

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.

30-045-30758

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:

Mudge B
(BLM - SF- 078096)

SUNDRY NOTICES AND REPORTS ON WELLS RECEIVED
(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: Mary Corley

3. Address of Operator

P.O. Box 3092 Houston, TX 77253

8. Well No.

19M

9. Pool name or Wildcat

Basin Dakota & Blanco Mesaverde

4. Well Location

Unit Letter J 1320 feet from the South line and 2180 feet from the East line

Section 17 Township 31N Range 11W NMPM San Juan County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

6317' 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 recompletion.

On 07/21/2001, BP America Production Company submitted an application for permit to drill and complete the subject well into the Basin Dakota, produce the well to establish a production rate, add the Blanco Mesaverde and commingle production Downhole. The completion into the Dakota is expected to be completed on 09/27/2002. We anticipate completion of the Dakota within 30 days and the completion of the Mesaverde to follow soon after as per the procedure indicated on the 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 royalty interest owners are identical, however, the overriding royalty interest owners in the proposed commingled pools are not identical. All interest owners are being notified of our intent to Downhole commingle and the proposed allocation method on December 13, 2002.

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 Mary Corley TITLE Sr. Regulatory Analyst DATE 12/13/2002

Type or print name Mary Corley Telephone No. 281-366-4491

(This space for State use)

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

Conditions of approval if any:

DATE DEC 16 2002

Downhole Commingling Procedure

1. Run TDT log
2. Perforate Dakota
3. 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 PBD
10. Run Completion String and RDSU
11. Put well on Line
12. Perform well test on the Combined Mesaverde/Dakota production stream