

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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.)		WELL API NO. 30-045-32920
1. Type of Well: Oil Well ☐ Gas Well ☒ Other		5. Indicate Type of Lease STATE ☐ FEE ☐
2. Name of Operator BP AMERICA PRODUCTION COMPANY		6. State Oil & Gas Lease No.
3. Address of Operator P.O. BOX 3092 HOUSTON, TX 77079-2064		7. Lease Name or Unit Agreement Name Ludwick LS (APD filed w/BLM SF - 078195)
4. Well Location Unit Letter <u>E</u> : <u>1640</u> feet from the <u>North</u> line and <u>1200</u> feet from the <u>West</u> line Section <u>29</u> Township <u>30N</u> Range <u>10W</u> NMPM <u>SAN JUAN</u> County		8. Well Number <u>20 M</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>6100'</u>		9. OGRID Number 000778
10. Pool name or Wildcat Basin Dakota & Blanco Mesaverde		
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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐

OTHER: **DOWNHOLE COMMINGLING** ☒

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.

On 03/02/05 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 was approved 05/31/05. BP now seeks NMOCD approval to Downhole commingle production in the subject well as per procedure on reverse side of this Form.

The Basin Dakota (71599) & the Blanco Mesaverde (72319) Pools are Pre-Approved for Downhole Commingling per NMOCD Order R - 11363. The working and overriding royalty interest owners are the same in the proposed commingled pools; therefore no further notification of this application is necessary.

Production is proposed to be based on a fixed percentage. We will complete in the Basin Dakota Pool, isolate the Dakota; complete into the Blanco Mesaverde, establish a production rate; drill out the bridge plug and commingle production downhole. The deliverability test will be performed on the combined zones and MV rate will be subtracted from the total well stream to establish the DK rate.

Commingling Production Downhole in the subject well from the proposed pools will 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. 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 Cherry Hlava TITLE Regulatory Analyst DATE 06/14/2005

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

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APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 59

Conditions of Approval (if any):

DATE

JUN 17 2005

DHC 1918

1. Run TDT/CBL
2. Perforate DK
3. Frac the DK (Slick Water)
4. RU SU. Clean out DK frac, perform flow test, collect DK gas sample, and obtain 12-hour BHPBU
5. Set bridge plug to isolate MV from DK formation
6. Perforate and frac (2- Stage N2 Foam) the MV Formation
7. Clean out MV frac, perform flow test for production allocation and collect MV gas sample
8. Drill out isolation plug, commingle MV/DK and clean out wellbore to PBTD.
9. Run completion string. RDSU
10. Put well on Line