

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. Reference Below
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: Canepile Gas Com (Federal Lease SF - 078134 BLM Notified on Form 3160-5)
2. Name of Operator BP America Production Company Attn: Cherry Hlava	8. Well No. Nos. 1M & 1N	
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>O</u> (see C-102s) feet from the <u>South</u> line and _____ feet from the <u>East</u> line Section <u>18</u> Township <u>31N</u> Range <u>10W</u> NMPM <u>San Juan</u> County 10. Elevation (Show whether DR, RKB, RT, GR, etc.) 5910'		

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: <u>Surface Commingle</u> <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"/>

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 recompletion.

BP America Production Company respectfully request authorization to surface commingle gas production from the Basin Dakota and Blanco Mesaverde from our Canepile Gas Com wells No. 1M & 1N. Surface commingling Dakota & Mesaverde production will consist of the Canepile GC 1M API 30-045-30578 and Canepile GC 1N API 30-045-32717. The production from each well will be metered prior to commingling then the commingled production will flow into & through the separator where the liquids will be removed. The commingled gas will then be sent through compression prior to entering the sales meter.

The working interest, royalty and overriding royalty interest owners in the subject wells are the same therefore no further notification is required. The proposed commingling of production is to reduce operating expenses between the wells and will result in increased economic life of the wells.

BLM has also been notified of this proposal by copy of BLM Form 3160-5.

PC-1179

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

SIGNATURE Cherry Hlava TITLE Regulatory Analyst DATE 10/26/2006
Type or print name Cherry Hlava Telephone No. 281-366-4081

(This space for State use)
APPROVED BY Wildgens TITLE Engineer DATE 11/2/06
Conditions of approval, if any: