

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised March 25, 1999

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

WELL API NO. 30-025-36623
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: State Flounder
8. Well No. 1
9. Pool name or Wildcat Vacuum; Abo, North 61760
Vacuum; Wolfcamp 62340
Unit Letter C : 480 feet from the north line and 1980 feet from the west line
Section 30 Township 17S Range 35E NMPM County Lea
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3987' 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

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

4. Well Location
Unit Letter **C** : **480** feet from the **north** line and **1980** feet from the **west** line
Section **30** Township **17S** Range **35E** NMPM County **Lea**

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
3987' GR

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: **DOWN HOLE COMMINGLING** ☒

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 recompilation.

On 3/3/04, BP America Production Company submitted an application for permit to drill subject well. The permit was approved on 3/3/04. It is now our intent to complete the subject well into the Vacuum; Wolfcamp, produce the well in order to establish a production rate, isolate the zone, then add the Vacuum; Abo North and commingle production downhole. BP respectfully requests NMOCD approval to downhole commingle production in the subject well as per the attached procedure.

The Vacuum; Wolfcamp (62340) and the Vacuum; Abo, North (61760) Pools are pre-approved for downhole commingling per NMOCD Order R-11363. The working interest owners and royalty owners are identical in both the Abo and Wolfcamp sands, therefore no notification is required.

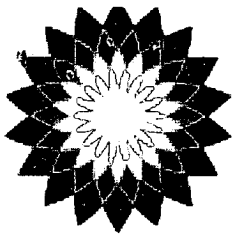
Production is proposed to be allocated based on a fixed percentage. The 24 hr. deliverability test on the Vacuum; Wolfcamp, shows production of 8 bbls oil/103 bbls water/18 mcf gas. The Vacuum; Abo, North shows production of 17 oil/17 water/18 mcf gas which was subtracted from the total well stream. The deliverability test was performed on the combined zones to establish the rate of 25 bbls oil/120 bbls water and 36msf of gas.

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

SIGNATURE *Sheryl Joseph* TITLE Permitting Representative DATE 11/4/2004
Type or print name Sheryl Joseph Telephone No. 281 366-4493

(This space for State use)

APPROVED BY *Paul J. King* TITLE PETROLEUM ENGINEER DATE FEB 10 2005
Conditions of approval, if any:



bp

WORKOVER PROCEDURE

DATE: October 6, 2004

WELL: State Flounder # 1

SAP # X3-0083J

PAYKEY # ZAXN18DRLG

DRILLED: 2004

FIELD: Vacuum

COUNTY: Lea, New Mexico

BY: Shannon Klier/Dan L. Tuffly TD: 10,200' TVD: 10,200' PBD: 10,077' DATUM: 16'KB GL: 3987'

CASING:	SIZE	WEIGHT	GRADE	SET @	SX CMT	TOC
CONDUCTOR:	20"			40'		
SURFACE:	9 5/8"	36#	J-55	1680'	690	Surf – top out
INTERMEDIATE:	None					
PROD:	5 1/2"	17#	L-80	10,198'	1055	4400' - Est

PERFORATIONS: Wolfcamp 9294-9879' Abo 8496-8724'

TUBING: 2 7/8", 6.5#, L-80 EUE 8rd @ 8806'

PACKER: Arrowset 1 w/ on-off tool & 1.78" R profile @ 9198' TAC @ 8769'

HISTORY AND BACKGROUND: This well was spudded 4/21/04. Finished perforating Wolfcamp 6/10/04. Acid fraced Wolfcamp down casing. Ran Arrowset packer & tubing on 6/15/04. Swabbed back acid load. Perforated and acid fraced the Abo down casing. Ran tubing and rods 7/9/04. Began pumping shortly after.

SCOPE OF WORK: Add perfs in Wolfcamp. Commingle Abo & Wolfcamp. Put on pump.

PROCEDURE

1. MIRU pulling unit.

Hazard	Effect	Mitigation
Pulling Unit Equipment Failure Objects falling from derrick	Possible injury or death to personnel, damage to equipment or wellbore	Inspection of derrick Pre job inspection of rig after RU.

