Form 3160-3
(August 1999)

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

APR 2004

5. Lease Serial No.
NMSF - 080917

6. If Indian, Allottee or Tribe Name

1a. Type of Work: ☒ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No.

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

8. Lease Name and Well No.
ATLANTIC B LS 2C

2. Name of Operator
BP AMERICA PRODUCTION COMPANY
Contact: MARY CORLEY
E-Mail: corleyml@bp.com

9. API Well No.
30 045 32471

3a. Address
P.O. BOX 3092
HOUSTON, TX 77253

3b. Phone No. (include area code)
Ph: 281.366.4491
Fx: 281.366.0700

10. Field and Pool, or Exploratory
BLANCO MESAVERDE

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface SWNE Lot 11 1800FNL 1590FEL 36.50600 N Lat, 107.53100 W Lon

At proposed prod. zone

11. Sec., T., R., M., or Blk. and Survey or Area
Sec 4 T30N R10W Mer NMP
G

14. Distance in miles and direction from nearest town or post office*
7 MILES FROM AZTEC, NEW MEXICO

12. County or Parish
SAN JUAN

13. State
NM

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
838

16. No. of Acres in Lease
319.29

17. Spacing Unit dedicated to this well
319.29 N/2

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.
1008

19. Proposed Depth
5662 MD

20. BLM/BIA Bond No. on file
WY2924

21. Elevations (Show whether DF, KB, RT, GL, etc.
6346 GL

22. Approximate date work will start
03/01/2004

23. Estimated duration
5 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature	Name (Printed/Typed)	Date
(Electronic Submission)	MARY CORLEY	02/06/2004

Title
AUTHORIZED REPRESENTATIVE

Approved by (Signature)	Name (Printed/Typed)	Date
D M		3-29-04
Title	Office	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #27636 verified by the BLM Well Information System
For BP AMERICA PRODUCTION COMPANY, sent to the Farmington

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

NMOCD

District I
PO Box 1980, Hobbs NM 88241-1980
District II
PO Drawer KK, Artesia, NM 87211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name
30-045-32171	72319	BLANCO MESAVERDE

4 Property Code	5 Property Name	6 Well Number
000282	Atlantic B LS	#2C

7 OGRID No.	8 Operator Name	9 Elevation
000778	BP AMERICA PRODUCTION COMPANY	6346

10 Surface Location

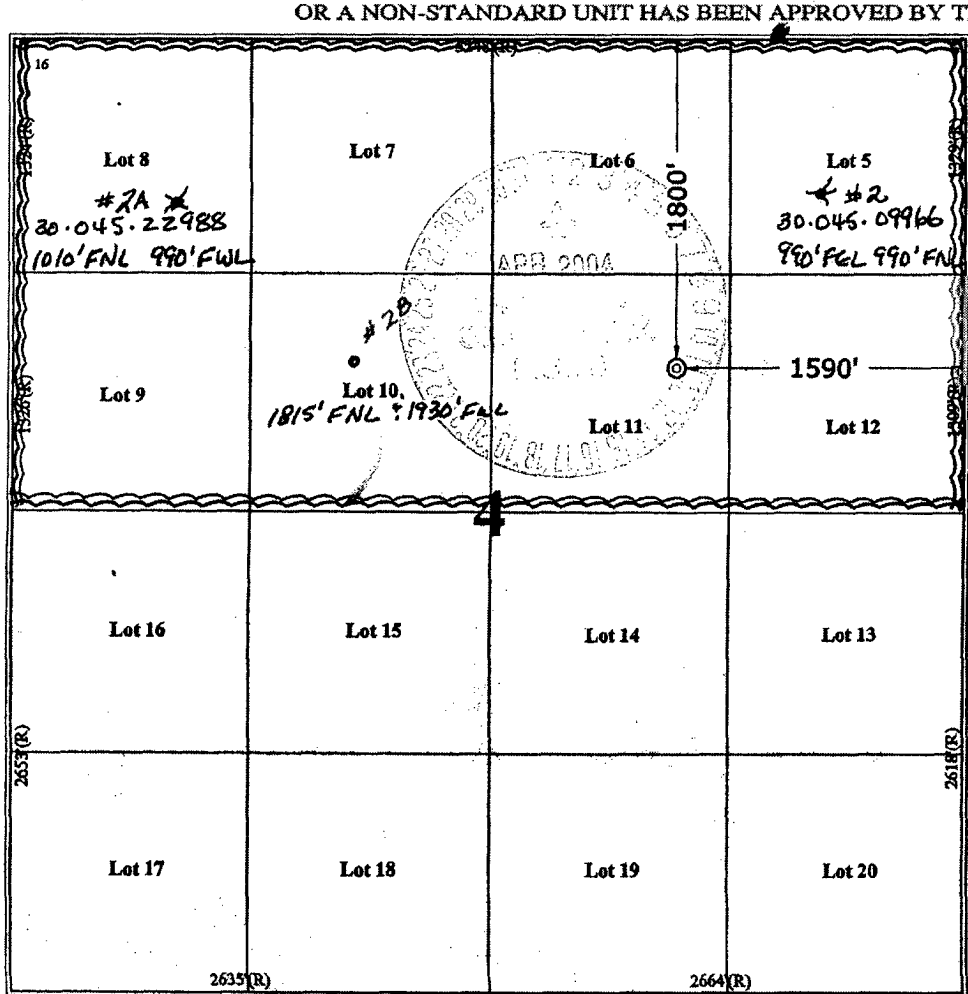
UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G (Lot 11)	4	30 N	10 W		1800	NORTH	1590	EAST	SAN JUAN

