

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)		WELL API NO. 30-045-20966
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator BP America Production Company Attn: Cherry Hlava		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 3092 Houston, TX 77253		7. Lease Name or Unit Agreement Name A L Elliott B
4. Well Location Unit Letter <u>L</u> : <u>1490</u> feet from the <u>South</u> line and <u>910</u> feet from the <u>West</u> line Section <u>10</u> Township <u>29N</u> Range <u>09W</u> NMPM <u>San Juan</u> County		8. Well Number <u>7</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number <u>778</u>
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Blanco PC & Basin Fruitland Coal
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: DOWNHOLE COMMINGLING <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/> RECEIVED 12/08 OIL CONSERV. DIV. DIST. 3
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

BP respectfully requests permission to downhole commingling the Basin Fruitland Coal formation with the existing Blanco Pictured Cliffs formation.

The PC (72359) & FC (71629) Pools are Pre-Approved for Downhole Commingling per NMOCD Order R - 11363. The working & overriding interest owners are the same in the proposed commingled pools; therefore no further notification of this application is required.

The BLM has been notified via form 3160-5 for lease SF - 078132 of Downhole Commingling.

Production is proposed to be based on a subtraction method, using the projected future decline for production from the PC pool. 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 Basin Fruitland Coal. Please see the decline for Blanco Pictured Cliffs attached.

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

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Cherry Hlava TITLE Regulatory Analyst DATE 12/16/2008

Type or print name Cherry Hlava E-mail address: hlavac1@bp.com Telephone No. 281-366-4081

For State Use Only

APPROVED BY: [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE JAN 05 2009
Conditions of Approval (if any): 68

A.L. Elliott B-7 Payadd Procedure
Sec 10, T29N, R9W
API #: 30-045-20966

1. Check anchors. MIRU workover rig.
2. If necessary, kill with 2% KCL water. Nipple down WH. NU BOPs.
3. TOH with 1-1/4" production tubing currently set at 2453'. Lay down tubing
4. TIH with bit and scraper for 4 1/2" casing to 2500'.
5. Set RBP at 2300'. Load hole with 2% KCL.
6. Pressure test casing to 2500 psi.
7. Set CIBP @ 2410'.
8. Perforate coal at 2382'-2392' with 8 spf 3 1/8" gun with HEG charges
9. Stage #1 fracture stimulate zone with 40,000# 16/30 sand at 6-8 BPM
10. Set BP at 2350'
11. Perforate 2312'-2330' and 2258'-2270' 4 spf 3 1/8" gun with HEG charges
12. Stage #2 fracture stimulate zone with 100,000# 16/30 sand at 30 BPM
13. Set BP plug at 2280'.
14. Perforate 2200'- 2212' 4 spf 3 1/8" gun with HEG charges
15. Stage #3 fracture stimulate zone with 40,000# 16/30 sand at 6-8 BPM
16. TIH with bit and cleanout well to PBTD.
17. Blow well dry with air and foam.
18. Run production tubing and equip well for pumping.
19. ND BOP's. NU WH. Test well for air. Return well to production. as Fruitland Coal well commingle with Pictured Cliffs

Current Completion

11/3/2008

**A. L. Elliott B-7
Sec. 10 T29N R9W
San Juan, New Mexico**

Ground Level Elevation 5837'



Pictured Cliffs Treatment
1000 gal 15% HCl breakdown @
1300 psi Dispace acid at 8 BPM 800
psi Gas frac with 10,000 gal pad
followed by 30,000 # sand in 37,000
gallon frac fluid. Maximum treating

8 5/8"-24# @ 216'

Cement with 200 sxs Class A + 2% CaCl₂

Cement returns at surface

1 1/4" tbg @ 2453'

Pictured Cliffs Perfs
2427'-2438'
2446'-2462'
1 spf

**4-1/2" 10 5# @ 2530' Cemented with
500 sx Class C 50-50 Poz + 2# Tuff
Plug/sx + 6% Gel followed by 100 sx
neat Class C
CEMENT CIRCULATED TO
SURFACE**

Proposed Completion

11/5/2008

A. L. Elliott B-7
Sec. 10 T29N R9W
San Juan, New Mexico

Ground Level Elevation 5837'



Fruitland Coal Proposed Perforations
2382'-2392',
2312'-2330',
2258'-2270',
2108'-2112'

Pictured Cliffs Treatment
1000 gal 15% HCl breakdown @
1300 psi Dispace acid at 8 BPM 800
psi Gas frac with 10,000 gal pad
followed by 30,000 # sand in 37,000
gallon frac fluid Maximum treating
pressure was 1500 psi

8 5/8"-24# @ 216'
Cement with 200 sxs Class A + 2% CaCl₂
Cement returns at surface

Pictured Cliffs Perfs
2427'-2438'
2446'-2462'
1 spf

2 3/8" Tubing @

4-1/2" 10 5# @ 2530' Cemented with
500 sx Class C 50-50 Poz + 2# Tuff
Plug/sx + 6% Gel followed by 100 sx
neat Class C
CEMENT CIRCULATED TO
SURFACE

District I

1625 N French Dr., Hobbs, NM 88240
Phone (505) 393-6161 Fax (505) 393-0720

District II

1301 W Grand Ave., Artesia, NM 88210
Phone (505) 748-1283 Fax (505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170

District IV

1220 S St Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3470 Fax (505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources

Oil Conservation Division

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

Form C-102
Permit 83074

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-045-20966	2 Pool Code 71629	3 Pool Name BASIN FRUITLAND COAL (GAS)
4 Property Code 460	5 Property Name A L ELLIOTT B	6 Well No 007
7 OGRID No 778	8 Operator Name BP AMERICA PRODUCTION COMPANY	9 Elevation 5036

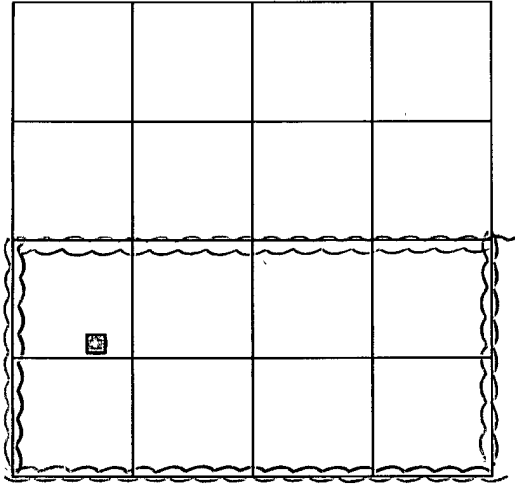
10. Surface Location

UL - Lot L	Section 10	Township 29N	Range 09W	Lot Idn	Feet From 1490	N/S Line S	Feet From 910	E/W Line W	County SAN JUAN
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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	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

	<p align="center">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</i></p> <p>E-Signed By: <i>Cherry Hlava</i> Title: <i>Regulatory Analyst</i> Date: <i>12-15-08</i></p>
	<p align="center">SURVEYOR CERTIFICATION</p> <p><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></p> <p>Surveyed By: Fred Kerr Date of Survey: 5/10/1972 Certificate Number: 3950</p>