

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



2006 SEP 15 PM 2:11

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**  
**[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**  
**[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**  
**[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**  
**[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**  
**[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]  
 [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD
- Check One Only for [B] or [C]  
 [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR
- [D] Other: Specify \_\_\_\_\_

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply  
 [A]  Working, Royalty or Overriding Royalty Interest Owners  
 [B]  Offset Operators, Leaseholders or Surface Owner  
 [C]  Application is One Which Requires Published Legal Notice  
 [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

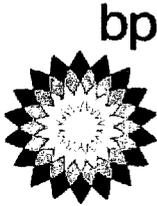
Kristina Hurts  
 Print or Type Name

*Kristina Hurts*  
 Signature

Regulatory Analyst  
 Title

09/11/2006  
 Date

Kristina.hurts@bp.com  
 e-mail Address



San Juan South Asset

Kristina Hurts  
WL1-19.134  
281-366-3866 (direct)  
281-366-0700 (FAX)  
[kristina.hurts@bp.com](mailto:kristina.hurts@bp.com)

P. O. Box 3092  
Houston, Texas 77253-3092  
501 Westlake Park Boulevard  
Houston, Texas 77079

September 11, 2006

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

Surface Commingling Notice  
Jenkins Com 1  
Marsrow Gas Com 1E  
Section 15, T29N, R12W  
San Juan County, New Mexico

BP America Production Company respectfully request authorization to surface commingle gas production from the Fulcher Kutz Pictured Cliffs and Basin Dakota. Surface commingling Pictured Cliffs production will be from the Jenkins Com 1 and Basin Dakota production will be from the Marsrow Gas Com 1E. Both of these wells are on the same base lease with different ownership between formations.

The production from each well will be separated & metered prior to commingling. The commingled gas will then be sent through compression prior to entering the sales meter.

All Interest Owners were notified by copy of this application on Sept 11, 2006, via certified mail return receipt requested. (Please see attached)

Attached in support of our application and in compliance with NMOCD Rule 303(B) are the following documents:

1. A Plat with lease boundaries showing all well and facility locations.
2. Site Facility Schematic Flow Diagram
3. Names & Addresses listing Interest Owners Notified
4. Form C-107-B
5. Form C-103

Should you have any questions concerning this matter please contact me at 281-366-3866.

Sincerely,

A handwritten signature in black ink, appearing to read "Kristina Hurts", written in a cursive style.

Kristina Hurts  
Regulatory Analyst

CC: NMOCD Aztec, NM

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.	Reference Below
5. Indicate Type of Lease	STATE FEE
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name:	Jenkins Com & Marsrow Gas Com (Federal Lease NM-048573 BLM Notified on Form 3160-5)
8. Well No.	Nos. 1 & 1E
9. Pool name or Wildcat	Fulcher Kutz PC & Basin Dakota

**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: Kristina Hurts**

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

4. Well Location  
 Unit Letter L (see C-102) feet from the South line and \_\_\_\_\_ feet from the West line  
 Section 15 Township 29N Range 12W NMPM San Juan County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

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

**NOTICE OF INTENTION TO:**  
 PERFORM REMEDIAL WORK  PLUG AND ABANDON   
 TEMPORARILY ABANDON  CHANGE PLANS   
 PULL OR ALTER CASING  MULTIPLE COMPLETION   
 OTHER: Surface Commingle

**SUBSEQUENT REPORT OF:**  
 REMEDIAL WORK  ALTERING CASING   
 COMMENCE DRILLING OPNS.  PLUG AND ABANDONMENT   
 CASING TEST AND CEMENT JOB   
 OTHER:

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 respectfully request authorization to surface commingle gas production from the Fulcher Kutz PC and Basin Dakota from our Jenkins Com 1 & Marsrow Gas Com 1E. Surface commingling Fulcher Kutz PC production will consist of the Jenkins Com 1 API 30-045-29234 and DK production will be from the Marsrow Gas Com 1E API 30-045-24007. The production from each well will be metered prior to commingling then the commingled production will flow into through the separator where the liquids will be removed. The commingled gas will then be sent through compression prior to entering the sales meter.

