

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

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

5 Lease Serial No

SF - 078109

6 If Indian, Allottee or tribe Name

7 If Unit or C/A Agreement, Name and/or No

NMNM78391C(DK)
NMNM78391A(R)

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1 Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

8 Well Name and No

GCU COM G 179E & GCU 512 & GCU 532 (fee)

2 Name of Operator

BP America Production Company Attn: Cherry Hlava

9 API Well No

30-045-24556 & 30-045-28221 & 30-045-29032

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 & W. KUTZ PICTURED CLIFFS

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

GCU Com G 179E - 1615' FSL & 1740' FEL GCU 512 - 1620' FSL & 1850' FEL
GCU 532- 1843' FNL & 1188' FEL Sec 26 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

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Water Disposal

Other

☐ Water shut-Off

☐ Well Integrity

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 recompleate 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 recompleation 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 Basin Dakota & W. Kutz Pictured Cliffs from our GCU COM G 179E, GCU 512 & GCU 532. Surface commingling Basin DK production will consist of the GCU Com G #179E API 30-045-24556. W. Kutz Pictured Cliffs production will be from the GCU 512 API 30-045-28221 & GCU 532 API 30-045-29032. The production from each well will be separated prior to the allocation meter. Production from each well will be metered prior to being commingled. The commingled production will then be sent through compression prior to entering the sales meter. *PC 1185*

The difference between what is measured prior to commingling and what is sold through the sales meter is the fuel usage. This fuel usage is allocated back to each well based on the well production.

The working interest, royalty and overriding royalty interest owners in the subject wells are different however approval of Order R-12724 allows surface commingling in the GCU without notification. The proposed commingling of production is to reduce operating expenses between the wells and will result in increased economic life of the wells. Surface commingling will not reduce the life of the wells

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

NOV 25 '07

14 I hereby certify that the foregoing is true and correct

Name (Printed/typed)

Cherry Hlava

Title Regulatory Analyst

OIL CONS. DIV.
DIST. 3

Signature *Cherry Hlava*

Date 08/16/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

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 87505Submit 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 ☒ FederalIs 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
Basin Dakota (GCU Com G 179E)	1265 BTU	1265 BTU		10	10
Picture Cliffs (GCU 512)	1038 BTU	1038 BTU		55	55
Picture Cliffs (GCU 532)	1034 BTU	1034 BTU		35	35

(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 (Order R-12724 No Notice Required)(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

