

District I
1525 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

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

WELL API NO.

30-045-24719

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Mudge C (Filed with BLM - Federal
Lease SF -078096)

8. Well Number

1E

9. OGRID Number

000778

10. Pool name or Wildcat

Basin Dakota & Blanco Mesaverde

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, TX 77253 Attn: Mary Corley Rm 19.171

4. Well Location

Unit Letter D : 815 feet from the North line and 740 feet from the West lineSection 09 Township 31N Range 11W NMPM San Juan County

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

6190' GL

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL D Sect 09 Twp 31N Rng 11W Pit type Workover Depth to Groundwater >100 Distance from nearest fresh water well >1000Distance from nearest surface water >1000' Below-grade Tank Location UL _____ Sect _____ Twp _____ Rng _____ ;+/- 815 feet from the North line and +/- 740 feet from the West line

12. 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: **Recompletion & DHC - Pit Permit** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐CASING TEST AND CEMENT JOB ☐OTHER: ☐

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 request permission to recomplete the subject well into the Blanco Mesaverde and commingle production Downhole with the existing Basin Dakota as per the attached procedure.

DHC1671A2

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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Mary Corley TITLE Sr. Regulatory Analyst DATE 10/15/2004Type or print name Mary Corley E-mail address: corleym@bp.com Telephone No. 281-366-4491

(This Space for State Use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. # DATE OCT 19 2004

Conditions of approval, if any:

DHC only - recompletion must be approved on BLM sundry

**Mudge C 1E
30-045-24719
Downhole Commingling**

The Basin Dakota (71599) and Blanco Mesaverde (72319) Pools are Pre-Approved Pools for Downhole Commingling per NMOCD order R-11363. The working and overriding royalty interest owners in the proposed commingled pools are not identical, and therefore will be notified by copy of this application via certified mail return receipt requested.

Production is proposed to be allocated based on the subtraction method using the projected future decline for production from the Dakota. That production shall serve as a base for production subtracted from the total production for the commingled well. The balance of the production will be attributed to the Mesaverde. Attached is the future production decline estimates for the Dakota.

Commingling Production Downhole in the subject well from the proposed Pools with not reduce the value of the total remaining production.

PIT

Construct a lined workover pit per BP America – San Juan Basin Drilling/ Workover Pit Construction Plan issued date of 04/15/2004. Pit will be closed according to closure plan on file.
