

ABOVE THIS LINE FOR DIVISION USE ONLY

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



1189

**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

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[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.**

<u>Toya Colvin</u> Print or Type Name	<u>Toya Colvin</u> Signature	<u>Regulatory Analyst</u> Title	<u>9/26/2007</u> Date
		<u>Toya.Colvin@bp.com</u> e-mail Address	



San Juan South Asset

Cherry Hlava  
WL1-19.132  
281-366-4081 (direct)  
281-366-0700 (FAX)  
hlavacl@bp.com

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

September 26, 2007

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

Surface Commingling Notice  
Burnham GC 1 (DK) API 3004508456  
Burnham GC B 1 (PC) API 3004529227  
Section 12, T29N, R13W  
San Juan County, New Mexico

BP America Production Company respectfully request authorization to surface commingle gas production from the Basin Dakota & W. Kutz Picture Cliffs Formations. Surface commingling Basin Dakota production will be from the Burnham GC 1 and the W. Kutz Picture Cliffs production will be from the Burnham GC B1. Both of these 'leases' are of the same base lease with different ownership between formations. **The working interest, royalty and overriding royalty interest owners in the subject wells are different therefore notification is required (sent certified return receipt 9/6/07).**

After separation, the production from each well, will be metered prior to commingling. The commingled gas will then be sent through compression prior to entering the sales meter. (please reference attached schematic)

The difference between what is measured prior to commingling and 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.

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

1. Plats with lease boundaries showing all wells and facility locations.
2. Site Facility Schematic Flow Diagram
3. Forms C-103 & C-107-B

Should you have any questions concerning this matter please contact Toya Colvin at 281-366-7148.

Sincerely,

  
Toya Colvin  
Regulatory Analyst

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>Basin Dakota (Burnham GC 1)</b>	<b>1184 BTU</b>	<b>1184 BTU</b>	<b>18</b>	<b>18</b>
<b>W. Kutz Pictured Cliffs (Burnham GC B 1)</b>	<b>1000 BTU</b>	<b>1000 BTU</b>	<b>192</b>	<b>192</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: *Toya Colvin* TITLE: Regulatory Analyst DATE: 09/26/07

TYPE OR PRINT NAME Toya Colvin TELEPHONE NO.: 281-366-7148

E-MAIL ADDRESS: hlavacl@bp.com

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

Form C-103  
 May 27, 2004

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

WELL API NO.
<b>Reference Below</b>
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name <b>Burnham GC 1 &amp; Burnham GC B1</b>
8. Well Number
9. OGRID Number <b>000778</b>
10. Pool name or Wildcat <b>Basin Dakota &amp; W. Kutz Pictured Cliffs</b>

**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: Toya Colvin**

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

4. Well Location  
 Unit Letter M : (see C-102) feet from the SOUTH line and \_\_\_\_\_ feet from the WEST line  
 Section 12 Township 29N Range 13W NMPM County San Juan

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

Pit or Below-grade Tank Application  or Closure

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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <b>SURFACE COMMINGLE</b> <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 America Production Company respectfully request authorization to surface commingle gas production from the Basin Dakota coming from Burnham GC 1 API 30-045-08456 & the production from W. Kutz Picture Cliffs coming from our Burnham GC B 1 API 30-045-29227. The production from each well will be separated prior to the allocation meter. Then the production from each well will be metered prior to being commingled. The commingled production will then be sent through compression prior to entering the sales meter.

The difference between what is measured prior to commingling and 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.

The working interest, royalty and overriding royalty interest owners in the subject wells are different therefore notification is required. (Sent Certified Receipt 9/6/07.) The proposed commingling of production is to reduce operating expenses between the wells and will result in increased economic life of the wells.

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 Toya Colvin TITLE Regulatory Analyst DATE 9/26/07