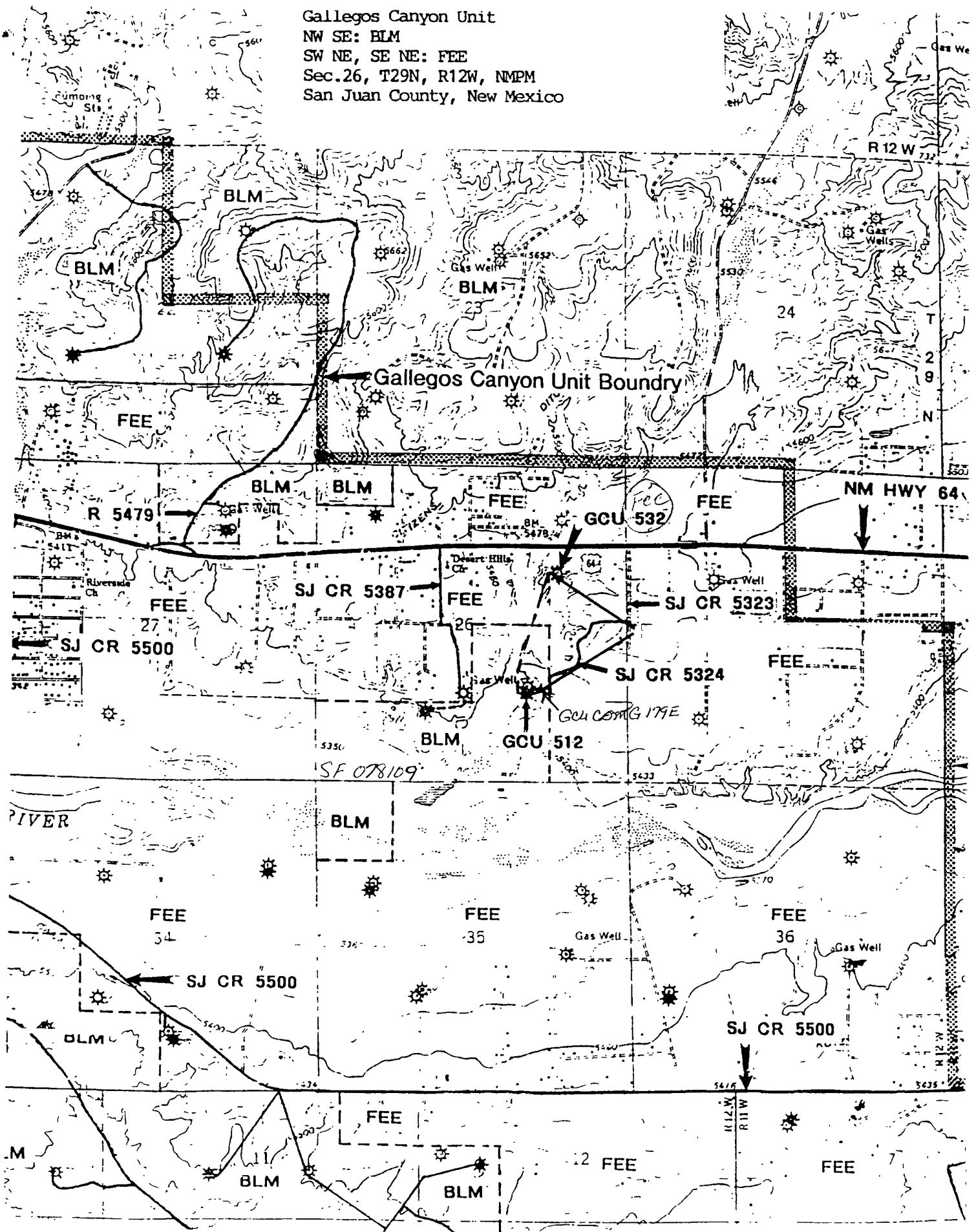
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved

(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 08/16/07TYPE OR PRINT NAME Cherry Hlava TELEPHONE NO 281-366-4081E-MAIL ADDRESS hlavacl@bp.com

San Juan County, New Mexico



Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Fee

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

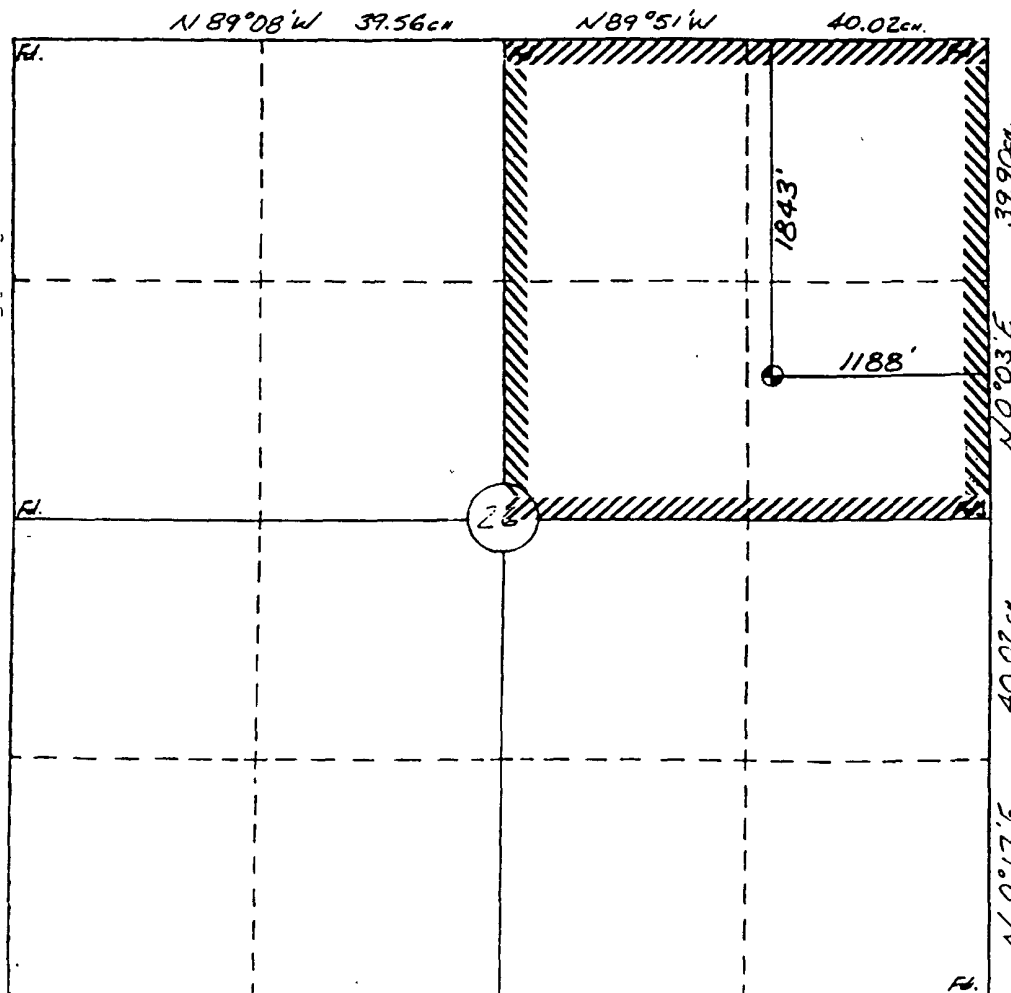
WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

