

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

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 - 078109

6. Indian, Allottee or tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side

RECEIVED
070 FARMINGTON NM

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.

GCU 152E & GCU 561

2. Name of Operator

BP America Production Company Attn: Cherry Hlava

9. API Well No.

30-045-24553 & 30-045-30230

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

**Basin Dakota & Kutz West Pictured
Cliffs**

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

**#152E - 790' FSL & 1840' FEL # 561 - 790' FSL & 1920' FEL Sec 21 T29N
R12W**

11. County or Parish, State

San Juan County, 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 recompleat 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 recompleat 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 Basin Dakota & Kutz West PC from our Gallegos Canyon Unit Wells 152E & 561. Surface commingling Dakota production will consist of the GCU 152E API 30-045-24553 and Kutz PC production will be from the GCU 561 API 30-045-30230. 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 different therefore notification is required (sent certified return receipt 9/8/06). 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.

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

Cherry Hlava

Title **Regulatory Analyst**

Signature

Cherry Hlava

Date **08/25/2006**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Shawn Juh

Title

Prod. Acct. Tech

Date

11/15/06

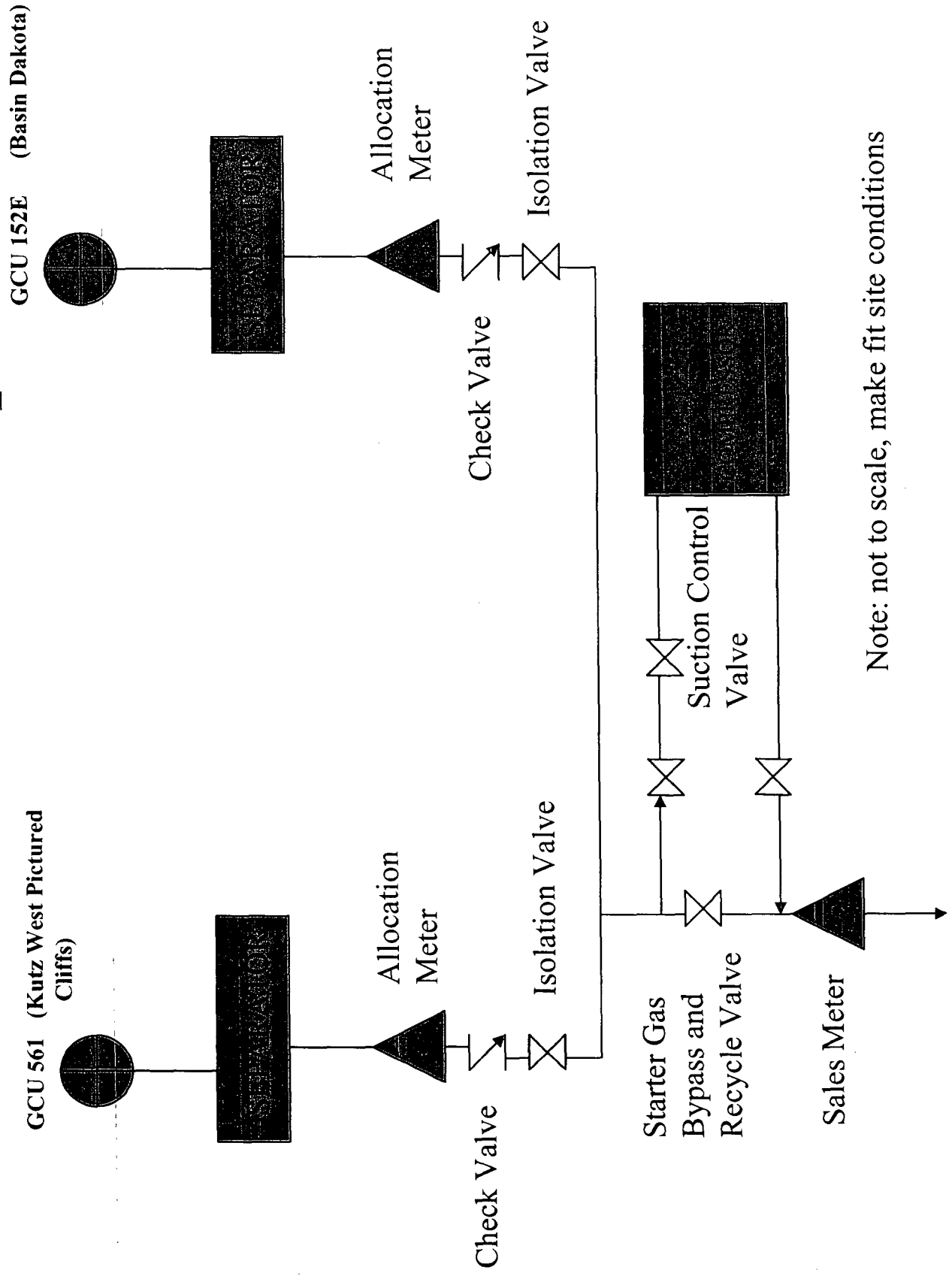
Conditions of approval, if any, are attached. Approval of this notice does not warrant or Certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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

GCU Shared Compression



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 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 See Below | ² Pool Code 79680 & 71599 | ³ Pool Name Kutz West Pictured Cliffs & Basin Dakota |
| ⁴ Property Code 000570 | ⁵ Property Name Gallegos Canyon Unit | |
| ⁷ OGRID No. 000778 | ⁸ Operator Name BP America Production Company | |
| | | ⁶ Well Number 561 & 152E |
| | | ⁹ Elevation 5431 |

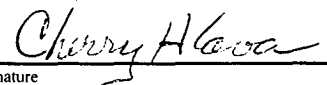
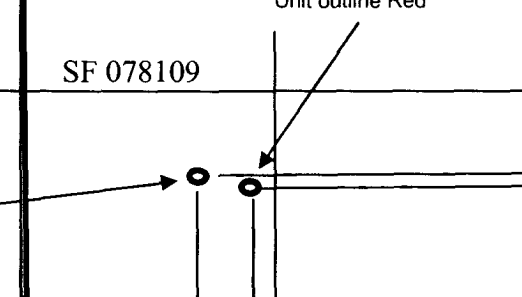
¹⁰ Surface Location

| | | | | | | | | | |
|---------------------------|----------------------|------------------------|---------------------|---------|-----------|-----------------------------|-----------|--------------------------|---------------------------|
| UL or lot no. O | Section 21 | Township 29N | Range 12W | Lot Idn | Feet from | North/South South | Feet from | East/West East | County San Juan |
|---------------------------|----------------------|------------------------|---------------------|---------|-----------|-----------------------------|-----------|--------------------------|---------------------------|

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 160 & 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 8/28/2006 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 | |
| SF - 078109 | | SF 078109 | | GCU 152E 30-045-24553 790' FSL & 1840' FEL DK Unit outline Red | |
| | | GCU 561 30-045-30230 790' FSL & 1920' FEL Kutz West PC Unit Outline Blue | |  | |

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 |
|--|--|---|--|---|------------|
| Kutz West Pictured Cliffs 79680 | 1125 BTU | 1125 BTU | | 85 MCFD | 85 |
| Basin Dakota 71599 | 1259 BTU | 1259 BTU | | 108 MCFD | 108 |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

(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.

(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: 08/28/2006

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

E-MAIL ADDRESS: hlavac1@bp.com