

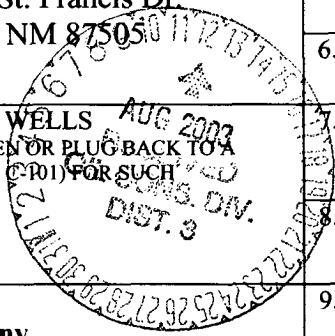
Submit 3 Copies To Appropriate District Office
 District I- 1625 N. French Dr., Hobbs, NM 88240
 District II 1301 W. Grand Ave., Artesia, NM 88210
 District III 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised May 08, 2003

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

WELL API NO. 30-045-31771
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 Gas Com I
8. Well Number 1M
9. OGRID Number 000778
10. Pool name or Wildcat Basin Dakota & Blanco Mesaverde
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6322'



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 CPO1) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
BP America Production Company

3. Address of Operator
Attn: Mary Corley P.O. Box 3092 Houston, Texas 77253

4. Well Location
 Unit Letter **O** : **450** feet from the **South** line and **2500** feet from the **East** line
 Section **02** Township **29N** Range **09W** NMPM County **San Juan**

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: Downhole Commingling <input checked="" 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 4th 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.

DHC1285A2

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 08/06/2003

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. 3 DATE AUG 12 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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2005 1 1 10:00

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