Form 3160-5
(August 1999)

RCVD MAR 12'07
OIL CONS. DIV.
DIST. 3

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANGEMENT

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

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 reverse side

5. Lease Serial No. SF-078499
6. If Indian, Allottee or tribe Name
7. Unit or CA/Agreement, Name and/or No.
8. Well Name and No. **Tapp LS 3**
9. API Well No. **30-045-07425**
10. Field and Pool, or Exploratory Area **Otero Chacra/Blanco MV & PC**
11. County or Parish, State **San Juan County, New Mexico**

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

2. Name of Operator **BP America Production Company Attn: Cherry Hlava**

3a. Address **P.O. Box 3092 Houston, TX 77253**

3b. Phone No. *(include area code)* **281-366-4081**

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
990' FWL & 1650 FSL Sec 15 T28N R08W

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OR 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	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Abandon
	☐ Change Plans	☐ Plug and Abandon	☐ Water Disposal	
	☐ Injection	☐ Plug Back	☒ Other **Recomplete & Downhole 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 request permission to complete the subject well into the Otero Chacra Pool and commingle production Downhole with the existing Blanco Mesaverde & Blanco South Pictured Cliffs production as per the attached procedure.

Production is proposed to be allocated based on the subtraction method using the projected future decline for production from the Pictured Cliffs and Mesaverde Pools. This production shall serve as a base for production subtracted from the total production for the commingled well. The balance of the production will be attributed to the Chacra. Attached are the future production decline estimates for the Pictured Cliffs & Mesaverde Pools

The interest owners are identical between these three Pools, therefore, no additional notification is required prior to downhole commingling approval.

Commingling Production Downhole in the subject well from the proposed Pools with not reduce the value of the total remaining production

DHC 3864 HOLD C104 FOR C-102 for Otero Chacra

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

Name (Printed/typed) **Cherry Hlava** Title **Regulatory Analyst**

Signature Cherry Hlava Date **3/9/2007**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Joe Hewitt Title GeO Date 3-9-07

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 FDO

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.

