

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. 30-045-30319
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Gallegos Canyon Unit
8. Well No. 566
9. Pool name or Wildcat Basin Fruitland Coal / Pinon Fruitland Sand, N

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.)

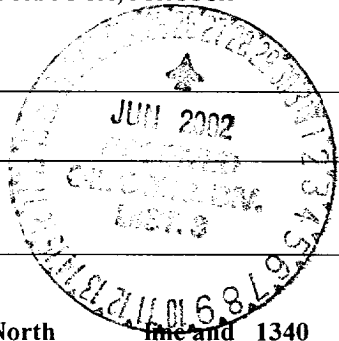
1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
 BP America Production Company

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

4. Well Location
 Unit Letter F 2150 feet from the North line and 1340 feet from the West line
 Section 28 Township 29N Range 12W NMPM San Juan County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
 5322' GR



11. 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: DHC FC & FS <input checked="" 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 recompilation.

BP America Production Company requests permission to complete the subject well into the Pinon Fruitland Sand, N. and commingle production downhole with the existing Basin Fruitland Coal as per the attached procedure. The Fruitland Sand (82920) & Basin Fruitland Coal (71629) pools are Pre-Approved for Down hole Commingling per NMOCD CASE NO.12520, ORDER NO. R-11567 effective 04/26/2001. Although the interest owners are not identical between these two pools, this same order established approval for subsequent applications for the down hole commingling of production in wellbores within the Gallegos Canyon Unit without notice to the unit interest owners, therefore, no additional notification is required prior to down hole commingling approval.

Production is proposed to be allocated based on the subtraction method using the projected future decline for production from the Fruitland Coal Pool. That production shall serve as a base for production subtracted from the total production for the commingled well. The balance of the production will be attributed to the Fruitland Sand. Attached is the future production decline estimates for the Fruitland Coal. Commingling Production Downhole in the subject well from the proposed pools will not reduce the value of the total remaining production.

DHC 817A2

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 06/24/02

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

(This space for State Approval) **Original Signed by STEVEN N. HAYDEN** **DEPUTY OIL & GAS INSPECTOR, P.O. 50** DATE JUN 26 2002

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

GCU Well Work Procedure

Well Name: GCU #566
Date: 6/18/02

Objective:
Recomplete in Fruitland Sand and downhole commingle with Fruitland Coal.

Pertinent Information:

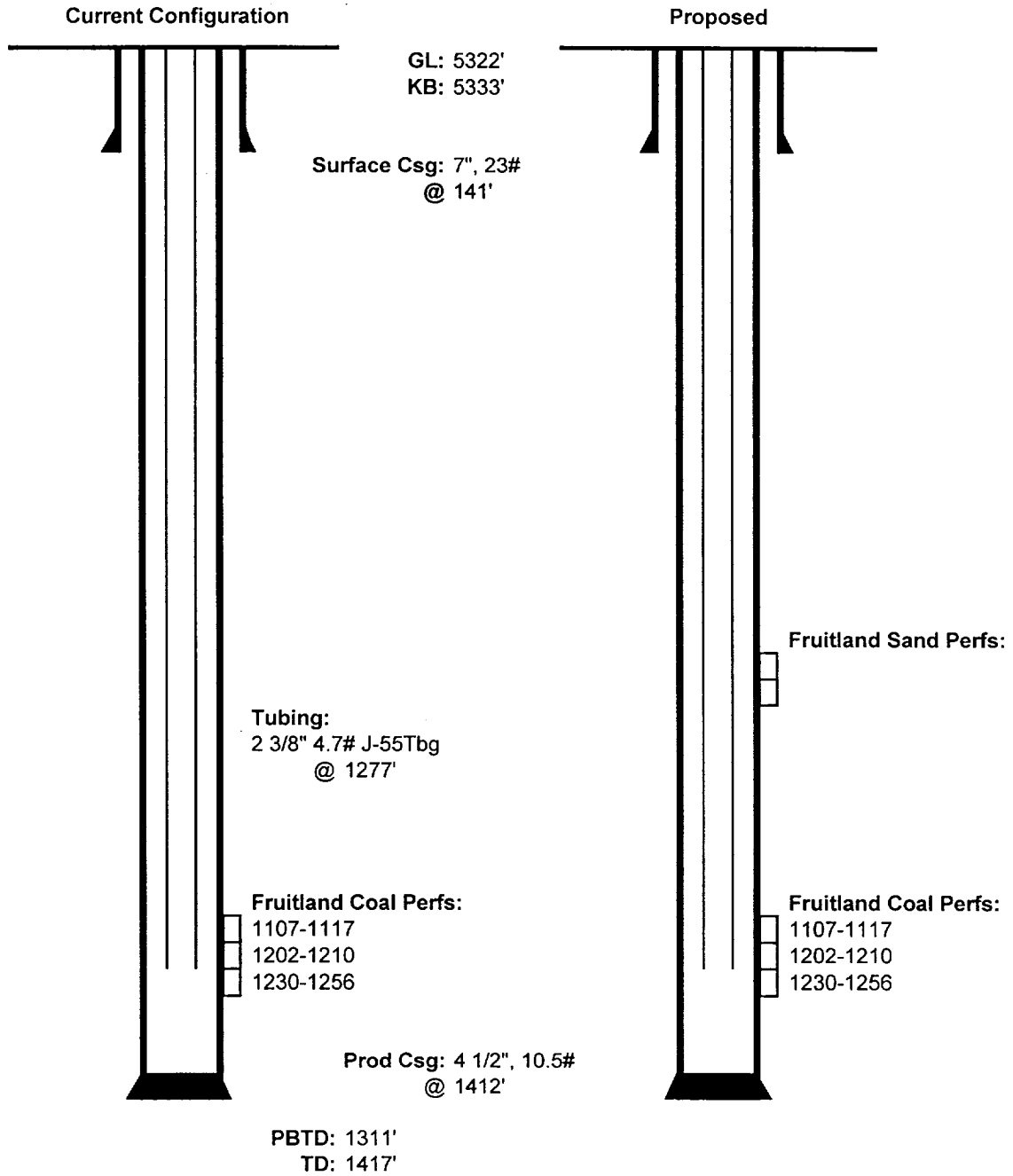
Location:	Sec. 28, T29N-R12W	Horizon:	FC to FS and cmgl.
County:	San Juan	API #:	30-045-30319
State:	New Mexico	Engr:	John Papageorge
		Phone:	W (281)366-5721 H (713)464-5053

