

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.

30-045-32367 New Well

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:

Mudge B
(Notified BLM of DHC intent on APD filing
SF - 078096)

8. Well No.

10 M

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 I 1630 feet from the South line and 830 feet from the East line

Section 9 Township 31N Range 11W NMPM San Juan County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
6026' 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 Commingle ☒

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.

On 05/21/2004, 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 Approved on 8/2/04. BP now seeks NMOCD approval to Downhole commingle production in the subject well as per procedure on reverse side of this Form. The drilling operations are scheduled to begin the 2nd week of September 2004.

The Basin Dakota (71599) & the Blanco Mesaverde (72319) Pools are Pre-Approved for Downhole Commingling per NMOCD Order R - 11363. The working interest owners are identical however overriding royalty interest owners are not, therefore all interest owners are being notified by being furnished a copy of this application on August 3, 2004 via certified mail return receipt requested.

Production is proposed to be allocated based on a fixed percentage. We will perform a deliverability test on the Dakota, isolate the zone and complete into the Mesaverde. The deliverability test will be performed on the combined zones and Dakota rate will be subtracted from the total well stream to establish the Mesaverde rate.

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

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 8/3/04 8-13-04

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. 63

Conditions of approval, if any:

AUG 16 2004
DATE

Mudge B 10M
Downhole Commingling Procedure

1. Run TDT log
 2. Perforate Dakota
 3. Run Gauges to Dakota, leave overnight
 4. Retrieve Gauges and frac the Dakota (Slick Water)
 5. Clean out frac & flow back to stabilize production
 6. Run 2 3/8" tubing and perform 12 hour stabilized test on Dakota
 7. Set Bridge plug Between Mesaverde and Dakota
 8. Perforate and frac (2 Stage N2 Foam) the Mesaverde Formation
 9. Clean out frac and wellbore to PBTD
 10. Run Completion String and RDSU
 11. Put well on Line
 12. Perform well test on the Combined Mesaverde/Dakota production stream
-

District I
PO Box 1980, Hobbs NM 88241-1980
District II
PO Drawer KK, Artesia, NM 87211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994

Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-32367	² Pool Code 71599; 72359	³ Pool Name Basin Dakota; Blanco Mesaverde
⁴ Property Code 000906	⁵ Property Name Mudge B	⁶ Well Number # 10M
⁷ OGRID No. 000778	⁸ Operator Name BP AMERICA PRODUCTION COMPANY	⁹ Elevation 6026

¹⁰ Surface Location

UL or Lot No. I	Section 9	Township 31 N	Range 11 W	Lot Idn	Feet from the 1630	North/South line SOUTH	Feet from the 830	East/West line EAST	County SAN JUAN
--------------------	--------------	------------------	---------------	---------	-----------------------	---------------------------	----------------------	------------------------	--------------------

¹¹ Bottom Hole Location If Different From Surface

¹² UL or lot no.	¹³ Section	¹⁴ Township	¹⁵ Range	¹⁶ Lot Idn	¹⁷ Feet from the	¹⁸ North/South line	¹⁹ Feet from the	²⁰ East/West line	²¹ County
319.80									

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	5188(R)	5262(R)	5235(R)	830'	1630'	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Cherry Hlava Signature Cherry Hlava Printed Name Regulatory Analyst Title 5-13-04 Date
						¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. March 30, 2004 Date of Survey Signature and Seal of Professional Surveyor GARY D. VANN NEW MEXICO REGISTERED PROFESSIONAL LAND SURVEYOR 7016 Certificate Number