The working interest, royalty and overriding royalty interest owners in the subject wells are different therefore notification is required (sent certified return receipt 09/11/06). The proposed commingling of production is to reduce operating expenses between the wells and will result in increased economic life of the wells.

BLM has also been notified of this proposal by copy of BLM Form 3160-5.

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

SIGNATURE Kristina Hurts TITLE Regulatory Analyst DATE 09/11/06  
 Type or print name Kristina Hurts Telephone No. 281-366-3866

(This space for State use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 Conditions of approval, if any:

**District I**  
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised August 15, 2000

**District II**  
811 South First, Artesia, NM 88210

**OIL CONSERVATION DIVISION**  
2040 South Pacheco  
Santa Fe, NM 87505

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

**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410

**District IV**  
2040 South Pacheco, Santa Fe, NM 87505

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>See Below</b>	<sup>2</sup> Pool Code <b>77200, 71599</b>	<sup>3</sup> Pool Name <b>Fulcher Kutz Picture Cliffs &amp; Dakota</b>
<sup>4</sup> Property Code <b>16966 &amp; 000821</b>	<sup>5</sup> Property Name <b>Jenkins Com &amp; Marsrow Gas Com</b>	
<sup>7</sup> OGRID No. <b>000778</b>	<sup>8</sup> Operator Name <b>BP America Production Company</b>	<sup>6</sup> Well Number <b>1 &amp; 1E</b>
		<sup>9</sup> Elevation

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet from	East/West	County
<b>L</b>	<b>15</b>	<b>29N</b>	<b>12W</b>			<b>South</b>		<b>West</b>	<b>San Juan</b>

<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 &amp; 320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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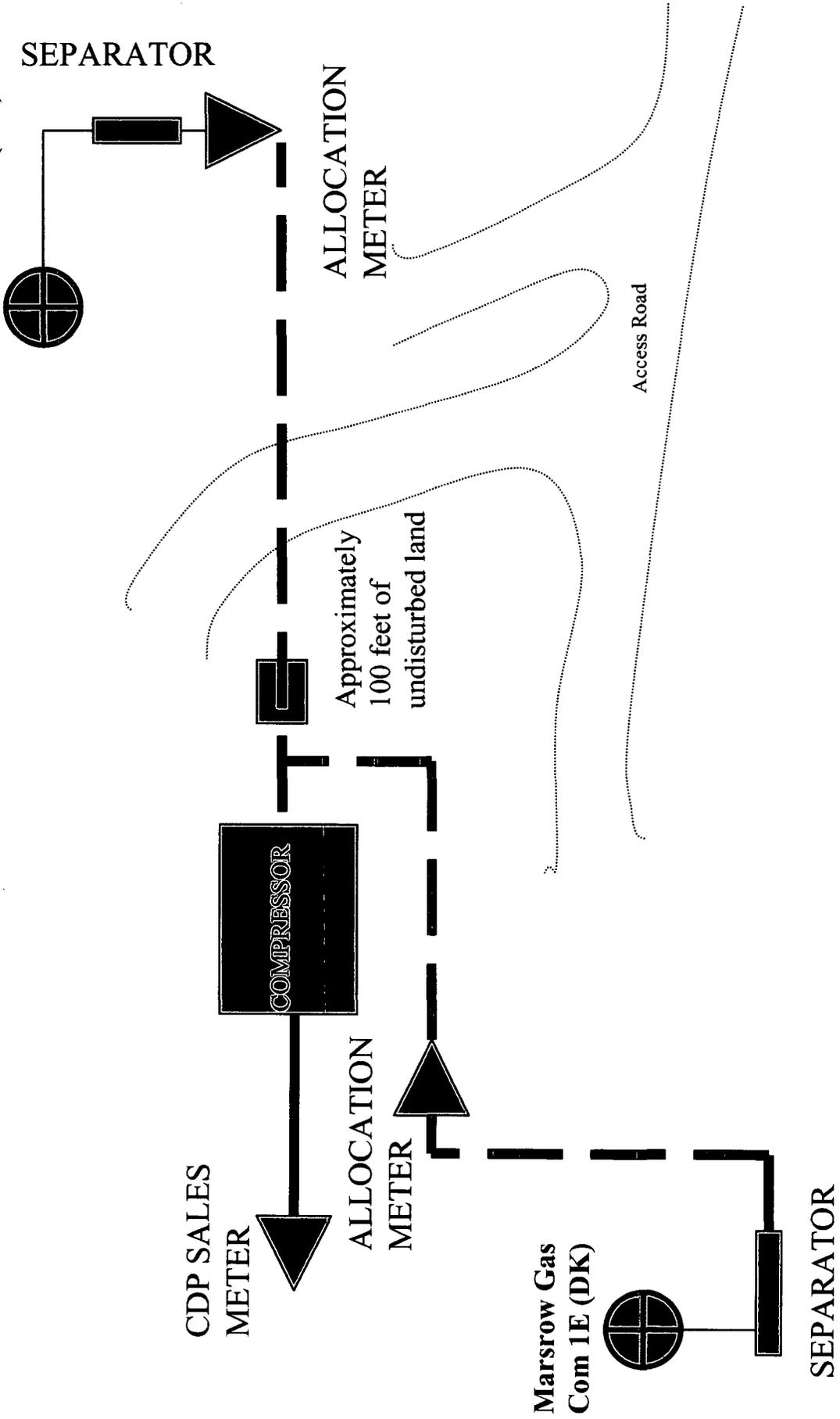
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p><sup>17</sup> 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.</i></p> <p><i>Kristina Hurts</i> Signature</p> <p><b>Kristina Hurts</b> Printed Name</p> <p><b>Regulatory Analyst</b> Title</p> <p><b>9/11/2006</b> Date</p>
	<p><sup>18</sup> 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><b>on file</b></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

