Submit 3 Copies To Appropriate District State of New Mexico Form C-103 May 27, 2004 Energy, Minerals and Natural Resources District I WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II 30-045-33258 OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease District III 1220 South St. Francis Dr. STATE [ 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Scott LS DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 8. Well Number 1. Type of Well: Oil Well Gas Well Other 3 M 2. Name of Operator 9. OGRID Number **BP AMERICA PRODUCTION COMPANY** 000778 10. Pool name or Wildcat 3. Address of Operator P.O. BOX 3092 HOUSTON, TX 77079-2064 Basin Dakota & Blanco Mesaverde 4. Well Location : 760 feet from the SOUTH line and 2600 feet from the EAST Unit Letter O Township 32N Range 10W NMPM SAN JUAN County Section 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5951' Pit or Below-grade Tank Application or Closure Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water Below-Grade Tank: Volume bbls; Construction Material Pit Liner Thickness: 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PLUG AND ABANDON REMEDIAL WORK ALTERING CASING □ PERFORM REMEDIAL WORK □ COMMENCE DRILLING OPNS. P AND A **TEMPORARILY ABANDON CHANGE PLANS** П П MULTIPLE COMPL CASING/CEMENT JOB **PULL OR ALTER CASING** П OTHER: DOWNHOLE COMMINGLING 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. On 08/05/05 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. APD was approved 08/10/05. BP now seeks NMOCD approval to Downhole commingle production in the subject well as per procedure on reverse side of this Form. The Basin Dakota (71599) & the Blanco Mesaverde (72319) Pools are Pre-Approved for Downhole Commingling per NMOCD Order R - 11363. The overriding royalty interest owners are different in the proposed commingled pools; therefore notification of this application is submitted by copy of this application to all interest owners via certified mail (return receipt). On 3/29/06 Production is proposed to be based on a fixed percentage. We will complete in the Basin Dakota Pool, isolate the Dakota; complete into the Blanco Mesaverde, establish a production rate; drill out the bridge plug and commingle production downhole. The deliverability test will be performed on the combined zones and MV rate will be subtracted from the total well stream to establish the DK rate. Commingling Production Downhole in the subject well from the proposed pools will 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. I further certify that any pit or belowgrade tank has been/will be constructed or closed according to NMOCD guidelines [], a general permit [] or an (attached) alternative OCD-approved plan []. **SIGNATURE** TITLE Regulatory Analyst DATE Type or print name Cherry Hlava E-mail address: hlavacl@bp.com Telephone No. 281 For State Use Only

Conditions of Approval (if any):

- 1. Run TDT/CBL
- 2. Perforate DK
- 3. Frac the DK (Slick Water)
- 4. RU SU. Clean out DK frac, perform flow test, collect DK gas sample, and obtain 12-hour BHPBU
- 5. Set bridge plug to isolate MV from DK formation
- 6. Perforate and frac (2- Stage N2 Foam) the MV Formation
- 7. Clean out MV frac, perform flow test for production allocation and collect MV gas sample.
- 8. Drill out isolation plug, commingle MV/DK and clean out wellbore to PBTD.
- 9. Run completion string. RDSU
- 10. Put well on Line