1. Check anchors. MIRUSU.
2. Check and record tubing, casing and bradenhead pressures.
3. Blow down wellhead, kill if necessary with 2% KCL water.
4. POOH w/rods and pump. Nipple down wellhead, nipple up and pressure test BOP.
5. Tag for fill. Tally out of hole with tubing. Clean out if necessary.
6. Set RBP at approximately 1000'. Load hole with 2%KCL and pressure test to 1000#.
7. Perforate the following interval using 3-1/8", 2JSPF, 120 deg. phasing as follows:
FRLD Sand xxxx-xxxx'.
8. RU frac equipment. Fracture stimulate down casing according to schedule 'A'.
9. Flow back frac load. Test Fruitland Sand to establish productivity.
10. RIH with bit and tubing. Clean out fill. Pull RBP and commingle with FC.
11. TIH with 2 3/8" tbg, rods, and pump. Land 1 joint below FC perforations. RDMOSU.
12. Pump to recover load and test.

GCU #566

Wellbore Diagram

2150' FNL x 1340' FWL
Sec. 28, T29N, R12W
San Juan Co., NM



District I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

District II
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-30319	² Pool Code 71629 / 82920	³ Pool Name Basin Fruitland Coal / Pinon Fruitland Sand, North
⁴ Property Code 000570	⁵ Property Name Gallegos Canyon Unit	
⁷ OGRID No. 000778	⁸ Operator Name PB America Production Company	⁶ Well Number 566
		⁹ Elevation 5322'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Unit F	28	29N	12W		2150'	North	1340'	West	San Juan

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 330 FC 160 FS	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature Printed Name Cherry Alava Title Regulatory Analyst Date 06/24/2002
	¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> Date of Survey Signature and Seal of Professional Surveyor: ORIGINAL ON FILE Certificate Number

API 30-045-30319 GALLEGOS CANYON UNIT 566
Basin Fruitland Coal Forecast

DATE	GCU MCF
6/3/02	48
7/1/02	47
8/1/02	46
9/1/02	46
10/1/02	45
11/1/02	44
12/1/02	43
1/1/03	42
2/1/03	42
3/1/03	41
4/1/03	40
5/1/03	39
6/1/03	39
7/1/03	38
8/1/03	37
9/1/03	37
10/1/03	36
11/1/03	35
12/1/03	35
1/1/04	34
2/1/04	33
3/1/04	33
4/1/04	32
5/1/04	32
6/1/04	31
7/1/04	31
8/1/04	30
9/1/04	29
10/1/04	29
11/1/04	28
12/1/04	28
1/1/05	27
2/1/05	27
3/1/05	27
4/1/05	26
5/1/05	26
6/1/05	25
7/1/05	25
8/1/05	24
9/1/05	24
10/1/05	24
11/1/05	23
12/1/05	23