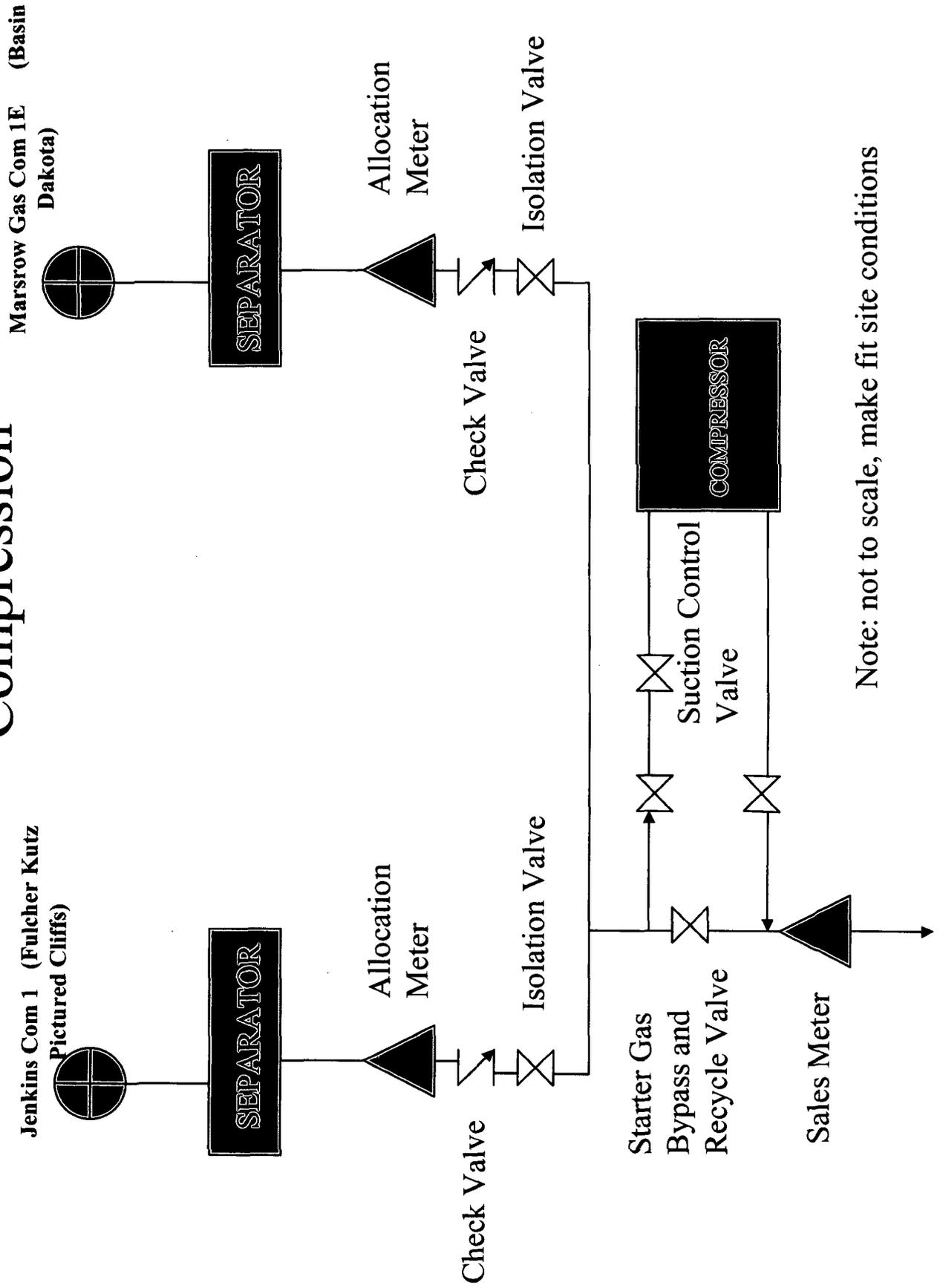
# SHARED COMPRESSOR SCHEMATIC FOR Jenkins Com 1 & Marsrow

