

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 July 31, 2010

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

RECEIVED

APR 22 2010

BUREAU OF LAND MANAGEMENT  
Farmington Field Office

5. Lease Serial No.	NMNM 04208
6. If Indian, Allottee or tribe Name	
7. If Unit or CA/Agreement, Name and/or No.	
8. Well Name and No.	McCulley LS 2A & 4S
9. API Well No.	30-045-29305 (2A) & 30-045-32426 (4S)
10. Field and Pool, or Exploratory Area	
11. County or Parish, State	San Juan, New Mexico

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> 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) 14 28N & 09W SWNW	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other Amend to add McCulley LS 4S

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 amend Surface Commingle Order PC-1103-A approved June 6, 2004. It is our intent to add the McCulley LS 4S Fruitland Coal. The McCulley LS 8 (PC) was P&A'd 12/14/09.

PC 1103A not modified yet

Surface commingling production from the existing McCulley LS 2A (MV/CH) (DHC 1494 AZ) and McCulley LS 4 S (FC) will not reduce the economic life of the wells.

After separation the production from each of the 2 wells will be metered individually prior to commingling. The commingled gas will then be sent through compression prior to entering the sales meter. The difference between what is measured prior to commingling & 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 (see attached schematic)

The working interest, royalty and overriding royalty interest owners in the subject wells are identical therefore no further notification is necessary. (see land letter attached). The proposed commingling of production is to reduce operating expenses between the 2 wells and will result in increased economic life of the wells.

NMOCD Santa Fe has also been notified of this proposal by Form C-103.

W 1/2 of Sec 14 is all on a

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

common lease  
NM 04208

Cherry Hlava

Title Regulatory Analyst

Signature *Cherry Hlava*

Date 04/19/2010

RCVD MAY 5 '10  
OIL CONS. DIV.

DIST. 3

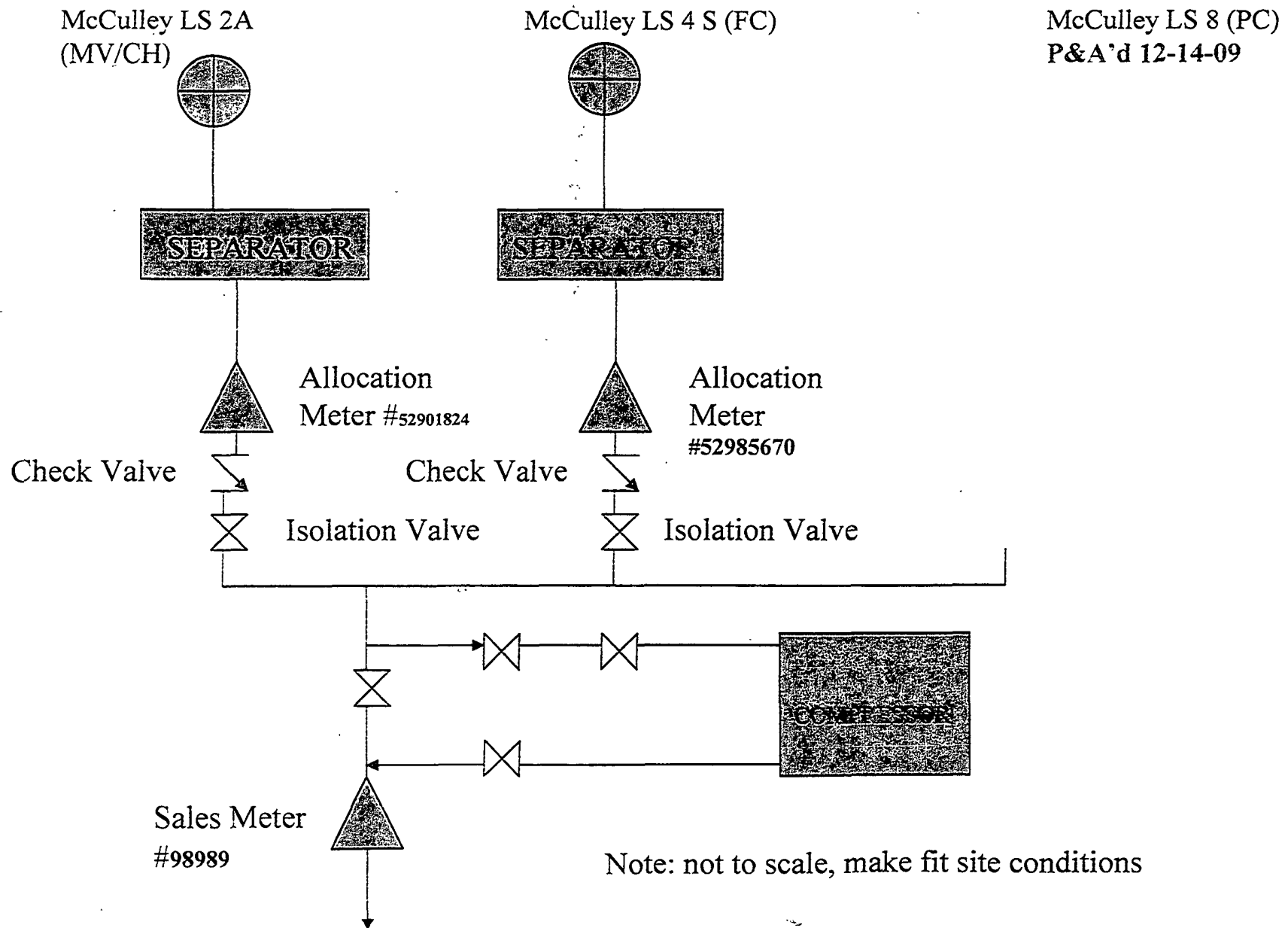
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>[Signature]</i>	Title <i>Petr. Eng.</i>	Date <i>5/3/10</i>
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

