

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

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.)		WELL API NO. 30-045-32061, 30-045-22831
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator BP America Production Company		6. State Oil & Gas Lease No. Federal Lease
3. Address of Operator 501 Westlake Park Blvd. Houston, TX 77079		7. Lease Name or Unit Agreement Name Hughes 6M, Hughes B 7A
4. Well Location Unit Letter <u>F</u> : <u>1675'-6M, 1450'-B7A</u> feet from the <u>North</u> line and <u>1705'-6M, 1750'-B7A</u> feet from the <u>West</u> line Section <u>29</u> Township <u>29N</u> Range <u>08W</u> NMPM County <u>San Juan</u>		8. Well Number
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6431'GL-Hughes 6M, 6445'GL-Hughes B7A		9. OGRID Number 000778
		10. Pool name or Wildcat Basin Dakota/Blanco-Mesaverde Hughes 6M Blanco-Mesaverde/Blanco PC Hughes B 7A

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"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <u>Surface Commingle</u> <input checked="" type="checkbox"/>		OTHER: <u>PC-1278</u> <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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

BP America Production Company request permission to Surface Commingle the two subject wells, Hughes 6M & Hughes B 7A. Both wells are approved downhole commingled wells with approved amended allocation splits. Hughes 6M: DHC 1401-0, Basin Dakota C01= Gas 18%, Water 18%, Condensate 18% & Blanco-Mesaverde C02= Gas 82%, Water 82%, Condensate 82%. Hughes B 7A: DHC 1173-0, Blanco-Mesaverde C01= Gas 87%, Water 87%, Oil 100% & Blanco Pictured Cliffs C02= Gas 13%, Water 13%, Oil 0%.

Surface commingling production from the existing Hughes 6M (DK/MV) and Hughes B 7A (MV/PC) will not reduce the economic life of the wells.

After separation the production from each of the two wells will be metered individually prior to commingling. The commingled gas will then be sent through compression prior to entering final separation and the sales meter. The difference between what is measured prior to commingling and what is sold through the sales meter is the fuel usage. The fuel usage is allocated back to each well based on the well production (see attached schematic).

The working interest, royalty and overriding royalty interest owners in the subject wells are identical therefore no further notification is necessary. The proposed commingling of production is to reduce operating expenses between the 2 wells and will result in increased economic life of the wells. BLM notified of this request via 3160-5 form for Federal Lease NMSF078046

Spud Date: 01/21/2004

Rig Release Date:

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

SIGNATURE Toya Colvin TITLE Regulatory Analyst DATE 03/31/2014

Type or print name Toya Colvin E-mail address: Toya.Colvin@bp.com PHONE: 281-366-7148

For State Use Only

APPROVED BY Ami Bailey TITLE Director DATE 5/22/14
Conditions of Approval (if any):