

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

Energy, Minerals and Natural Resources

May 27, 2004

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

GCU & GCU

8. Well Number

138E & 516

9. OGRID Number

000778

10. Pool name or Wildcat

Basin Fruitland Coal & Basin Dakota

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: Toya Colvin

3. Address of Operator

P.O. Box 3092 Houston, TX 77253

4. Well Location

Unit Letter L : (see C-102) feet from the SOUTH line and feet from the EAST/ WEST line

Section 7 Township 28N Range 11W NMPM County San Juan

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

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water

Pit Liner Thickness: mil Below-Grade Tank: Volume bbls: Construction Material

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 ☐

OTHER: **SURFACE COMMINGLE**

☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER:

☐

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.

BP America Production Company respectfully request authorization to surface commingle gas production from the Basin Dakota coming from Gallegos Canyon Unit 138E API 30-045-26155 & the production from W. Kutz Picture Cliffs coming from our Gallegos Canyon Unit 516 API 30-045-28063. The production from each well will be separated prior to the allocation meter. Then the production from each well will be metered prior to being commingled. The commingled production 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. This fuel usage is allocated back to each well based on the well production.

The working interest, royalty and overriding royalty interest owners in the subject wells are different however approval of Order R-12724 on 3-6-2007 allows surface commingling & sharing compression without notification. The proposed commingling of production is to reduce operating expenses between the wells and will result in increased economic life of the wells.

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 Toya Colvin TITLE Regulatory Analyst DATE 9/18/07

Type or print name Toya Colvin E-mail address: Toya.Colvin@bp.com Telephone No. 281-366-7148

For State Use Only

APPROVED BY: [Signature] TITLE Engineer DATE 10/9/07

Conditions of Approval (if any):