

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

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

Form C-103  
Revised March 25, 1999

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. <b>30-045-31812</b>
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE FEE
2. Name of Operator <b>BP America Production Company Attn: Mary Corley</b>		6. State Oil & Gas Lease No.
3. Address of Operator <b>P.O. Box 3092 Houston, TX 77253</b>		7. Lease Name or Unit Agreement Name: <b>Pritchard</b> (Notified BLM of DHC intent on APD filing NM - 013686)
4. Well Location Unit Letter <b>H</b> <b>2005</b> feet from the <b>North</b> line and <b>905</b> feet from the <b>East</b> line Section <b>34</b> Township <b>31N</b> Range <b>09W</b> NMPM <b>San Juan</b> County		8. Well No. <b>5M</b>
10. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>6035' GR</b>		9. Pool name or Wildcat <b>Basin Dakota &amp; Blanco Mesaverde</b>

11. 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: <b>Downhole Commingle</b> <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

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 07/29/2003, 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. APD Approved on 09/15/2003. BP now seeks NMOCDC approval to Downhole commingle production in the subject well as per procedure on reverse side of this Form. The drilling operations are scheduled to begin the 3rd week of October, 2003.

The Basin Dakota (71599) & the Blanco Mesaverde (72319) Pools are Pre-Approved for Downhole Commingling per NMOCDC Order R - 11363. The working interest owners are identical however royalty interest owners are not, therefore all interest owners are being notified by being furnished a copy of this application on October 9, 2003 via certified mail return receipt requested.

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 Sr. Regulatory Analyst DATE 10/09/2003

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

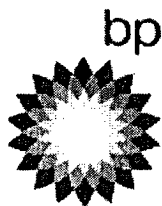
(This space for State use)

APPROVED BY [Signature] DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE OCT 14 2003  
Conditions of approval, if any:

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**Pritchard 5M  
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
  11. Put well on Line
  12. Perform well test on the Combined Mesaverde/Dakota production stream
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BP America Production Company  
San Juan Performance Unit

Mary Corley  
WL1-19.171  
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281-366-0700 (FAX)  
[corleym1@bp.com](mailto:corleym1@bp.com)

P. O. Box 3092  
Houston, Texas 77253-3092  
501 Westlake Park Boulevard  
Houston, Texas 77079

October 9, 2003

Royalty Interest Owners

Downhole Commingling Notice  
Pritchard Well No. 5M  
Basin Dakota & Blanco Mesaverde Pools  
Section 34, T31N, R09W  
San Juan County, New Mexico

This letter serves to advise you, as a royalty interest owner in Basin Dakota and/or Blanco Mesaverde Pools, that BP America Production Company is applying for New Mexico Oil Conservation Division (NMOCD) approval to commingle production downhole in the Pritchard Well No. 5M.

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. Attached for your information a copy of the application submitted to the above named Regulatory Agency.

By copy of this application submitted by certified mail, return receipt requested, BP America Production Company is notifying all royalty interest owners and overriding royalty owners. The NMOCD District Director may approve the proposed downhole commingling in the absence of a valid objection from any affected party, if in their opinion, waste will not result by this action. As a royalty interest owner, if you do not have any objection to this application, you do not have to respond to this notification.

Yours very truly

A handwritten signature in cursive script that reads "Mary Corley".  
Mary Corley  
Sr. Regulatory Analyst

New Mexico Oil Conservation Division  
1000 RIO Brazos RD.  
Aztec, New Mexico 87410

AAAAAA  
BEGIN

APCO MINERALS LTD  
PO BOX 459  
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BP AMERICA PRODUCTION COMPANY  
LEASE RENTALS  
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ABILENE, TX, 79605-5507

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TRUSTEE  
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WILLIAM L MADSEN AND SARAH S MIMS  
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21205 5TH AVE S  
DES MOINES, WA, 98198

XTO ENERGY INC  
135 S LASALLE ST DEPT 4849  
CHICAGO, IL, 60674-4849

ZZZZZZ  
END