NMOCD 8 3/21

Tapp LS 3												
Pictured Cliffs Formation												
API # 30-045-07425												
Starting 1/04 thru 8/21												
Exponential Decline												
Qi = 30.45 mcfd		1-Jul-2006										
Qf = 2.34 mcfd												
D = 12.72% per year												
Date	Gas Rate mcf/d	Gas Volume MMSCF		Date	Gas Rate mcf/d	Gas Volume MMSCF		Date	Gas Rate mcf/d		Date	Gas Rate mcf/d
Jan-06	31	1		Dec-09	19	1		Nov-13	11		Oct-17	7
Feb-06	29	1		Jan-10	19	1		Dec-13	11		Nov-17	6
Mar-06	16	1		Feb-10	19	1		Jan-14	11		Dec-17	6
Apr-06	19	1		Mar-10	18	1		Feb-14	11		Jan-18	6
May-06	31	1		Apr-10	18	1		Mar-14	11		Feb-18	6
Jun-06	33	1		May-10	18	1		Apr-14	11		Mar-18	6
Jul-06	30	1		Jun-10	18	1		May-14	10		Apr-18	6
Aug-06	30	1		Jul-10	18	1		Jun-14	10		May-18	6
Sep-06	30	1		Aug-10	17	1		Jul-14	10		Jun-18	6
Oct-06	29	1		Sep-10	17	1		Aug-14	10		Jul-18	6
Nov-06	29	1		Oct-10	17	1		Sep-14	10		Aug-18	6
Dec-06	29	1		Nov-10	17	1		Oct-14	10		Sep-18	6
Jan-07	28	1		Dec-10	17	1		Nov-14	10		Oct-18	6
Feb-07	28	1		Jan-11	16	1		Dec-14	10		Nov-18	6
Mar-07	28	1		Feb-11	16	0		Jan-15	10		Dec-18	6
Apr-07	27	1		Mar-11	16	1		Feb-15	9		Jan-19	6
May-07	27	1		Apr-11	16	0		Mar-15	9		Feb-19	5
Jun-07	27	1		May-11	16	0		Apr-15	9		Mar-19	5
Jul-07	26	1		Jun-11	16	0		May-15	9		Apr-19	5
Aug-07	26	1		Jul-11	15	0		Jun-15	9		May-19	5
Sep-07	26	1		Aug-11	15	0		Jul-15	9		Jun-19	5
Oct-07	26	1		Sep-11	15	0		Aug-15	9		Jul-19	5
Nov-07	25	1		Oct-11	15	0		Sep-15	9		Aug-19	5
Dec-07	25	1		Nov-11	15	0		Oct-15	9		Sep-19	5
Jan-08	25	1		Dec-11	14	0		Nov-15	9		Oct-19	5
Feb-08	24	1		Jan-12	14	0		Dec-15	8		Nov-19	5
Mar-08	24	1		Feb-12	14	0		Jan-16	8		Dec-19	5
Apr-08	24	1		Mar-12	14	0		Feb-16	8		Jan-20	5
May-08	24	1		Apr-12	14	0		Mar-16	8		Feb-20	5
Jun-08	23	1		May-12	14	0		Apr-16	8		Mar-20	5
Jul-08	23	1		Jun-12	14	0		May-16	8		Apr-20	5
Aug-08	23	1		Jul-12	13	0		Jun-16	8		May-20	5
Sep-08	22	1		Aug-12	13	0		Jul-16	8		Jun-20	5
Oct-08	22	1		Sep-12	13	0		Aug-16	8		Jul-20	5
Nov-08	22	1		Oct-12	13	0		Sep-16	8		Aug-20	4
Dec-08	22	1		Nov-12	13	0		Oct-16	7		Sep-20	4
Jan-09	22	1		Dec-12	13	0		Nov-16	7		Oct-20	4
Feb-09	21	1		Jan-13	13	0		Dec-16	7		Nov-20	4
Mar-09	21	1		Feb-13	12	0		Jan-17	7		Dec-20	4
Apr-09	21	1		Mar-13	12	0		Feb-17	7		Jan-21	4
May-09	21	1		Apr-13	12	0		Mar-17	7		Feb-21	4
Jun-09	20	1		May-13	12	0		Apr-17	7		Mar-21	4
Jul-09	20	1		Jun-13	12	0		May-17	7		Apr-21	4
Aug-09	20	1		Jul-13	12	0		Jun-17	7		May-21	4
Sep-09	20	1		Aug-13	12	0		Jul-17	7		Jun-21	4
Oct-09	19	1		Sep-13	11	0		Aug-17	7		Jul-21	4
Nov-09	19	1		Oct-13	11	0		Sep-17	7		Aug-21	4

