

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. <b>30-045-31600</b>
5. Indicate Type of Lease STATE FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

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 **M** **860** feet from the **South** line and **810** feet from the **West** line  
Section **22** Township **29N** Range **12W** NMPM **San Juan** County

7. Lease Name or Unit Agreement Name:  
**Gallegos Canyon Unit**

8. Well No.  
**598**

9. Pool name or Wildcat  
**Otero Chacra & Basin Fruitland Coal**

10. Elevation (Show whether DR, RKB, RT, GR, etc.)  
**5435' GR**

11. 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 COMPLETION ☐

OTHER: **Downhole Commingling** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐

OTHER: ☐

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. **DHCL172 A2**

Please reference electronic APD approved on 4/1/2003. The subject well was authorized for permit to drill and complete into the Otero Chacra and Basin Fruitland Coal Pools on 04/01/2003. BP America Production Company requests permission to commingle production downhole upon completion of this well.

The Otero Chacra (82329) & the Basin Fruitland Coal (71629) Pools are Pre-Approved for Downhole 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 downhole 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 downhole commingling approval.

Production is proposed to be allocated based on a fixed percentage. We will stabilize production for approximately 90 days in the Chacra; isolate the Chacra with a CIBP; come up hole and perf the Fruitland Coal. The CIBP will be drilled out and the deliverability test will be performed on the combined zones. The Chacra rate will be subtracted from the total well stream to establish the Fruitland Coal flow rate.

Commingling Production Downhole in the subject well from the proposed pools with not reduce the value of the total remaining production. Form C-102 on file for both Pools.

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 04/02/2003

Type or print name Cherry Hlava Telephone No. 281-366-4081  
(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 03 DATE APR 7 2003  
Conditions of approval, if any: