

Submit 3 Copies To Appropriate District Office
 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
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

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

WELL API NO. 30-045-30899
5. Indicate Type of Lease STATE FEE
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Florance AM ^{RS} (Also filed on BLM Form 3163-5 BLM SF-078596-A)
8. Well No. 31M
9. Pool name or Wildcat Basin Dakota & Blanco Mesaverde
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 6220' GR

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.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
 BP America Production Company Attn: Mary Corley

3. Address of Operator
 P.O. Box 3092 Houston, TX 77253

4. Well Location
 Unit Letter G 1840 feet from the North line and 1695 feet from the East line
 Section 10 Township 29N Range 08W NMPM San Juan County

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

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/></p> <p>OTHER: Complete Mesaverde & Downhole Commingle <input checked="" type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/></p> <p>CASING TEST AND CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>
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12. 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 America Production Company request permission to complete the subject well into the Blanco Mesaverde and commingle production downhole with the Basin Dakota Pool (which is in the process of being completed) as per the attached procedure.

The Basin Dakota (71599) & the Blanco Mesaverde (72319) Pools are Pre-Approved for Downhole Commingling per NMOCD Order R - 11363. The working and overriding royalty interest owners in the proposed commingled pools are identical, therefore no further notification of this application is required.

Production is proposed to be allocated based on fixed percentage. We will perform a deliverability test on the Dakota, isolate the zone and complete into the Mesaverde. The deliverability test will be performed on the combined zones and the Dakota rate will be subtracted from the total well stream to establish the Mesaverde rate.

Commingling Production Downhole in the subject well from the proposed pools with 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.

SIGNATURE Mary Corley TITLE Sr. Regulatory Analyst DATE 09/23/2002
 Type or print name Mary Corley Telephone No. 281-366-4491

(This space for State use)
 APPROVED BY _____ TITLE _____ DATE SEP 23 2002
 Conditions of approval, if any:

Mesa Verde/Dakota Infill Drilling Well Completion Procedure

Well Name Florance AB 31M
Version 1.0
Date 25th September 2002

Summary of Objectives

1. Run TDT
2. Perforate DK
3. Run Gauges to Dakota, leave overnight
4. Retrieve Gauges and frac the DK (Slick Water)
5. Clean out frac
6. Run 2 3/8" tubing and perform 12 hour stabilized test on DK
7. Set Bridge plug Between MV and DK
8. Perforate and frac (2 Stage N2 Foam) the MV Formation
9. Clean out frac and wellbore to PBTD
10. Run Completion String and RDSU
11. Put well on Line
12. Perform a 4 point deliverability test on MV/DK Well

Pertinent Information

Location	29N-8W-12	Horizon	Basin Dakota/Mesaverde
County	San Juan	API Number	
State	New Mexico	Engineer	Marney Pietrobon
API Number	30-045-30899	Geologist	Shelagh Baines- 281497-9293
Well Flac		Phone #	281-366-7609
SAP Number	X3-00552	Mobile #	713-444-0017

Safety Observations and Issues

1. Equipment taking to site will be handled with *extreme care* to reduce any potential hazard for the environment.
2. A safety meeting will be held at the beginning of the job. The site and surrounding area will be kept clean and tidy throughout all operations with appropriate warning signs will be placed around work area.
3. Risk Assessment to be performed.

Completion Procedure

1. Prepare the location and fence off the pits. Meet with Schlumberger to determine number of frac tanks required and the layout of the site.
Location and final spotting of equipment should not cause any hazards on site.
2. Hold morning meeting, perform and discuss the Risk Assessment (JHA) with FMC (Wellhead Company) and rig crews.
3. Install tubing head and test secondary seals to 4500 psi, top up well with water and test primary wellhead valves.
4. Install frac valve and pressure test lines. Maximum pressure of the Dakota frac will be 4500 psi
5. Locate **xx** frac tanks and fill.
6. RU Schlumberger equipment and prepare for logging operations. Pick up and run TDT/GR from TD to 7" shoe located at 3175 ft .
Schlumberger - Send log digits to Roy Dove (Houston) to analyze logs then onto Marney Pietrobbon (PietroMN@BP.com) in Houston immediately upon analysis.
7. Rig-down Schlumberger equipment
8. Engineer in Houston to pick perforations for the Dakota and Mesa Verde formations.
9. Notify FMC (Wellhead Company) of frac date/s and conduct Risk Assessment (JHA) identifying major uncertainties i.e. dropped objects potentials

FIRST DAKOTA STAGE

10. Rig- up Schlumberger equipment & and prepare for perforating operation. Pick up guns and perforate the Dakota with 2 SPF, 120° phasing as follows:
7438', 7434', 7430', 7420', 7414', 7406', 7400', 7394', 7380', 7374', 7367', 7346', 7342', 7328', 7325', 7321', 7304', 7300', 7293', 7282', 7272', 7266', 7260', 7252'
11. POOH with wireline and guns, check for 100% firing rate. Report to Houston on the percentage fire rate of the guns used.
12. Pick-up and RIH with gauges. Soft set gauges at 7200 ft. Leave Gauges overnight – **pull gauges in the morning- prior to fracing operation)**
Send Data to Houston
13. Hold Risk Assessment (JHA) meeting prior to frac job.

14. Rig-up Dowell-Schlumberger equipment and pressure test all lines. Frac the Dakota per Dowell procedure, lead frac with 500 gal of 15% HCL.
15. Rig-down Dowell & Schlumberger equipment.
16. Flowback well overnight.
17. Hold Morning Meeting and discuss Risk Assessment (JHA) with crews
18. Rig-Up Service Rig and RIH 2 3/8" production tubing with bit
19. Drill out to hard bottom; pull-up, check and tag fill if any exists.
20. If fill exists, POOH with tubing and bit, rig-up air unit to bail, continue to bail until fill is 40 ft below bottom perforations. (WELL SHOULD BE CLEANED EFFICIENTLY) If no fill is evident POOH with tubing and bit. Stand tubing in Derrick. Retrieve bit
21. RIH with 2 3/8" tubing and land tubing at 7200'. Begin 12 hour Flow test for the Dakota.
22. POOH with 2 3/8" tubing and RIH with tubing-set CIBP. Set CIBP at 7100'. (Load hole with 2% KCL and pressure test casing to 1500 psi. (is the necessary?))

FIRST STAGE MESA VERDE

23. Rig-up Schlumberger (wireline) equipment and prepare for perforating operations. Perforate the Mesa Verde (*First reservoir section is known as the PointLookout/Menefee formation*) the with 2 SPF, 120° phasing as follows:
5350', 5311', 5301', 5295', 5280', 5277', 5268', 5256', 5248', 5226', 5220', 5205'.
1 SPF
5195', 5190', 5183', 5169', 5148', 5132', 5123'.
2 SPF
5098', 5080', 5074', 5050', 5040', 5000', 5003', 4988', 4947'.
24. POOH with plug/gun assembly and check firing rate of guns.
25. Frac the First Mesa Verde section (*known as the PointLookout/Menefee Formation*) as per Dowell procedure, lead frac with 500 gal. 15% HCL.
 - *Dowell Schlumberger - Electronic (ASCII file) frac file to be sent next day to Houston & paper copy sent by the following Friday. Paper copies should include priceout sheet.*

SECOND STAGE MESA VERDE

26. Rig-up Schlumberger (wireline) equipment and prepare for perforating operations. Pick up and RIH with plug/gun assembly & set EZ Drill plug at **4918** ft. Perforate

the Mesa Verde (*third reservoir section is known as the Menefee/Cliffhouse formation*) the with 2 SPF, 120° phasing as follows:

4883', 4872', 4851', 4840', 4836', 4824', 4799'

1 SPF

4784', 4768', 4753', 4744', 4726', 4711', 4699', 4683', 4677'.

2 SPF

4654', 4628', 4619', 4604', 4598', 4575', 4566', 4560', 4542', 4532', 4523', 4515'.

