

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

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

Form C-103
Revised May 08, 2003

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.)		WELL API NO. 30-045-31403
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator BP America Production Company		6. State Oil & Gas Lease No.
3. Address of Operator Attn: Mary Corley P.O. Box 3092 Houston, Texas 77253		7. Lease Name or Unit Agreement Name State Gas Com AB
4. Well Location Unit Letter N : 810 feet from the South line and 1455 feet from the West line Section 02 Township 29N Range 10W NMPM County San Juan		8. Well Number 2
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5855'		9. OGRID Number 000778
		10. Pool name or Wildcat Basin Dakota & Blanco Mesaverde

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: Downhole Commingling <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input 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 seeks NMOCD approval to Downhole commingle production in the subject well as per procedure on reverse side of this Form. Well is scheduled to be drilled in the 2nd QTR of 2003.

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. Notice Submitted to State Land Office.

Production is proposed to be allocated based on a 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 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 Senior Regulatory Analyst DATE 05/16/2003

Type or print name Mary Corley Telephone No. 281-366-4491

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 03 DATE MAY 19 2003
Conditions of approval, if any:

Downhole Commingling Procedure

- 1. Run TDT log**
 - 2. Perforate Dakota**
 - 3. Run Gauges to Dakota, leave overnight**
 - 4. Retrieve Gauges and frac the Dakota (Slick Water)**
 - 5. Clean out frac & flow back to stabilize production**
 - 6. Run 2 3/8" tubing and perform 12 hour stabilized test on Dakota**
 - 7. Set Bridge plug Between Mesaverde and Dakota**
 - 8. Perforate and frac (2 Stage N2 Foam) the Mesaverde Formation**
 - 9. Clean out frac and wellbore to PBTD**
 - 10. Run Completion String and RDSU**
 - 10. Put well on Line**
 - 11. Perform well test on the Combined Mesaverde/Dakota production stream**
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