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

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

Form C-103
May 27, 2004

WELL API NO.
30-045-33218

5. Indicate Type of Lease
STATE ☒ FEE ☐

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.)

7. Lease Name or Unit Agreement Name
Valentine Gas Com

1. Type of Well: Oil Well ☐ Gas Well ☒ Other ☐

8. Well Number
1 M

2. Name of Operator
BP AMERICA PRODUCTION COMPANY

9. OGRID Number
000778

3. Address of Operator
P.O. BOX 3092 HOUSTON, TX 77079-2064

10. Pool name or Wildcat
Basin Dakota & Blanco Mesaverde

4. Well Location
Unit Letter **C** : **350** feet from the **North** line and **2420** feet from the **West** line
Section **32** Township **32N** Range **10W** NMPM **SAN JUAN** County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
5984'

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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	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 07/08/05 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 07/12/2005. 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 interest, royalty & overriding owners are the same in both the Dakota & Mesaverde. **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.

DHC 2040AZ

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 11/02/2005

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

For State Use Only

APPROVED BY: _____ TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE NOV 07 2005

condition Notify State Land office of this application prior to commingling

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**