

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

OIL CONS. DIV.

DIST. 3

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.*

5. Lease Serial No.

SF - 078416-A

6. If Indian, Allottee or tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐

Oil Well

☒

Gas Well

☐

Other

2. Name of Operator

BP America Production Company Attn: Cherry Hlava

8. Well Name and No.

Hardie LS 1 & Wilch A #1

9. API Well No.

30-045-07893 & 30-045-07902

3a. Address

P.O. Box 3092 Houston, TX 77253

3b. Phone No. (include area code)

281-366-4081

10. Field and Pool, or Exploratory Area

Blanco Mesaverde & Basin Dakota

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

LS #1 - 990' FNL & 1650' FEL A #4 - 795' FNL & 1705' FEL Sec 26 T29N R08W

11. County or Parish, State

San Juan, New Mexico

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

TYPE OF SUBMISSION

☒

Notice of Intent

Subsequent Report

☐

Final Abandonment Notice

TYPE OF ACTION

☐

Acidize

☐

Deepen

☐

Production (Start/Resume)

☐

Water shut-Off

☐

Alter Casing

☐

Fracture Treat

☐

Reclamation

☐

Well Integrity

☐

Casing Repair

☐

New Construction

☐

Recomplete

☐

Change Plans

☐

Plug and Abandon

☐

Water Disposal

☐

Convert to Injection

☐

Plug Back

Other

Surface 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 respectfully request authorization to surface commingle gas production from the Blanco Mesaverde and Basin Dakota Pools from our Hardie LS #1 & the Wilch A #1 Surface commingling Blanco MV production will consist of the Hardie LS 1 API 30-045-07893 and Basin Dakota production will be from the Wilch A #1 Well No. 14 API 30-045-07902. The production from each well will be metered prior to commingling then the commingled production will flow into & through the separator where the liquids will be removed. The commingled gas will then be sent through compression prior to entering the sales meter.

The working interest, royalty and overriding royalty interest owners in the subject wells are identical. The proposed commingling of production is to reduce operating expenses between the wells and will result in increased economic life of the wells.

Attached in support of our application are copies of documentation submitted to the NMOCD for State approval. PC 1182

14. I hereby certify that the foregoing is true and correct
Name (Printed/typed)

Cherry Hlava

Title Regulatory Analyst

Signature

Cherry Hlava

Date 11/01/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Shawn Jah

Title

Prod. Acct.
Tech.

Date

11/16/06

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 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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

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

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: **BP America Production Company**

OPERATOR ADDRESS: **P O Box 3092 Houston, TX 77253**

APPLICATION TYPE:

☒ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Blanco Mesaverde 72319	.738/1273 BTU	1273 BTU		200 MCFD	200
Basin Dakota 71599	.623/1081 BTU	1081 BTU		200 MCFD	200

(2) Are any wells producing at top allowables? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No. Same in both reservoirs

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Cherry Hlava TITLE: Regulatory Analyst DATE: 11/03/2006

TYPE OR PRINT NAME Cherry Hlava TELEPHONE NO.: 281-366-4081-

E-MAIL ADDRESS: hlavacl@bp.com

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 30-045-07893	² Pool Code 72319	³ Pool Name Blanco Mesaverde
⁴ Property Code 000631	⁵ Property Name Hardie LS	⁶ Well Number 1
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation 6418'

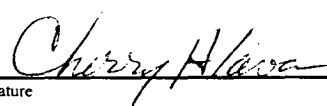
¹⁰ Surface Location

UL or lot no. B	Section 26	Township 29N	Range 08W	Lot Idn	Feet from 990'	North/South North	Feet from 1650'	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>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Cherry Hlava Printed Name Regulatory Analyst Title 11/3/2006 Date
								¹⁸ SURVEYOR CERTIFICATION <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> on file Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

District I

1625 N. French Dr., Hobbs, NM 88240

District II

811 South First, Artesia, NM 88210

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1000 Rio Brazos Rd., Aztec, NM 87410

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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 87505Form 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- 07902	² Pool Code 71599	³ Pool Name Basin Dakota
⁴ Property Code 001215	⁵ Property Name Wilch A	⁶ Well Number 1
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation 6455

¹⁰ Surface Location

UL or lot no. B	Section 26	Township 29N	Range 08W	Lot Idn	Feet from 795	North/South North	Feet from 1705'	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
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	Certificate Number	



BP America Production Company

Onshore US, North America Gas SPU
501 Westlake Park Boulevard
Houston, Texas 77079

Michael J. Beirne

Land Negotiator

Phone: 281.366.1634

Fax: 281.366.0700

Email: michael.beirne@bp.com

November 6, 2006

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

RE: Surface Commingling Application
Hardie LS #1
Wilch A #1
Township 29 North, Range 8 West, N.M.P.M.
Section 26
San Juan County, New Mexico

Ladies and Gentlemen:

Please be advised that the working interest, royalty, and overriding royalty interest owners are identical in each of the referenced wells.

