverde Section 26, T30N, R09W San Juan County, New Mexico

Surface Commingling Notice

San Juan South Asset

Cherry Hlava WL1-19.132 281-366-4081 (direct) 281-366-0700 (FAX) hlavacl@bp.com

P. O. Box 3092 Houston, Texas 77253-3092 501 Westlake Park Boulevard Houston, Texas 77079

This letter serves to advise you, as an interest owner in one or more of the subject leases, that BP America Production Company is filing application with the New Mexico Oil Conservation Division for authorization to surface commingle gas production from the Blanco Pictured Cliffs & the Blanco Mesaverde Pools. Surface commingling from the Blanco PC will come from the Elliott GC K #1 and production from the Blnaco Mesaverde will come from the Elliott GC H 1A.

The production from each well will be separated and metered prior to commingling and the liquids will be removed. The commingled gas will then be sent through compression prior to entering the sales meter. Please reference the attached schematics reflecting the Proposed Surface Commingling Layout provided for your reference.

Should you have any objection to this application, you must notify the New Mexico Oil Conservation Division, Energy and Minerals Department, P. O. Box 2088, Santa Fe, New Mexico 87501, in writing within 20 days of receipt of this letter.

Sincerely

Cherry Hlava Regulatory Analyst

Cherry Hlava

New Mexico Oil Conservation Division Energy and Minerals Department P. O. Box 2088 Santa Fe, New Mexico 87501