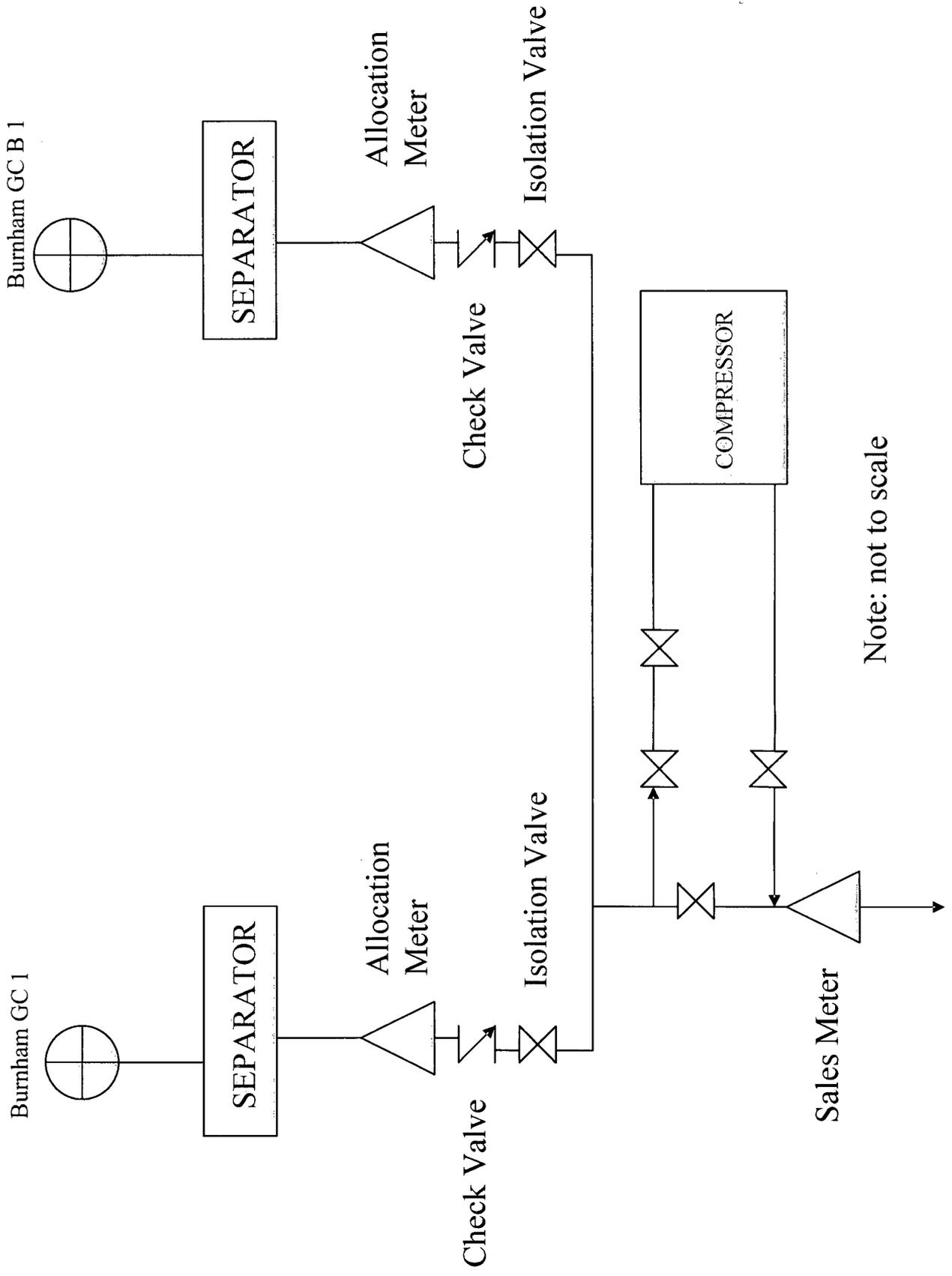
Type or print name Toya Colvin E-mail address: Toya.Colvin@bp.com Telephone No. 281-366-7148

**For State Use Only**

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any): \_\_\_\_\_

# Burnham Shared Compression



**NEW MEXICO OIL CONSERVATION COMMISSION**  
**Well Location and Acreage Dedication Plat**

SECTION A.

Date July 28, 1964

Operator PAN AMERICAN PETROLEUM CORPORATION Lease BURNHAM GAS UNIT  
Well No. I Unit Letter M Section 12 Township 29 NORTH Range 13 WEST NMPM  
Located 840 Feet From SOUTH Line, 1170 Feet From WEST Line  
County SAN JUAN G. L. Elevation Report Later Dedicated Acreage 320 Acres  
Name of Producing Formation Dakota Pool Basin Dakota

