

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
 March 4, 2004

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

WELL API NO.
 30-045-22716 & 30-045-30937

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
 Hughes B

8. Well Number
 2A & 2B

9. OGRID Number
 000778

10. Pool name or Wildcat
 Blanco Mesaverde & Pictured Cliffs

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 Gas Well Other

2. Name of Operator
 BP America Production Company

3. Address of Operator
 P O Box 3092 Houston, TX 77253 Attn: Mary Corley Rm 19.171

4. Well Location
 Unit Letter O : 875 feet from the South line and 1610 feet from the East line
 Section 19 Township 29N Range 08W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 6480'GL

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)
 Pit Location: UL Sect Twp Rng Pit type Depth to Groundwater Distance from nearest fresh water well
 Distance from nearest surface water Below-grade Tank Location UL Sect Twp Rng ;
 feet from the line and feet from the line

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: Surface Commingling <input checked="" type="checkbox"/>		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.

BP America Production Company request permission to surface commingle production the Blanco Mesaverde and Pictured Cliffs Pools from our Hughes B Wells No. 2A & 2B. Surface commingling Blanco Mesaverde & Pictured Cliffs production will consist of the Hughes B No. 2A; and Blanco Mesaverde production will be from the Hughes B No. 2B. The production from each well will be metered prior to commingling (please note: production from well no. 2A currently is being commingled downhole with production allocated to each Pool based on a fixed percentage) 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. (Continued on reverse side of form)

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 below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Mary Corley TITLE Sr. Regulatory Analyst DATE 06/29/2004
 Type or print name Mary Corley E-mail address: corleym@bp.com Telephone No. 281-366-4491

(This Space for State Use)
 APPROVED BY [Signature] TITLE Engineer DATE 8/6/04
 Conditions of approval, if any:

Please reference the attached schematics reflecting the Current Facilities Layout and the Proposed Surface Commingling Layout provided for your reference.

The working interest, royalty and overriding royalty interest owners in the subject wells are identical.

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.