Tapp LS 3												
MesaVerde Formation												
API # 30-045-07425												
Starting 1/04 thru 12/21												
Exponential Decline												
Qi = 117.3 mcfd 1-Jul-2006												
Qf = 9 mcfd												
D = 12.72% per year												
Date	Gas Rate mcf/d	Gas Volume MMSCF	Date	Gas Rate mcf/d	Gas Volume MMSCF	Date	Gas Rate mcf/d	Gas Volume MMSCF	Date	Gas Rate mcf/d	Gas Volume MMSCF
Jan-06	116	4	Jan-10	72	2	Jan-14	42	1	Jan-18	24	1
Feb-06	110	3	Feb-10	72	2	Feb-14	42	1	Feb-18	24	1
Mar-06	59	2	Mar-10	71	2	Mar-14	41	1	Mar-18	24	1
Apr-06	70	2	Apr-10	70	2	Apr-14	41	1	Apr-18	24	1
May-06	118	4	May-10	69	2	May-14	40	1	May-18	23	1
Jun-06	122	4	Jun-10	68	2	Jun-14	40	1	Jun-18	23	1
Jul-06	117	4	Jul-10	68	2	Jul-14	39	1	Jul-18	23	1
Aug-06	115	4	Aug-10	67	2	Aug-14	39	1	Aug-18	23	1
Sep-06	114	3	Sep-10	66	2	Sep-14	38	1	Sep-18	22	1
Oct-06	113	3	Oct-10	65	2	Oct-14	38	1	Oct-18	22	1
Nov-06	111	3	Nov-10	65	2	Nov-14	38	1	Nov-18	22	1
Dec-06	110	3	Dec-10	64	2	Dec-14	37	1	Dec-18	22	1
Jan-07	109	3	Jan-11	63	2	Jan-15	37	1	Jan-19	21	1
Feb-07	108	3	Feb-11	63	2	Feb-15	36	1	Feb-19	21	1
Mar-07	107	3	Mar-11	62	2	Mar-15	36	1	Mar-19	21	1
Apr-07	105	3	Apr-11	61	2	Apr-15	35	1	Apr-19	21	1
May-07	104	3	May-11	60	2	May-15	35	1	May-19	20	1
Jun-07	103	3	Jun-11	60	2	Jun-15	35	1	Jun-19	20	1
Jul-07	102	3	Jul-11	59	2	Jul-15	34	1	Jul-19	20	1
Aug-07	101	3	Aug-11	58	2	Aug-15	34	1	Aug-19	20	1
Sep-07	100	3	Sep-11	58	2	Sep-15	34	1	Sep-19	19	1
Oct-07	98	3	Oct-11	57	2	Oct-15	33	1	Oct-19	19	1
Nov-07	97	3	Nov-11	56	2	Nov-15	33	1	Nov-19	19	1
Dec-07	96	3	Dec-11	56	2	Dec-15	32	1	Dec-19	19	1
Jan-08	95	3	Jan-12	55	2	Jan-16	32	1	Jan-20	19	1
Feb-08	94	3	Feb-12	54	2	Feb-16	32	1	Feb-20	18	1
Mar-08	93	3	Mar-12	54	2	Mar-16	31	1	Mar-20	18	1
Apr-08	92	3	Apr-12	53	2	Apr-16	31	1	Apr-20	18	1
May-08	91	3	May-12	53	2	May-16	31	1	May-20	18	1
Jun-08	90	3	Jun-12	52	2	Jun-16	30	1	Jun-20	18	1
Jul-08	89	3	Jul-12	51	2	Jul-16	30	1	Jul-20	17	1
Aug-08	88	3	Aug-12	51	2	Aug-16	29	1	Aug-20	17	1
Sep-08	87	3	Sep-12	50	2	Sep-16	29	1	Sep-20	17	1
Oct-08	86	3	Oct-12	50	2	Oct-16	29	1	Oct-20	17	1
Nov-08	85	3	Nov-12	49	1	Nov-16	29	1	Nov-20	17	1
Dec-08	84	3	Dec-12	49	2	Dec-16	28	1	Dec-20	16	1
Jan-09	83	3	Jan-13	48	1	Jan-17	28	1	Jan-21	16	1
Feb-09	82	2	Feb-13	48	1	Feb-17	28	1	Feb-21	16	0
Mar-09	81	3	Mar-13	47	1	Mar-17	27	1	Mar-21	16	0
Apr-09	80	2	Apr-13	47	1	Apr-17	27	1	Apr-21	16	0
May-09	79	2	May-13	46	1	May-17	27	1	May-21	16	0
Jun-09	78	2	Jun-13	46	1	Jun-17	26	1	Jun-21	15	0
Jul-09	78	2	Jul-13	45	1	Jul-17	26	1	Jul-21	15	0
Aug-09	77	2	Aug-13	44	1	Aug-17	26	1	Aug-21	15	0
Sep-09	76	2	Sep-13	44	1	Sep-17	26	1	Sep-21	15	0
Oct-09	75	2	Oct-13	43	1	Oct-17	25	1	Oct-21	15	0
Nov-09	74	2	Nov-13	43	1	Nov-17	25	1	Nov-21	14	0
Dec-09	73	2	Dec-13	43	1	Dec-17	25	1	Dec-21	14	0

SJ Basin Chacra Pay Add Procedure

Well Name: **Tapp LS 3**
Date: **February 27, 2007**
Repair Type: **Payadd**

Objective: Perforate and frac Chacra, and downhole tri-mingle PC, Chacra, and Mesaverde

1. TOH with completion.
2. Perforate and fracture Chacra.
3. Land tbg and return well to production.
4. Downhole tri-mingle PC, Chacra, and Mesaverde.

