

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. 30-045-32717
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Caneple Gas Com
8. Well Number 1 N
9. OGRID Number 000778
10. Pool name or Wildcat Basin Dakota & Blanco Mesaverde

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>
2. Name of Operator BP AMERICA PRODUCTION CO
3. Address of Operator P.O. BOX 3092 HOUSTON, TX 77079-2064

4. Well Location Unit Letter <u>O</u> : <u>960</u> feet from the <u>SOUTH</u> line and <u>2245</u> feet from the <u>EAST</u> line Section <u>18</u> Township <u>31N</u> Range <u>10W</u> NMPM <u>SAN JUAN</u> County
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11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5832'
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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: DHC <input checked="" type="checkbox"/>	OTHER: <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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

On 12/03/2004 BP America Production Company submitted an application for permit to drill and complete the subject well into the Basin Dakota; produce the well in order to establish a production rate, isolate the zone, then add the Blanco Mesaverde and commingle production Downhole. APD was Approved 12/10/2004. BP now seeks NMOCD approval to Downhole commingle production in the subject well as per procedure on reverse side of this Form.

The Basin Dakota (71599) & the Blanco Mesaverde (72319) Pools are Pre-Approved for Downhole Commingling per NMOCD Order R - 11363. The working and overriding royalty interest owners are identical in the proposed commingled pools; therefore further notification of this application is not required.

Production is proposed to be based on a fixed percentage. We will complete in the Basin Dakota Pool, isolate the Dakota; complete into the Blanco Mesaverde, establish a production rate; drill out the bridge plug and commingle production downhole. The deliverability test will be performed on the combined zones and MV rate will be subtracted from the total well stream to establish the DK rate.

Commingling Production Downhole in the subject well from the proposed pools will not reduce the value of the total remaining production.

DHC 1725 AZ

(over)

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 Cherry Hlava TITLE Regulatory Analyst DATE 12/15/04  
Type or print name Cherry Hlava E-mail address: HlavaCL@bp.com Telephone No. 281-366-4081

(This space for State use)

APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 83 DATE DEC 21 2004  
Conditions of approval, if any

1. Run TDT/CBL
2. Perforate DK
3. Frac the DK (Slick Water)
4. RU SU. Clean out DK frac, perform flow test, collect DK gas sample, and obtain 12-hour BHPBU
5. Set bridge plug to isolate MV from DK formation
6. Perforate and frac (2- Stage N2 Foam) the MV Formation
7. Clean out MV frac, perform flow test for production allocation and collect MV gas sample
8. Drill out Isolation plug, commingle MV/DK and clean out wellbore to PBTD.
9. Run completion string. RDSU
10. Put well on Line