30-045-29032

Operator <i>B P America Production</i> BHP PETROLEUM (AMERICAS) INC.		Lease GALLEGOS CANYON UNIT		Well No 532
Unit Letter H	Section 26	Township 29 N	Range 12 W NMPM	County San Juan
Actual Footage Location of Well. 1843 feet from the North line and 1188 feet from the East line				
Ground level Elev. 5434	Producing Formation PICTURED CLIFFS		Pool WEST KUTZ PICTURED CLIFFS	Dedicated Acreage 160.08 Acres
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>				

0 300 600 900 1200 1500 1800 2100 2400 2700 3000 3300 3600 3900 4200 4500 4800 5100 5400 5700 6000 6300 6600 6900 7200 7500 7800 8100 8400 8700 9000 9300 9600 9900 10200 10500 10800 11100 11400 11700 12000



OPERATOR CERTIFICATION

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

Signature

FRED LOWERY
Printed Name

FRED LOWERY

Position

OPERATIONS SUPT.

Company

BHP PETROLEUM

Date

11/29/93

SURVEYOR CERTIFICATION

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 knowledge and belief.

23 Nov., 1993

Date Surveyed

William E. Mahnke II

Signature & Seal of
Professional Surveyor

William E. Mahnke II

Certificate No.

8466

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-76

All distances must be from the outer boundaries of the Section

SF 078109

30-045-24556

Operator <u>BP America</u> AMOCO PRODUCTION COMPANY			Lease GALLEGOS CANYON UNIT GAS COM "G"		Well No. 179-E
Unit Letter J	Section 26	Township 29N	Range 12W	County San Juan	
Actual Footage Location of Well: 1615 feet from the South line and 1740 feet from the East line					
Ground Level Elev. 5406	Producing Formation Dakota		Pool Basin Dakota		Dedicated Acreage: 320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation COMMUNITIZATION

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION

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

Name

B. E. FACKRELL

Position

DISTRICT ENGINEER

Company

AMOCO PRODUCTION COMPANY

Date

MARCH 13, 1980

I hereby certify that the well location shown on this plot 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 knowledge and belief.

