

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.
7. Lease Name or Unit Agreement Name: Canepile Gas Com (Federal Lease SF - 078134 BLM Notified on Form 3160-5)
8. Well No. Nos. 1M & 1N
9. 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 Gas Well Other

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

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

4. Well Location
 Unit Letter 0 (see C-102s) feet from the South line and _____ feet from the East line
 Section 18 Township 31N Range 10W NMPM San Juan County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
 5910'

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: <u>Surface Commingle</u> <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 respectfully request authorization to surface commingle gas production from the Basin Dakota and Blanco Mesaverde from our Canepile Gas Com wells No. 1M & 1N. Surface commingling Dakota & Mesaverde production will consist of the Canepile GC 1M API 30-045-30578 and Canepile GC 1N API 30-045-32717. 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.

The working interest, royalty and overriding royalty interest owners in the subject wells are the same therefore no further notification is required. The proposed 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. PC-1179

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 10/26/2006
 Type or print name Cherry Hlava Telephone No. 281-366-4081

(This space for State use)

APPROVED BY [Signature] TITLE Engineer DATE 11/2/06
 Conditions of approval, if any: