

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 Gas Well Other

7. Lease Name or Unit Agreement Name:
Day B
 (Federal Lease SF - 078414 BLM Notified on Form 3160-5)

2. Name of Operator
BP America Production Company Attn: Cherry Hlava

8. Well No.
2 & 12

3. Address of Operator
P.O. Box 3092 Houston, TX 77253

9. Pool name or Wildcat
Blanco MV & Basin Fruitland Coal

4. Well Location
 Unit Letter H (see C-102) feet from the North line and _____ feet from the East line
 Section 35 Township 30N Range 09W NMPM San Juan County

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

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPLETION
 OTHER: Surface Commingling

SUBSEQUENT REPORT OF:

REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT
 CASING TEST AND CEMENT JOB
 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.

BP America Production Company request permission to surface commingle production the Blanco Mesaverde and Basin Fruitland Pools from our Day B Wells 2 & 12. Surface commingling Blanco Mesaverde production will consist of the Day B 2 API 30-045-08559 and Basin Fruitland Coal production will be from the Day B 12 API 30-045-27379. 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. Please reference the attached schematics reflecting the Proposed Surface Commingling Layout provided for your reference.

All interest owners are the same in both the MV & FC. 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.

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 08/16/2005

Type or print name Cherry Hlava Telephone No. 281-366-4081

(This space for State use)

APPROVED BY [Signature] TITLE Engineer DATE 9/13/05

Conditions of approval, if any:

PC-1151