



United States Department of the Interior

Bureau of Land Management
Farmington, New Mexico
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

30-045-07983

IN REPLY REFER TO:
43CFR 3162.3-2(a)

July 8, 2003

BP America Production Company
Attn.: Cherry Hlava
P.O. Box 3092
Houston, TX 77253-3092



Dear Ms. Hlava:

Reference is made to the following well on Federal oil and gas lease NM-013885:

No. 1 Crawford Com B, located 1450' FSL and 810' FWL, Section 24 T.29N., R.12W., San Juan County, New Mexico.

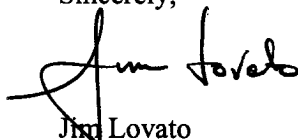
On June 10, 2003 we electronically received a Sundry Notice of Intent to recomple the referenced well in the Chacra Formation and downhole commingle with the Dakota formation (EC No. 22158). A Well Completion Report (EC No. 22170) was received on June 11, 2003 detailing the well completion in the Otero Chacra Pool. Based on the well completion report information, actual Chacra formation recompletion work commenced on February 25, 2003.

This office has no record, written or verbal, which authorizes the completion in the Otero Chacra Pool and the subsequent commingling with the Dakota formation. As such, you are in violation of 43 CFR 3162.3-2, Subsequent Well Operations that requires prior approval before commencing recompletion in a different interval and commingling production from different intervals. Further violations under this regulation will result in an assessment for failure to comply with a written order of the authorized officer.

Under 43 CFR 3165.3, you may request an Administrative Review of any instructions, orders, or decisions issued by the Authorized Officer. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the Sate Director, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request will not result in a suspension of the instructions, orders, or decisions unless the reviewing official so determines. Procedures governing appeals from the instructions, orders, or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et. Seq.

If you have any questions regarding the above, please contact me at (505) 599-6367.


Sincerely,

A handwritten signature in black ink, appearing to read "Jim Lovato". The signature is fluid and cursive, with the first name "Jim" and last name "Lovato" clearly distinguishable.

Jim Lovato
Senior Technical Advisor
Petroleum Engineer

Enclosures (Well Completion Report & Sundry Notice)

cc: NMOCD:Aztec ✓


Santa Fe