Location:	T28N-R8W-Sec15	API #:	30-045-07425
County:	San Juan		
State:	New Mexico	Engr:	Richard Pomrenke
Horizon:	Mesaverde/Chacra/PC	ph	(281) 366-5023
		fax	(281) 366-0700

Procedure:

1. Perform pre-rig site inspection. Check for: size of location, Gas Taps, other wells, other operators, running equipment, wetlands, wash (dikes req.), H2S, barriers needed for equipment, Landowner issues, location of pits (buried lines in pits), Raptor nesting, critical location, check anchors. Check ID wellhead, if earth pit is required have One Call made 48 hours prior to digging.

2. Perform second site visit after lines are marked to ensure all lines clear marked pit locations. Planning and Scheduling to ready location for rig.

3. RU slickline unit or wireline unit. Pressure test lubricator and equipment. RIH and set **two** barriers (CIBP, tbg collar stop w/plug, or plug set in nipple) for isolation in both tubing strings.

4. Check and record tubing, casing, and bradenhead pressures. Ensure production casing has double casing valves installed. Double valve all casing strings.

5. MIRU workover rig. LO/TO all necessary equipment including but not limited to: meter run, Automation, Separators and water lines.

6. Blow down well. Kill with 2% KCL water ONLY if necessary.

7. Check all casing strings to ensure no pressure exist on any annulus. **The operations of removal of wellhead and installation of BOP's will be performed under a dispensation for one (1) barrier on the backside.**

8. Nipple down Wellhead. NU BOPs and diversion spool with 3" outlets and 3" pipe to the blow tank. Pressure test BOPs to 200 psi above BHP. Monitor flowing casing pressure with gauge (with casing flowing to blow tank) throughout workover.

9. Install stripping rubber, pull tubing hanger up above pipe rams, shut-in pipe rams, remove stripping rubber. Strip tubing hanger OOH. Re-install stripping rubber.

10. TOH 2 3/8" production tubing currently set at 4450'. Using approved "Under Balance Well Control Tripping Procedure".

11. TIH w/ 5-1/2" scraper. Check the distance between the top of the blind rams and the length of the bottom hole assembly that is being run. If the BHA is too long then the well has to be top killed and monitored prior to opening bind rams. RIH to PBTD at 4,659'. POOH.

12. Set bridge plug at +/-3,800'. Fill casing w/ 2%KCl from the bottom to PC (2400').

13. RU E-line equipment. Pressure test lubricator and equipment. Log well w/ CBL from 3,800' to TOL @ 2425'. Contact Jesse Gracia after determining TOC in 5 ½" liner to discuss packer placement or remedial cement squeeze.

14. Replace wellhead if needed.

15. TIH with 2 7/8" x 5 ½" test packer on 3 ½" tubing. Set Packer at +/-2480'

16. Pressure test 5 ½" casing down tubing to 2000 psi surface pressure. Note with 2% KCl fluid in the hole, the 5 ½" casing will be tested to approximately 3100 psi.

17. TOH w/ tubing and packer.

18. Prepare for explosive operations. Follow Schlumberger Explosive SOP including radio silence, suspension of welding operations, and isolation of electrical devices from the work area. Perform Pre-job Safety Meeting to review JSA and procedures. Meeting should address the VDR (vehicle data recorder) System that Bp people have installed on their vehicles. They must be shut off at the 300 foot sign by hitting 00 and then the enter button, and then wait for about 5 minutes for the unit to turn off. When the green light goes out, call the control center at 326-9475. This number is on a pickup list in the Optimizer room and should be your first point of contact followed by the front desk then the weekend pager. Verify the unit is not transmitting. You then can drive to location and park, but do not to exceed 10 Miles/hr. Note: 20 MPH will turn unit back on. If someone has On Star on their vehicle they cannot enter closer than 300 foot. On Star cannot be turned off. PLEASE take special caution. This is in conjunction with all cell phones, pagers, radios and any electronic devise that transmits a signal.