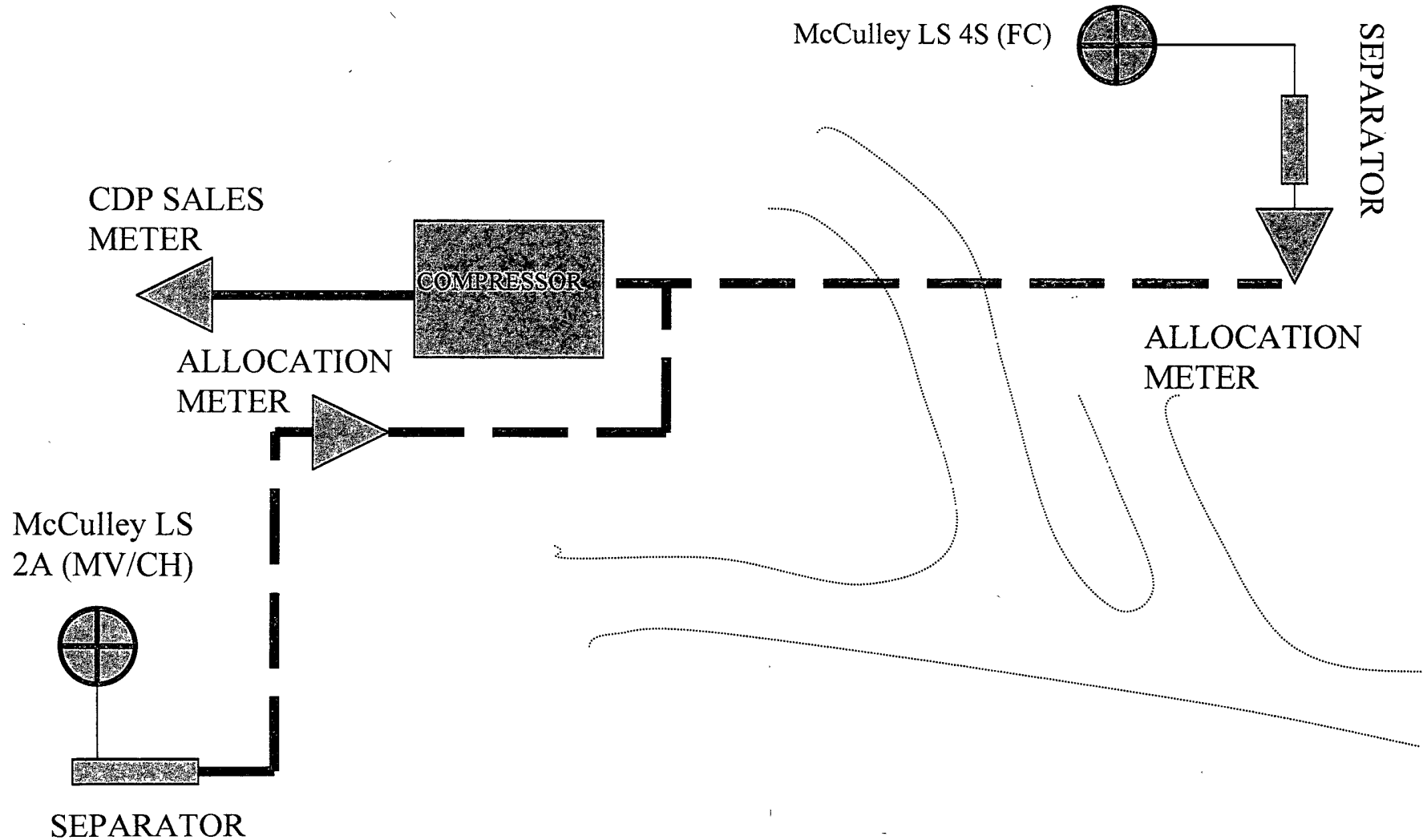
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOCD

# McCulley Shared Compression



# McCulley Ground Disturbance for Meters only SECTION 14, T28N, R9W



District I  
PO Box 1980, Hobbs NM 88241-1980  
District II,  
PO Drawer KK, Artesia, NM 87211-0719  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-045-32426		2 Pool Code 71629		3 Pool Name Basin Fruitland Coal		
4 Property Code 000854		5 Property Name McCulley LS			6 Well Number # 4S	
7 OGRID No. 000778		8 Operator Name BP AMERICA PRODUCTION COMPANY			9 Elevation 5896	

10 Surface Location

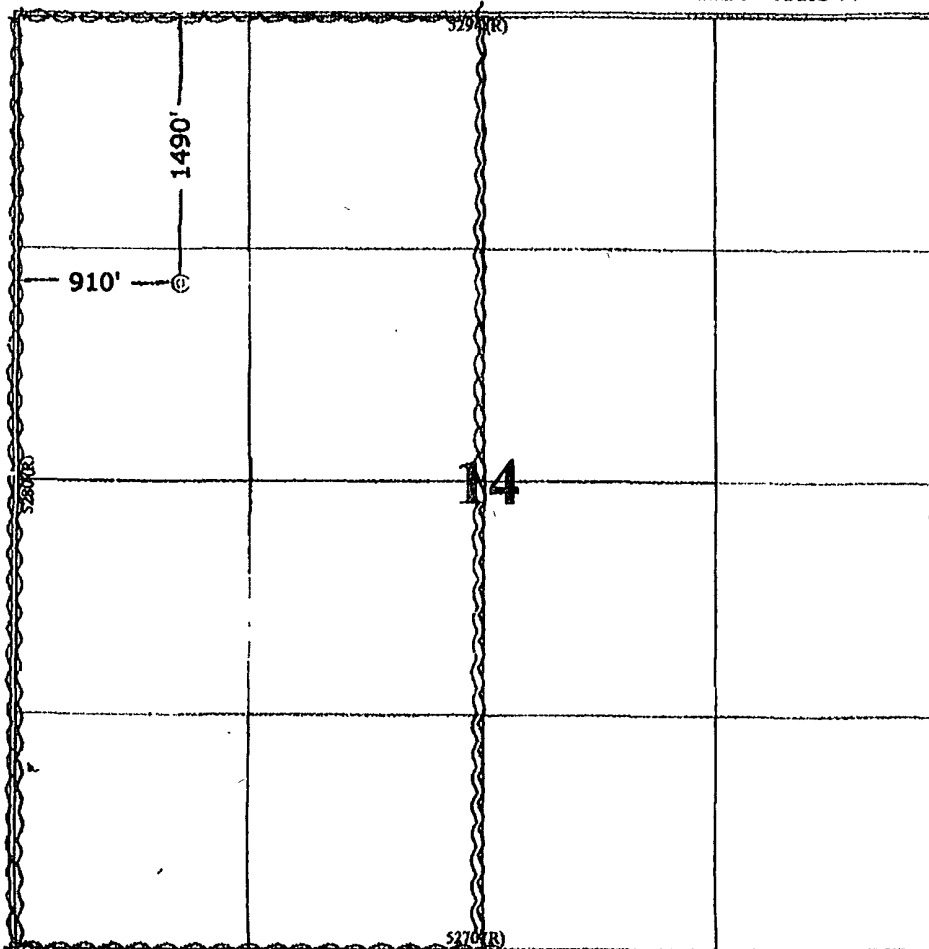
UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	14	28 N	9 W		1490	NORTH	910	WEST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
320			