Date Surveyed

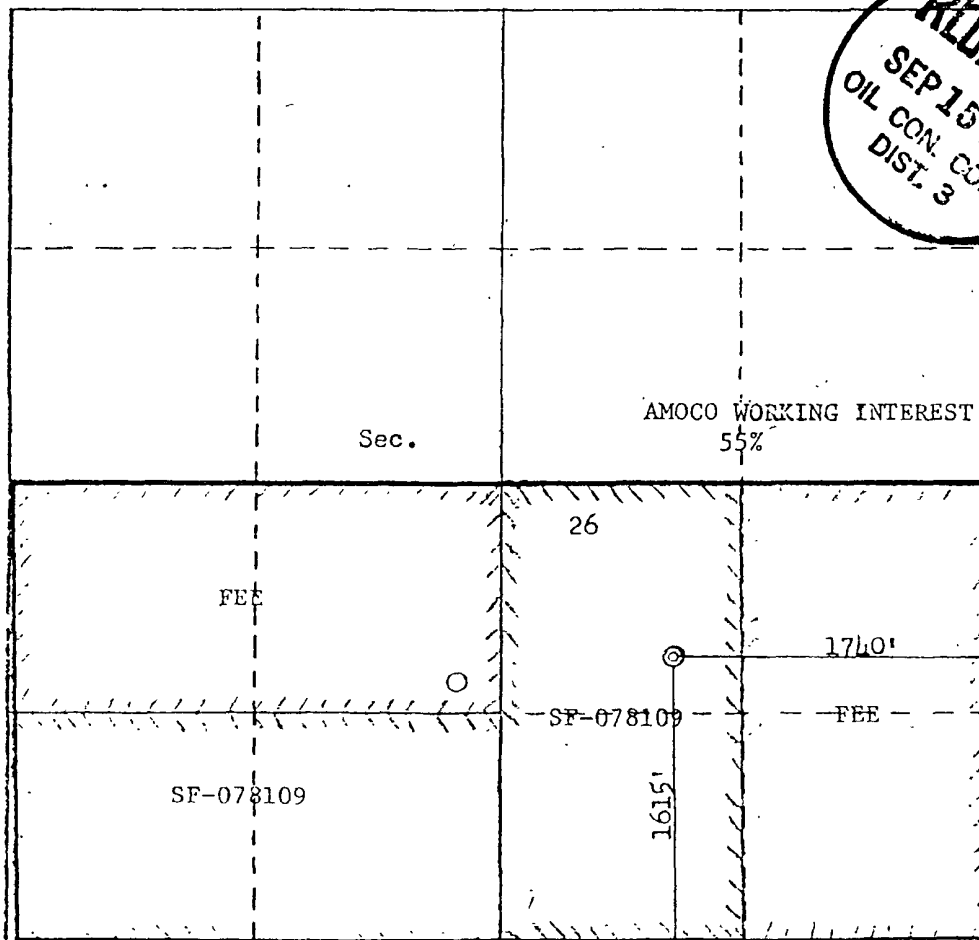
March 13, 1980

Registered Professional Engineer
and/or Land Surveyor

Fred B. Kerr Jr.