19. RIH with 3-1/8" casing guns w/lubricator and perforate Chacra formation.

    Approximately 3250 - 3450' (Exact depth to be determined from RST Log.)

20. TIH w/ 3-1/2" N-80 frac string with one jt of 2 7/8" N-80 and 5 ½" x 2 7/8" packer. Configure packer assembly as 2 7/8" x 5 ½ (full bore); 2 7/8 downhole shutoff valve. This assembly will be made up and pressure tested in the packer service shop.

21. RU 10,000 psi isolation tool (use full bore tool to reduce turbulence and chance for washout). Space out and land frac string.

22. Close shutoff valve. Load tubing and pressure test to approximately 1500 psi with rig pumps. RU test pump and pressure test tubing to 5000 psi for 10-15 minutes. Set packer at 2380'.

23. RU Schlumberger frac equipment. Purge pumps and pressure test iron to frac valve at 6000 psi. Set pump trips at 5000 psi. Set PRV at 5100-5200 psi. Treat well at a maximum of 5000 psi.

24. Install and monitor production casing and treating pressure during entire job in frac van via pressure transducers on production casing and treating line. Spearhead 500 gal 15% HCL, establish injection rate, and proceed with fracture stimulation according to Schlumberger schedule. Maintain surface pressures less than 5,000 psi during frac job. Flush frac with foam. Fill out GWSI scorecard.

25. Flowback frac immediately. Flow well through choke manifold on ¼", ½" and ¾" chokes slowly increasing drawdown until well dies or stabilizes. This is to aid in reducing sand flowback. Recommend 8 hours of flow for each choke size.

26. Release packer. TOH w/ 3 ½:" frac string and packer.

27. Rig up air package/unit, pressure test all lines (Testing procedure to be supplied from air company), TIH with tubing and bit for 5 1/2" casing. Cleanout fill to BP set at +/-3,800'.

28. RIH w/ frac string and 2 7/8" x 5 ½" packer. Set packer at +/- 2480' and **perform flow test on Chacra and document in DIMS.**

29. Release packer. TOH w/ 3 ½" frac string and packer.

30. TIH w/ tubing and bit for 5-1/2" casing. Drill out BP set at 3,800'. Cleanout to PBTD at 4,659'.

31. Rabbit tubing and RIH with 2-3/8" production tubing (with muleshoe, F-nipple with plug, 4 ft pup, X-nipple with plug).

32. Land 2-3/8" production tubing at +/-4,450'. Lock down 2 3/8" tubing hanger and bonnet.

33. Pressure test tubing to 500 psi with air unit, make sure tubing spool valves are open. Care should be taken during pressure testing of the tubing due to potential problem caused if tubing parts close to surface or above the hanger. Check all casing string for pressure. **The operations of removal of wellhead and installation of BOP's will be performed under a dispensation for one (1) barrier on the backside.**

34. ND BOP's. NU Wellhead. During Master valve placement ensure the top of hanger has spacer nipple in place to bottom of bonnet flange so plunger equipment will not hang up through tree. Pressure test Wellhead.

35. RU WL unit. Run gauge ring for 2-3/8" tubing. Pull plugs and set tubing stop for plunger. Communicate plunger equipment status to IC room personnel.

