

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. 30-045-33817
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Koch LS
8. Well Number 1 M
9. OGRID Number 000778
10. 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: **Kristina Hurts**

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

4. Well Location
Unit Letter A : 815 feet from the North line and 970 feet from the East line
Section 3 Township 30N Range 10W NMPM SAN JUAN County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6296'

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type DRILLING Depth to Groundwater >100' Distance from nearest fresh water well >1000' Distance from nearest surface water >1000'

Pit Liner Thickness: 12 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 <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	P AND A <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
MULTIPLE COMPL <input type="checkbox"/>	OTHER: <input type="checkbox"/>
OTHER: DOWNHOLE COMMINGLE <input checked="" 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 06/22/06 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 06/24/06. BLM was notified on APD of intent to DHC. 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 owners and overrides are different in the proposed commingled pools; therefore notification of this application is 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

DHC 2397A2

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 Kristina Hurts TITLE Regulatory Analyst DATE 08/28/06

Type or print name **KRISTINA HURTS** E-mail address: kristina.hurts@bp.com Telephone No. 281-366-3866

For State Use Only

APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE SEP 05 2006

Conditions of Approval (if any): 89-27

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