

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
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 <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Gallegos Canyon Unit
8. Well Number 279 & 353
9. OGRID Number 000778
10. Pool name or Wildcat Pinon FS/Kutz PC, W (GCU 279) & Kutz PC, W (GCU 353)

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 _____ feet from the _____ line and _____ feet from the _____ line
Section **23 & 22** Township **28N** Range **12W** 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 requests authorization to surface commingle gas production from the Pinon Fruitland Sand & **Kutz Pictured Cliffs, West** coming from GCU 279 API 30-045-23603 (DHC 822AZ 6/24/02 fixed rate 55% PC & 45% FS) & the production from **Kutz Pictured Cliffs, West** coming from our GCU 353 API 30-045-26441.

The production from the GCU 353 will be metered at the wellhead. After metering, production will travel approximately 2000' to where it will commingle with the GCU 279. The commingled production will then be sent through compression prior to entering the sales meter #90983

What is metered at the GCU 353 will be subtracted from the total wells production and allocated to the GCU 279. The fuel usage will be estimated based on horse power and run time and allocated back to each well based on 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.

Off lease measurement. Pictured Cliffs in Participating Area. Fruitland Sand in a stand alone drill block & non-participating area. Documentation also provided to the BLM for their leases NMSF 078828 & SF 078905

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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Cherry Hlava TITLE Regulatory Analyst DATE 1/25/2011

Type or print name Cherry Hlava E-mail address: Hlavacl@bp.com Telephone No. 281-366-4081

For State Use Only

APPROVED BY: [Signature] TITLE Acting Director DATE 3-7-11
Conditions of Approval (if any):