

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. <b>30-045-33119</b>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name <b>EPNG Com B LS</b>
8. Well Number <b>3 M</b>
9. OGRID Number <b>000778</b>
10. Pool name or Wildcat <b>Basin Dakota &amp; Blanco Mesaverde</b>

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator <b>BP AMERICA PRODUCTION COMPANY</b>	
3. Address of Operator <b>P.O. BOX 3092 HOUSTON, TX 77079-2064</b>	
4. Well Location Unit Letter <u>L</u> : <u>2150</u> feet from the <u>South</u> line and <u>725</u> feet from the <u>West</u> line Section <u>32</u> Township <u>31N</u> Range <u>10W</u> NMPM <u>SAN JUAN</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>6139'</u>	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
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

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>
OTHER: <b>DOWNHOLE COMMINGLING</b> <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

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 05/25/05 BP America Production Company submitted an application for permit to drill and complete the subject well into the Blanco Mesaverde only. On 6/2/05 BP requested to deepen into the DK and change the well # from 3C to 3M. Verbal approval was given 7/6/05. We now respectfully request permission to DHC by completing into the Basin Dakota; produce the well in order to establish a production rate, isolate the zone, then add the Blanco MV & commingle production Downhole as per procedure on the reverse side of this Form

The Basin Dakota (71599) & the Blanco Mesaverde (72319) Pools are Pre-Approved for Downhole Commingling per NMOCDC Order R-11363. The working and overriding royalty interest owners are different in the proposed commingled pools; therefore notification of this application was submitted by copy of this application to all interest owners via certified mail (return receipt)

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. State Land Office has been notified of our intent. : check sent  
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 NMOCDC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Cherry Hlava TITLE Regulatory Analyst DATE 12/13/2005

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 DEPUTY OIL & GAS INSPECTOR, DIST. 8 DATE JAN 17 2006  
Conditions of Approval (if any):

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