

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

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

WELL API NO. 30-045-22348, 30-045-11642
5. Indicate Type of Lease STATE [ ] FEE [ ]
6. State Oil & Gas Lease No.
Federal Lease NMSF080000
7. Lease Name or Unit Agreement Name Florance #26A, Florance #73
8. Well Number
9. OGRID Number 000778
10. Pool name or Wildcat Blanco-Mesaverde-Florance 26A Blanco Pictured Cliffs-Florance 73
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6029'GL (#26A), 6041'GL (#73)

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 [x] Other
2. Name of Operator BP America Production Company
3. Address of Operator 501 Westlake Park Blvd., Three Eldridge Place 12.181A Houston, TX 77079
4. Well Location Unit Letter D : 1085'(#26A) 885' (#73) feet from the North line and 885' (#26A), 840' (#73) feet from the West line Section 25 Township 29N Range 09W NMPM County San Juan
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6029'GL (#26A), 6041'GL (#73)

12. 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 COMPL [ ]
DOWNHOLE COMMINGLE [ ]
CLOSED-LOOP SYSTEM [ ]
OTHER: Surface Commingle [x]
SUBSEQUENT REPORT OF:
REMEDIAL WORK [ ] ALTERING CASING [ ]
COMMENCE DRILLING OPNS. [ ] P AND A [ ]
CASING/CEMENT JOB [ ]
OTHER: PC-1290 [ ]

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 respectfully requests permission to Surface Commingle the two subject wells, Florance 26A (Blanco-Mesaverde) and Florance 73 (Blanco Pictured Cliffs).

Surface commingling production from the existing Florance 26A (MV) and Florance 73 (PC) will not reduce the economic life of the wells.

Downstream of the Florance 026A separator and the Florance 073 wellhead, the team will ensure that the production from each of the two wells is metered individually prior to commingling. The commingled gas will then be sent through compression prior to entering 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. Notification is required and was sent by certified mail to Conoco Phillips. Please see the attached Land Letter. The proposed commingling of production is to reduce operating expenses between the 2 wells and will result in increased economic life of the wells.

Spud Date: 04/26/1977 #26A, 04/13/1966 #73

Rig Release Date:

I recommend Approval. Subject to Like Approval Bcm
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Regulatory Analyst DATE 07/28/2015

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

For State Use Only
APPROVED BY: [Signature] TITLE Deputy Director DATE 8-7-15
Conditions of Approval (if any):