Certificate No. 3950

3950



0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

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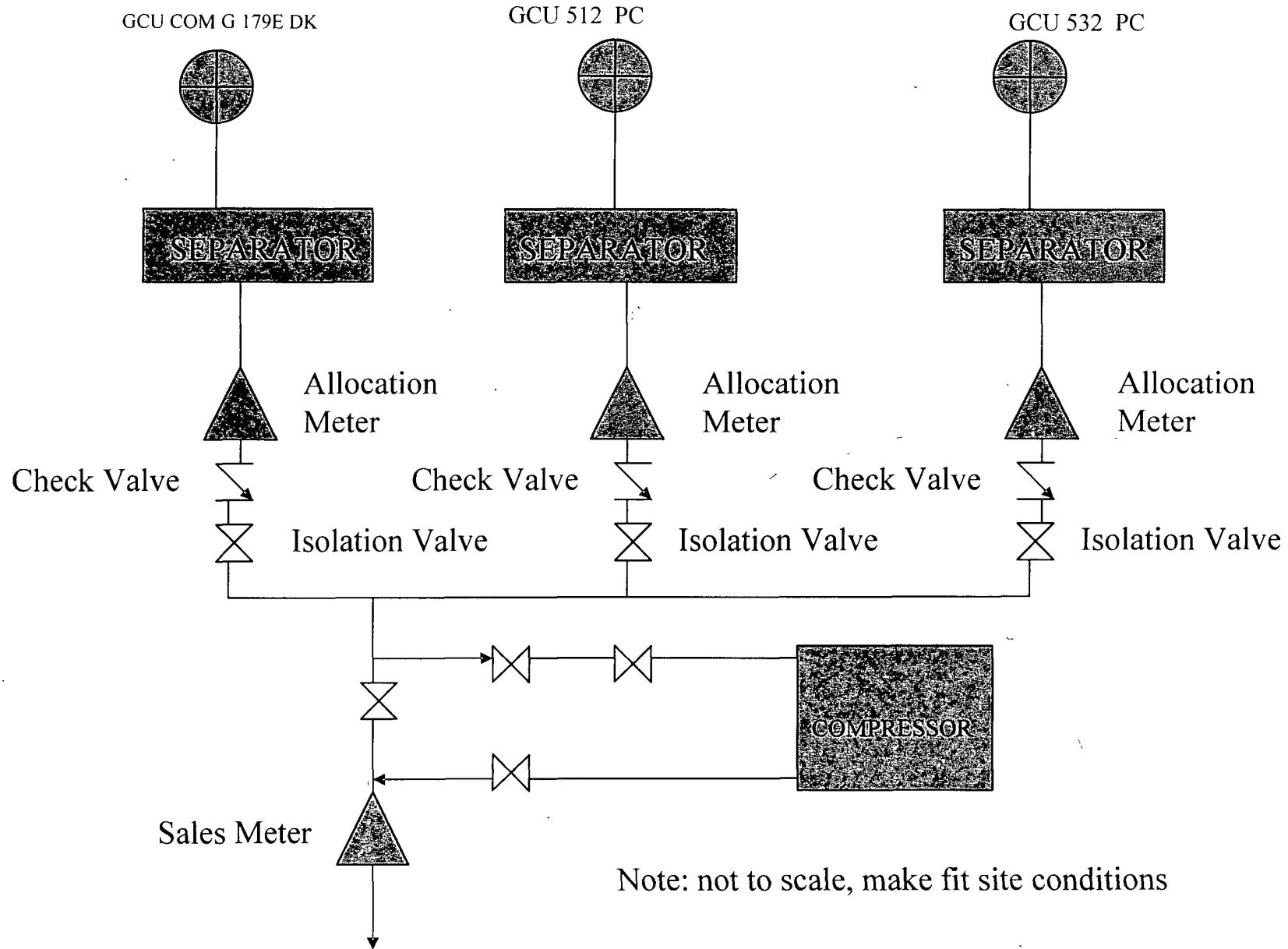
WELL LOCATION AND ACREAGE DEDICATION PLAT

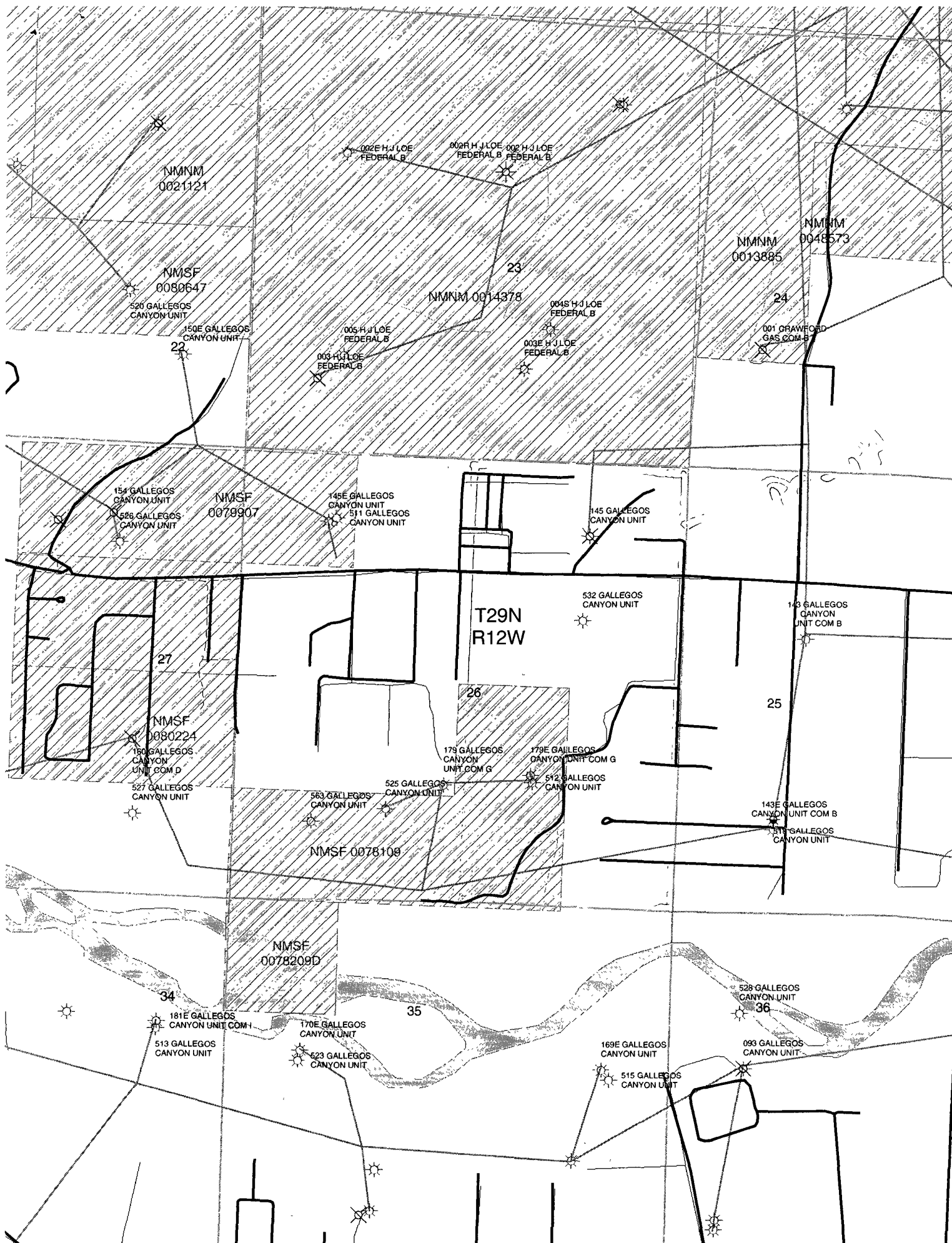
All Distances must be from the outer boundaries of the section