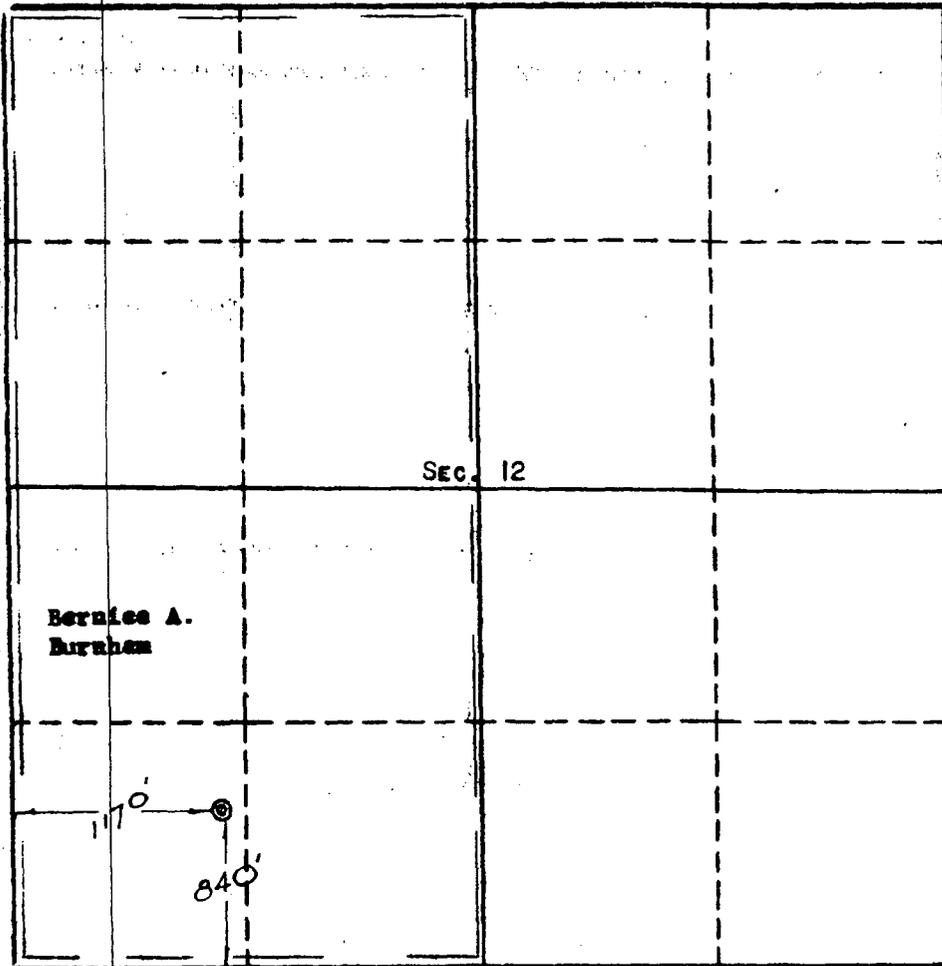
1. Is the Operator the only owner\* in the dedicated acreage outlined on the plat below? Yes \_\_\_\_\_ No
2. If the answer to question One is "No," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes  No \_\_\_\_\_ If answer is "Yes," Type of Consolidation Communitization agreements being prepared - all parties have agreed to join in the drilling of the well or lease their acreage.
3. If the answer to question Two is "No," list all the owners and their respective interests below:

OWNER

LAND DESCRIPTION



SECTION B.



**Burnham A.  
Burnham**

This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

**PAN AMERICAN PETROLEUM CORP.**

OPERATOR  
*F. H. Hollingsworth*

**F. H. Hollingsworth**  
(REPRESENTATIVE)

**P. O. Box 480**  
**Farmington, New Mexico**

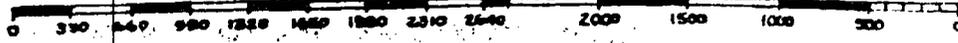
(ADDRESS)

This is to certify that the well location shown on the plat in Section B 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 knowledge and belief.

Date Surveyed APRIL 21, 1964

**Four States Engineering Co.**  
FARMINGTON, NEW MEXICO

*Ernest C. Chisholm*  
REGISTERED ENGINEER OR  
LAND SURVEYOR



Certificate No. 3602

District I  
 PO Box 1980, Hobbs, NM 88241-1980  
 District II  
 PO Drawer D0, Artesia, NM 88211-0719  
 District III  
 1000 Rio Bravo Rd., Aztec, NM 87410  
 District IV  
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
 Energy, Minerals & Natural Resources Department

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-29227	Pool Code 79680	Pool Name West Katy Pictorial Cliffs EXT
Property Code 16901	Property Name BURNHAM G. C. B	Well Number # 1
OGRID No. 00778	Operator Name AMOCO PRODUCTION COMPANY	Elevation 5476

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
M	12	29 N	13 W		850	SOUTH	1190	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

Dedicated Acres 160	Joint or Infill	Consolidation Code	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

16	12	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature: Julie L. Acevedo Printed Name: Julie L. Acevedo Title: Sr. Staff Assistant Date: 3/24/95

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 DIST. 3