36. RD slickline unit.

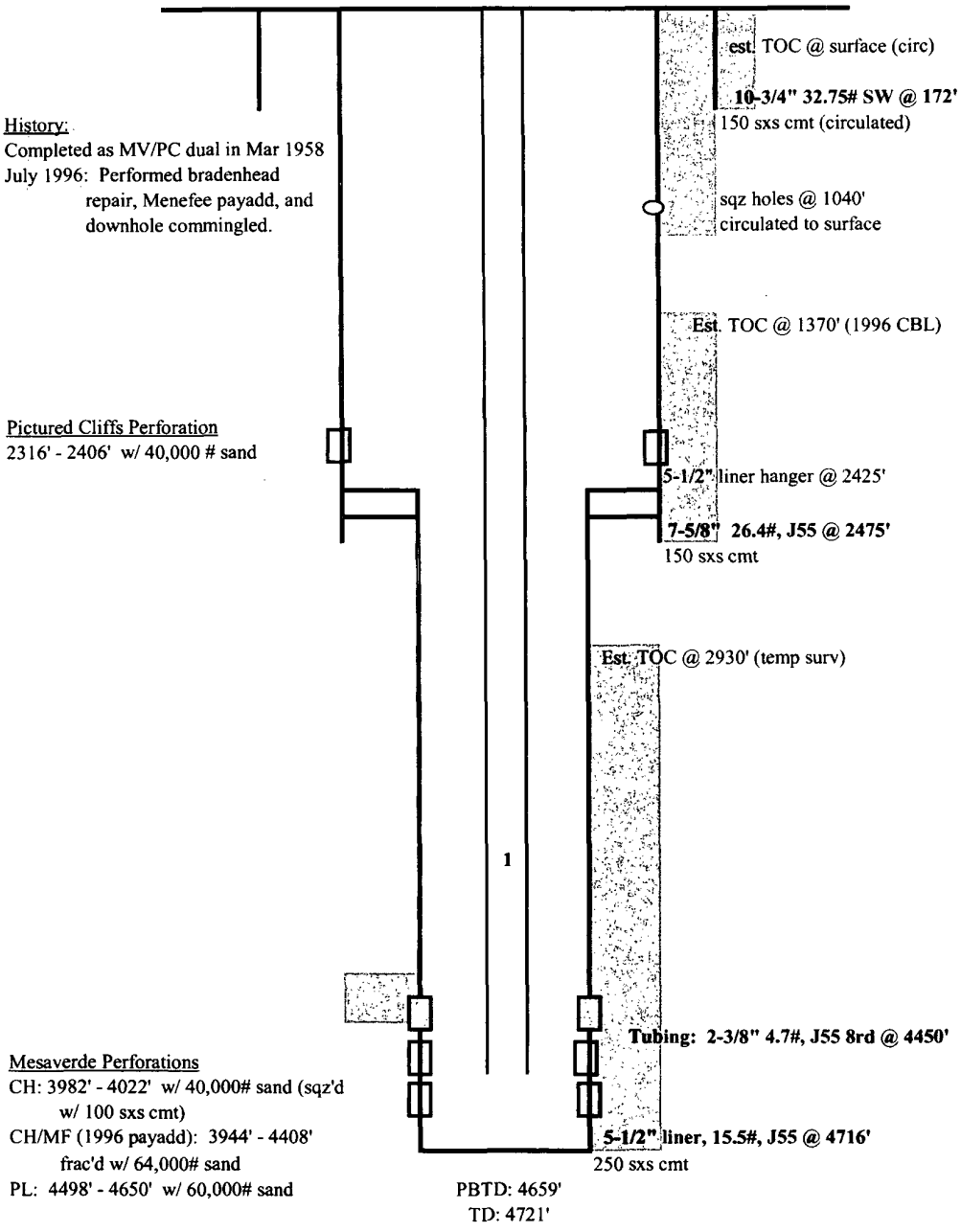
37. Test well for air. Return well to production and downhole tri-mingle PC, Chacra and Mesaverde.

Tapp LS #3

Sec 15, T28N, R8W

GR: 5839'

API # 30-045-07425



History:
Completed as MV/PC dual in Mar 1958
July 1996: Performed bradenhead repair, Menefee payadd, and downhole commingled.

Pictured Cliffs Perforation
2316' - 2406' w/ 40,000 # sand

Mesaverde Perforations
CH: 3982' - 4022' w/ 40,000# sand (sqz'd w/ 100 sxs cmt)
CH/MF (1996 payadd): 3944' - 4408' frac'd w/ 64,000# sand
PL: 4498' - 4650' w/ 60,000# sand

NOTES:
1) Slickline broach run in Sept 2002 was unable to work past 3352'.

updated: 11/28/06 JG