

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

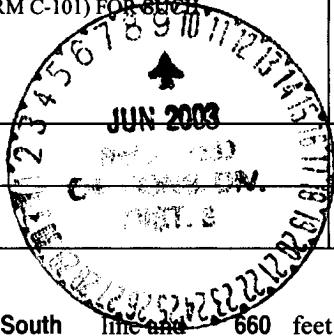
State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

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

WELL API NO. 30-045-31639
5. Indicate Type of Lease STATE FEE
6. State Oil & Gas Lease No.

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		7. Lease Name or Unit Agreement Name: Roelofs (Notified BLM of DHC intent on APD filing SF-078415)
2. Name of Operator BP America Production Company Attn: Mary Corley	8. Well No. 3M	
3. Address of Operator P.O. Box 3092 Houston, TX 77253	9. Pool name or Wildcat Basin Dakota & Blanco Mesaverde	
4. Well Location Unit Letter <u>I</u> <u>2110</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>East</u> line Section <u>09</u> Township <u>29N</u> Range <u>08W</u> NMPM <u>San Juan</u> County		
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 6456' GR		



11. 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 Commingle <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"/>	
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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 04/23/2003, BP America Production Company submitted an application for permit to drill and complete the subject well into the Basin Dakota, produce the well in order to establish a production rate, isolate the zone, then add the Blanco Mesaverde and commingle production Downhole. BP now 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 latter part of 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.

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.

DHC 1234AZ

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

SIGNATURE *Mary Corley* TITLE Sr. Regulatory Analyst DATE 06/05/2003
 Type or print name Mary Corley Telephone No. 281-366-4491

APPROVED BY *[Signature]* TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 1 DATE JUN - 9 2003
 Conditions of approval, if any:

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**Roelofs 3M
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 PBDT
 10. Run Completion String and RDSU
 11. Put well on Line
 12. Perform well test on the Combined Mesaverde/Dakota production stream
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