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>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Cherry Hlava</i> Signature Cherry Hlava Printed Name Regulatory Analyst Title 6-16-04 Date</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>April 21, 2004 Date of Survey</p> <p>Signature and Seal of Professional Surveyor <i>GARY D. VAN NUN</i> 7016 Certificate Number</p>

(R) - GLO Record

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

EXISTING WELL IN POOL 1163-77  
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

<sup>1</sup> API Number <b>30-045-29305</b>	<sup>2</sup> Pool Code <b>72319 82329</b>	<sup>3</sup> Pool Name <b>Blanco Mesaverde &amp; Otero Chacra</b>
<sup>4</sup> Property Code <b>000854</b>	<sup>5</sup> Property Name <b>McCulley LS</b>	<sup>6</sup> Well Number <b>2A</b>
<sup>7</sup> OGRID No. <b>000778</b>	<sup>8</sup> Operator Name <b>BP America Production Company</b>	<sup>9</sup> Elevation

<sup>10</sup> Surface Location

UL or lot no. <b>Unit E</b>	Section <b>14</b>	Township <b>28N</b>	Range <b>09W</b>	Lot Idn	Feet from <b>1545</b>	North/South <b>North</b>	Feet from <b>895</b>	East/West <b>West</b>	County <b>San Juan</b>
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet	East/West	County
<sup>12</sup> Dedicated Acres <b>160 CH 320 MV</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<div>McCulley LS 2A API # 30-045-29305 1545' FNL &amp; 895' FWL Blanco Mesaverde &amp; Otero Chacra</div>				<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  <b>Cherry Hlava</b>
				Signature <b>Cherry Hlava</b>
				Printed Name <b>Regulatory Analyst</b>
				Title <b>03/19/2010</b>
				Date
				<sup>18</sup> 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 belief.  <b>On File</b>
				Date of Survey
				Signature and Seal of Professional Surveyor.
				Certificate Number



**BP America Production Company**

San Juan Performance Unit  
501 Westlake Park Boulevard  
Houston, Texas 77079  
Room 19.112B

**Ryan Fitzpatrick**

**Land Negotiator**

Phone: 281.366.8852

Fax: 281.366.0700

March 25, 2010

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

Surface Commingling Application  
McCulley LS No. 2A (MV/CH) 30-045-29305  
McCulley LS No. 4 S (FC) 30-45-32426  
McCulley LS 8 (PC/entire wellbore P&A'd) 30-045-20456  
Section 14, T28N, R09W  
San Juan County, New Mexico

Please be advised that the working interest, royalty and overriding royalty interest owners are identical for each well.

Sincerely,

A handwritten signature in black ink, appearing to read "Ryan Fitzpatrick".

Ryan Fitzpatrick  
Land Negotiator

**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 Commingling)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☒ Yes ☐ No If "Yes", please include the appropriate Order No. **PC-1103-A**  
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
<b>Basin Fruitland Coal (71629)</b>	<b>1138 BTU</b>	<b>1138 BTU</b>		<b>125 mcf/d</b>	<b>125</b>
<b>Blanco Mesaverde (72319)</b>	<b>1253 BTU</b>	<b>1253 BTU</b>		<b>150 mcf/d</b>	<b>150</b>
<b>Otero Chacra (82329)</b>	<b>1253 BTU</b>	<b>1253 BTU</b>		<b>150 mcf/d</b>	<b>150</b>

(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. (All Interest Owners are Identical)

(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: 04/19/2010

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

E-MAIL ADDRESS: hlavacl@bp.com