

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

Energy, Minerals and Natural Resources

May 27, 2004

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

WELL API NO. Reference Below
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. SF 078780
7. Lease Name or Unit Agreement Name GCU & GCU
8. Well Number 138 & 544
9. OGRID Number 000778
10. Pool name or Wildcat Basin Dakota & W. Kutz Picture Cliffs

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: Toya Colvin

3. Address of Operator
P.O. Box 3092 Houston, TX 77253

4. Well Location
 Unit Letter P : (see C-102) feet from the SOUTH line and _____ feet from the EAST line
 Section 7 Township 28N Range 11W NMPM County San Juan

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

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 <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: SURFACE COMMINGLE <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.

BP America Production Company respectfully request authorization to surface commingle gas production from the Basin Dakota coming from Gallegos Canyon Unit 138 API 30-045-07578 & the production from W. Kutz Picture Cliffs coming from our Gallegos Canyon Unit 544 API 30-045-29317. The production from each well will be separated prior to the allocation meter. Then the production from each well will be metered prior to being commingled. The commingled production will then be sent through compression prior to entering the sales meter.

The difference between what is measured prior to commingling and what is sold through the sales meter is the fuel usage. This fuel usage is allocated back to each well based on the well production.

The working interest, royalty and overriding royalty interest owners in the subject wells are different however approval of Order R-12724 on 3-6-2007 allows surface commingling & sharing compression without notification. The proposed commingling of production is to reduce operating expenses between the wells and will result in increased economic life of the wells.

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 Toya Colvin TITLE Regulatory Analyst DATE 10/22/07

Type or print name Toya Colvin E-mail address: Toya.Colvin@bp.com Telephone No. 281-366-7148

For State Use Only

APPROVED BY: Will Jones TITLE Engineer DATE 11/20/07
 Conditions of Approval (if any):