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

WELL API NO. 30-045-31906

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.)

7. Lease Name or Unit Agreement Name:
Lobato Gas Com
(Notified BLM of DHC intent on APD filing (NM - 076337)

1. Type of Well:
Oil Well ☐ Gas Well ☒ Other

FEB 2004 RECEIVED OIL CONS. DIV. DIST. 3

2. Name of Operator
BP America Production Company **Attn: Mary Corley**

8. Well No. **1M**

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 **M** **1130** feet from the **South** line and **580** feet from the **West** line

Section **03** Township **29N** Range **09W** NMPM **San Juan** County

10. Elevation *(Show whether DR, RKB, RT, GR, etc.)* **5765' GR**

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	PLUG AND ABANDONMENT	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPLETION	☐	CASING TEST AND CEMENT JOB	☐		
OTHER: **Downhole Commingle**	☒			OTHER:			☐

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 09/19/2003, 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 01/06/2004. 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 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 1405 AZ

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 **02/02/2004**

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

(This space for State use)

APPPROVED BY TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE FEB 9 2004

Conditions of approval, if any:

Lobato Gas Com E 1M
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 Measverde/Dakota production stream