Gas Com 1E SECTION 15, T29N, R12W Jenkins Com 1 (PC)

Access Road



# Jenkins Com 1 & Marsrow Gas Com 1E Shared Compression



Note: not to scale, make fit site conditions

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 Commingled)  
LEASE TYPE:    Fee    State    Federal

Is 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
<b>Fulcher Kutz Pictured Cliffs 77200</b>	<b>1015 BTU</b>	<b>1015 BTU</b>	<b>200 MCFD</b>	<b>200</b>
<b>Basin Dakota 71599</b>	<b>1159 BTU</b>	<b>1159 BTU</b>	<b>20 MCFD</b>	<b>20</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.  
(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

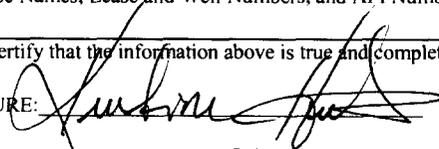
(1) Complete Sections A and E.

**(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:    TITLE: Regulatory Analyst   DATE: 09/11/06  
TYPE OR PRINT NAME Kristina Hurts   TELEPHONE NO.: 281-366-3866  
E-MAIL ADDRESS: kristina.hurts@bp.com

BETTY JOE DOLAN LOVING TR  
BETTY JOE DOLAN TRUSTEE  
3800 W 71ST ST SOUTH, APT 3101  
TULSA, OK 74132

BP AMERICA PRODUCTION COMPANY  
PO BOX 22047  
TULSA, OK 74121-2047

LAURENCE CORBETT KELLY , TRUST  
STEVE COLDWELL SUCCESSOR TRUSTEE  
C/O COLDWELL, SCLAFANI & CO  
3239 VERDUGO RD  
GLENDALE, CA 91208-1633

MINERALS MANAGEMENT SERVICE  
PO BOX 5810 TA  
DENVER, CO 80217-5810

NANCY O MABE , TRUST  
DTD SEPTEMBER 21, 1994  
NANCY O MABE TRUSTEE  
PO BOX 229  
LIBERTY, MO 64069

ROSE M BLOUNT , TRUST  
MADONNA LEE TRUSTEE  
1542 WHISPERING OAKS  
BRIGHTON, MI 48116-2064

SABINE ROYALTY TRUST  
BANK OF AMERICA - ESCROW AGENT  
LBX 840887  
DALLAS, TX 75284-0887