Sincerely,

A handwritten signature of Michael J. Beirne, written in dark ink.

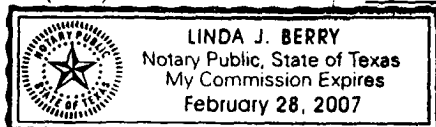
Michael J. Beirne
Land Negotiator

State of Texas

County of Harris

On this 6th day of November, 2006, before me, the undersigned notary public, personally appeared Michael J. Beirne known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged that he/she/they executed the same for the purposes therein contained.

(seal)



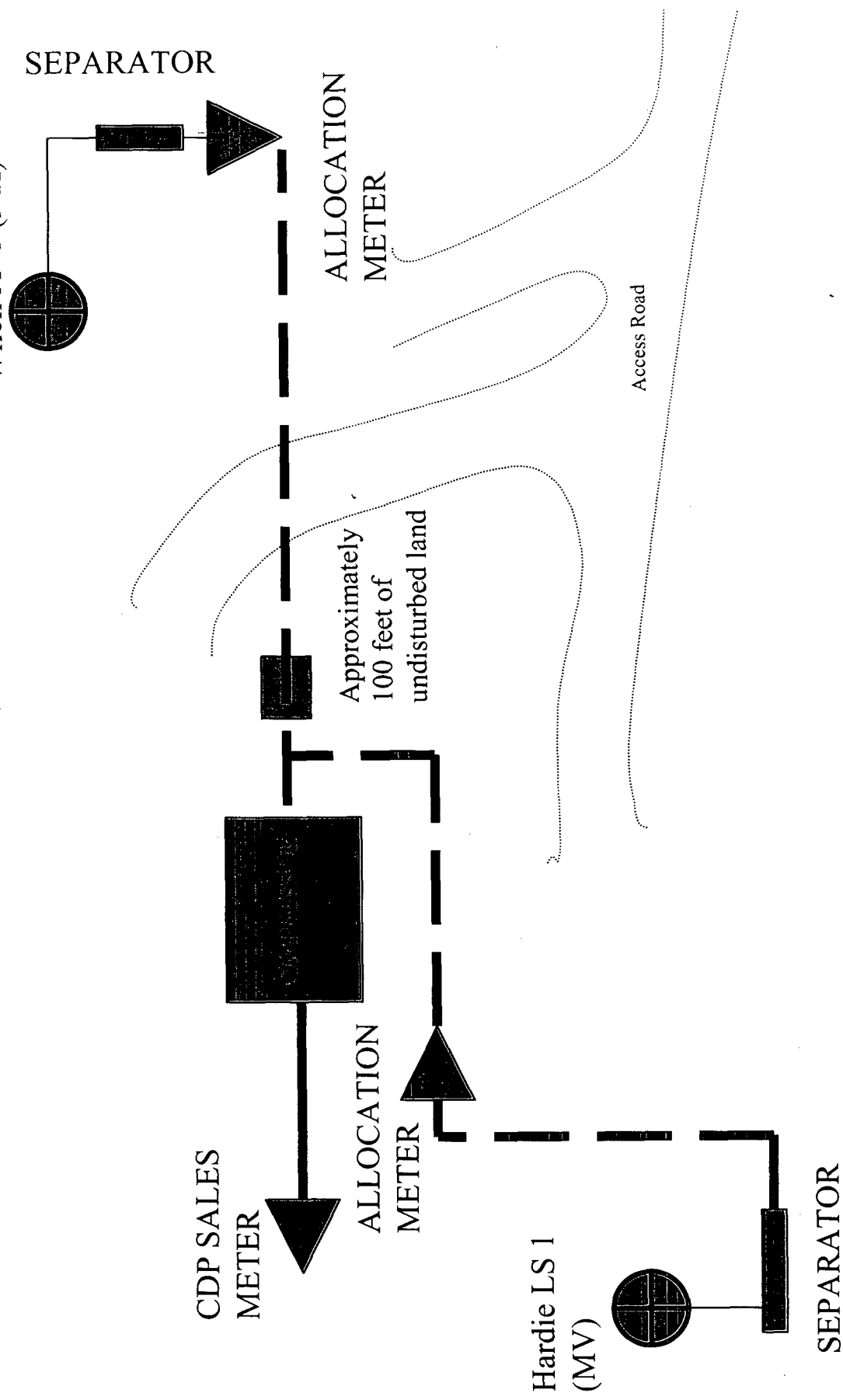
A handwritten signature of Linda J. Berry, written in dark ink.
Notary Public

SHARED COMPRESSOR SCHEMATIC FOR HARDIE LS 1 & WILCH A

1 SECTION 26, T29N, R8W

Access Road

Wilch A 1 (DK)



Hardie LS 1 & Wilch A 1 Proposed Shared Compression