SF 078109-1216
30-045-28221

Operator <u>BHP America Production</u> <u>BHP Petroleum (Americas) Incorporated</u>			Lease <u>Gallegos Canyon Unit</u>		Well No. <u>512</u>
Unit Letter <u>J</u>	Section <u>26</u>	Township <u>29N</u>	Range <u>12W</u>	County <u>San Juan</u>	
Actual Footage Location of Well: <u>1620</u> feet from the <u>South</u> line and <u>1850</u> feet from the <u>East</u> line					
Ground level Elev. <u>5393'</u>	Producing Formation <u>Pictured Cliffs</u>		Pool <u>W. Kutz Pictured Cliffs</u>		Dedicated Acreage: <u>160.04</u> Acres
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____ If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____ No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>					
<p><u>N 89° 08' W 39.56 CH</u></p> <p><u>N 89° 51' W 40.02</u></p> <p><u>30.96 CH</u></p> <p><u>80.05 E</u></p> <p><u>26</u></p> <p><u>1620'</u></p> <p><u>S 89° 47' W 79.42 CH</u></p> <p><u>1850'</u></p>			<p>OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature <u>Chuck Williams</u></p> <p>Printed Name <u>Chuck Williams</u></p> <p>Position <u>Field Services Administrator</u></p> <p>Company <u>BHP Petroleum (Americas) Inc</u></p> <p>Date <u>August 3, 1990</u></p> <p>SURVEYOR CERTIFICATION 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 knowledge and belief. <u>7-11-90</u></p> <p>Date Surveyed <u>Roy A. Rush</u></p> <p>Signature & Seal of Professional Surveyor <u>ROY A. RUSH</u></p> <p>Certificate No. <u>8894</u></p>		

GCU Shared Compression





• Conditions of Approval:
Off-Lease Measurement & Surface Commingling

- Liquid hydrocarbons produced at the CDP must be allocated back to each well in proportion to the well's allocated gas production. Fuel used at the CDP must also be allocated back to each contributing well in proportion to each well's allocated gas production.
- Allocation must be made on an MMBTU basis.
- Measurement of gas at the CDP must be conducted in accordance with the requirements outlined in Onshore Order No. 3, Site security, Onshore Order No. 4, Oil Measurement and Onshore Order No. 5, Gas Measurement.
- In Order to prevent waste and conserve natural gas, periodic review of each well's venting procedures must be conducted in accordance with the requirements outlined in NTL-ADO-93-1.
- No other wells can be added to this system of measurement and sales without the prior approval of this office.
- Contact this office in the event of any lost hydrocarbons between the wells and the CDP.