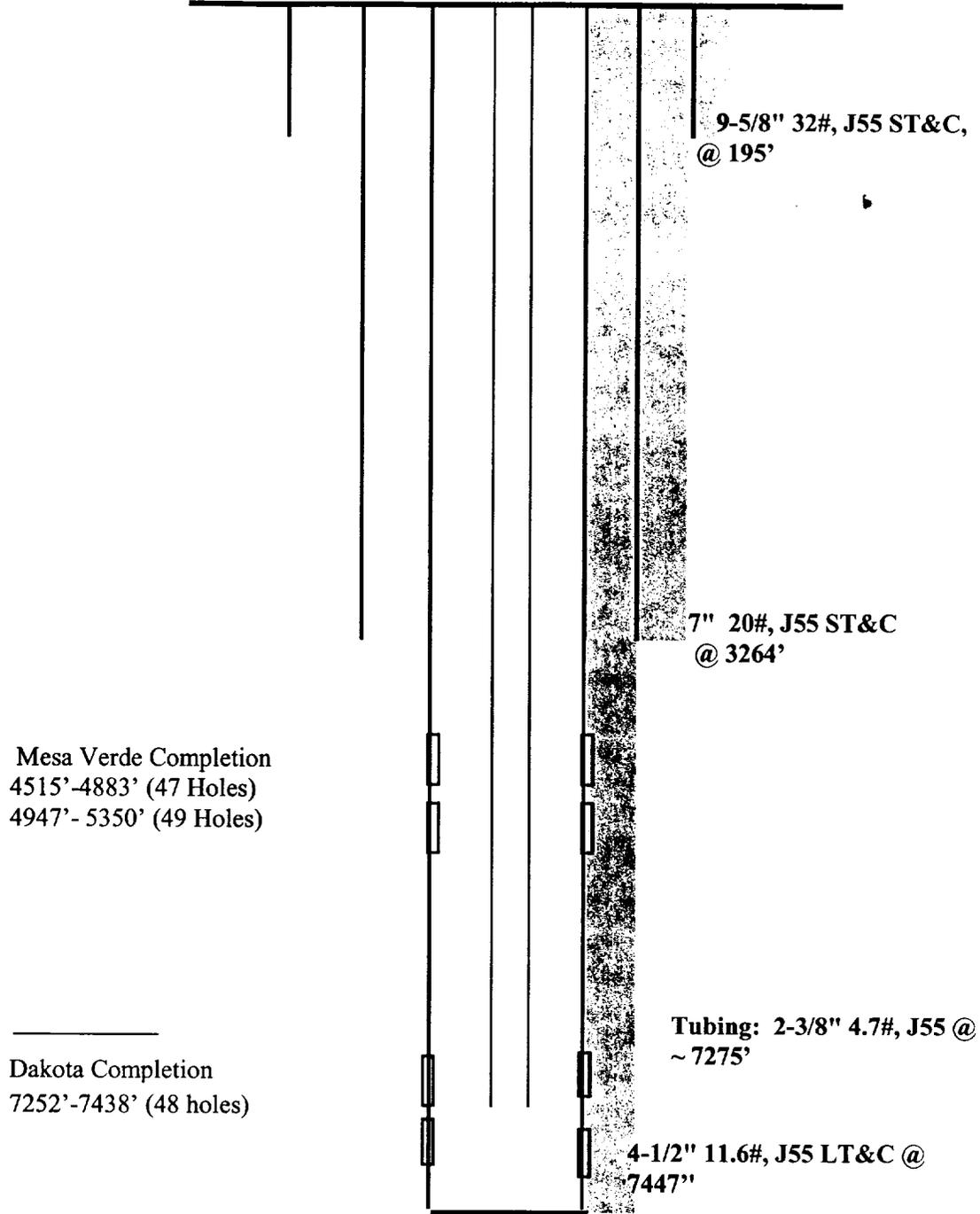
27. POOH with plug/gun assembly and check firing rate of guns.
28. Frac the third Mesa Verde section (*known as the Menefee Formation*) as per Dowell procedure, lead frac with 500 gal. 15% HCL.
 - *Dowell Schlumberger - Electronic (ASCII file) frac file to be sent next day to Houston & paper copy sent by the following Friday. Paper copies should include priceout sheet.*
29. Rig-down Dowell & Schlumberger equipment.
30. Flowback well overnight.
31. Hold Morning Meeting and discuss Risk Assessment (JHA) with crews
32. Service Rig should already be Rigged up and RIH 2 3/8" production tubing with bit. Clean out fill and drill out to hard bottom through BP set at **4918'** and **7100'**; pull-up, check and tag fill if any exist Ensure that MV is cleaned sufficiently
33. If fill exists, POOH with tubing and bit, rig-up air unit to bail, continue to bail until fill is 40 ft below bottom perforations. If no fill is evident POOH with tubing and bit. Stand tubing in Derrick. Retrieve bit
34. Pick up and run 2 3/8" production tubing with 'F' landing nipple. Land tubing 1 joint into top of Two Wells Formation top has been estimated at 7250 ft TVD from Form 46 (Please see Well t).
35. Run in slowly with tubing, noting the up and down weight of the string. Land tubing in Hanger. Send appropriate information to Mary Corley (281-366-4491) to file the C-104
36. Rig-Up wireline unit and set plug in the 'F' nipple. Nipple down BOP's, install Xmas tree and test to 3000 psi. If wellhead tests ok, retrieve plug, if not check seals on wellhead and re-test.
37. RDMO Service rig
38. Install flowline and produce the well to sales.

Florance AB # 31M

Sec12, T29N R8W

API: 30-045-30899

GL: 6220'



Mesa Verde Completion
4515'-4883' (47 Holes)
4947'-5350' (49 Holes)

Dakota Completion
7252'-7438' (48 holes)

Notes

Updated: 19th September 2002,
MNP