2. POOH with rods and pump.

3. Load tubing and casing as necessary with fresh water.

Hazard	Effect	Mitigation
High pressure pumping equipment	Possible injury or death to personnel, damage to equipment	<ul style="list-style-type: none"> > Line of fire practices > Pressure test lines

4. ND wellhead and release TAC @ 8769'. NU BOP.

Hazard	Effect	Mitigation
Loss of well control	Possible injury or death to personnel, damage to equipment, damage to environment	Ensure well is dead before wellhead removal Dispensation in place for less than two mechanical barriers

5. POOH with tubing.
6. GIH w/ on-off tool overshot. Latch on-off tool.

Hazard	Effect	Mitigation
Dropped pipe in hole	Possible damage to well	Pipe handling practices – slips, clamps, tongs, complete MU/BO before lifting as appropriate
Drop pipe in derrick	Possible injury or death to personnel, damage to equipment	Line of fire practices Inspection of lifting equipment
Loss of well control	Possible injury to personnel, damage to wellbore, damage to environment	Install pressure control – BOP's (change pipe rams) Have TIW valve on floor – capable of stabbing in 4 ½" LTC & full opening Frequent BOP drills
Falling from height	Possible injury or death to personnel	Use work platform 100% tie-off

7. RU slickline unit. Test lubricator to 200/1500 psi. Pull plug from 1.78" "R" profile.

Hazard	Effect	Mitigation
Moving Equipment	Possible injury or death to personnel	<ul style="list-style-type: none"> > Keep hands & other body parts away from moving parts > Ensure wearing no loose clothing

8. Release Arrow Set packer then POOH w/ tubing.
9. GIH with bit and drill collars on 2 7/8" tubing. Load hole with fresh water. Tag PBTD @ 10,077' (cased hole log measurement). Convert tubing strap to electric line measurement.
10. Drill out cement and float joints to 10,180'. Circulate hole clean and POOH.
11. RU electric line unit. Run GR-Neutron-CCL log from 10,180' up to 10,000' and get on depth with Baker Atlas GR/CCL log run 6/9/04. Have log emailed to Karl Quezergue at quezarka@bp.com and Doug Tasker at taskerdr@bp.com. Wait for perforation information.
12. GIH w/ 3 1/8" expendable perforating gun loaded 2 SPF, 120° phasing, .33" EHD and perforate as directed. RD electric line.

Hazard	Effect	Mitigation
Moving Equipment	Possible injury or death to personnel	<ul style="list-style-type: none"> > Keep hands & other body parts away from moving parts > Ensure wearing no loose clothing
Accidental perf gun discharge	Possible injury or death to personnel	<ul style="list-style-type: none"> > No use of cell phone or radio within 500' of location > Check wellhead voltage

13. GIH w/ 10K treating packer on 2 7/8" tubing to bottom perforation. Spot 200 gal 15% HCL across perfs.
14. Pick up to 9930' and reverse any acid present into the tubing. Set packer.
15. Acidize as per recommendation and displace to bottom perf with fresh water.

Hazard	Effect	Mitigation
High pressure pumping equipment	Possible injury or death to personnel, damage to equipt	<ul style="list-style-type: none"> > Line of fire practices > Pressure test lines
Harmful chemicals	Injury to personnel	> Proper PPE
Moving Equipment	Possible injury or death to personnel	<ul style="list-style-type: none"> > Keep hands & other body parts away from moving parts > Ensure wearing no loose clothing

16. Swab to recover load and ensure zone is productive.

Hazard	Effect	Mitigation
Parted line	Swab cups & line in tubing, possibly requiring pulling tubing	<ul style="list-style-type: none">➤ Question personnel about prior use of the swab line➤ If no documentation on prior use, cut off some line & re-head➤ Thoroughly discuss with operator the fluid load per swab run
Swab cups blown up hole	Swab cups & line in tubing, possibly requiring pulling tubing	<ul style="list-style-type: none">➤ Be alert for signs of the well starting to flow➤ Give ample time between runs to insure the well isn't starting to flow➤ Be extremely cautious as swab deeper
Moving Equipment	Possible injury or death to personnel	<ul style="list-style-type: none">➤ Keep hands & other body parts away from moving parts➤ Ensure wearing no loose clothing

17. Release packer and POOH.
18. Run tubing anchor on 2 7/8", 6.5#, L-80 EUE 8rd tubing then pump and rods as directed. Hang on beam.
19. RD and release pulling unit. Turn well to production.
20. Complete well handover form with a production representative. Provide a copy for production, fax to Midland office and send in original for well file. TOPS

Prepared by: _____

Approved by: _____