11 Bottom Hole Location If Different From Surface

7 UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
319.29			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



(R) – BLM Record

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: Mary Corley

Printed Name: Mary Corley

Title: Sr. Regulatory Analyst

Date: 02-03-2004

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey: November 4, 2003

Signature and Seal of Professional Surveyor

GARY D. VANN NEW MEXICO 7016 REGISTERED PROFESSIONAL LAND SURVEYOR

Certificate Number: 7016

BP AMERICA PRODUCTION COMPANY
DRILLING AND COMPLETION PROGRAM

Prospect Name: **Atlantic B LS** **Well No:** **2 C**
Lease: Atlantic B LS **Surface Location:** 4-30N-10W; 1800 FNL, 1590 FEL
County: San Juan
State: New Mexico **Field:** Blanco Mesaverde
Date: November 13, 2003

OBJECTIVE: Drill 400' below the top of the Point Lookout Sandstone, set 41/2" production liner, Stimulate CH, MF and PL intervals

METHOD OF DRILLING

TYPE OF TOOLS	DEPTH OF DRILLING
Rotary	0 - TD

LOG PROGRAM

TYPE	DEPTH INVERAL
OPEN HOLE	
None	
CASED HOLE	
GR-CCL	TDT – TD to 7" shoe

REMARKS:
- Please report any flares (magnitude & duration).

APPROXIMATE DEPTHS OF GEOLOGICAL MARKER

Estimated GL: 6346 Estimated KB: 6360

MARKER		SUBSEA	TVD
Ojo Alamo		4679	1681
Kirtland		4600	1760
Fruitland		3891	2469
Fruitland Coal	*	3581	2779
Pictured Cliffs	*	3327	3033
Lewis	*	3152	3208
Cliff House	#	1837	4523
Menefee	#	1515	4846
Point Lookout	#	1098	5262
Mancos		810	5550
TOTAL DEPTH		698	5662

Probable completion interval * Possible Pay

SPECIAL TESTS

TYPE
None

REMARKS:

DRILL CUTTING SAMPLES

FREQUENCY	DEPTH
None	Production hole

DRILLING TIME

FREQUENCY	DEPT
Geolograph	0-TD

MUD PROGRAM:

Approx. Interval			Type Mud	Weight, #/gal	Vis, sec/qt	W/L cc's/30 min	Other Specification
0	- 120		Spud	8.6-9.2			
120	- 2729	(1)	Water/LSND	8.6-9.2		<6	
2729	- 5662		Gas/Air/N2/Mist	Volume sufficient to maintain a stable and clean wellbore			

REMARKS:
(1) The hole will require sweeps to keep unloaded while fresh water drilling. Let hole conditions dictate frequency.

CASING PROGRAM: (Normally, tubular goods allocation letter specifies casing sizes to be used. Hole sizes will be governed by Contract)

Casing String	Estimated Depth	Casing Size	Grade	Weight	Hole Size	Landing Pt, Cmt, I
Surface/Conductor	120	8 5/8"	X-42 ST&C	20#	12.25"	1
Intermediate	2729	5 1/2"	J-55 ST&C	15.5#	7.875"	1,2
Production	5662	2 7/8 "	J-55	6.5#	4.75"	3,4

REMARKS:
(1) Circulate Cement to Surface
(2) Set casing 50' above Fruitland Coal
(3) Bring cement 100' above 7" shoe
(4) 100' Overlap

CORING PROGRAM:
None

COMPLETION PROGRAM:
Rigless, 2-3 Stage Limited Entry Hydraulic Frac

BP America Production Company
BOP Pressure Testing Requirements

Well Name: Atlantic B LS 2 C
County: San Juan **State:** New Mexico

Formation	Estimated TVD/MD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	1681		
Fruitland Coal	2779		
PC	3033		
Lewis Shale	3208		
Cliff House	4523	500	0
Menefee Shale	4845		
Point Lookout	5262	600	0
Mancos	5550		

** Note: Determined using the following formula: ABHP – (.22*TVD) = ASP

Requested BOP Pressure Test Exception: 750 psi

SAN JUAN BASIN
Mesaverde Formation
Pressure Control Equipment

Background

The objective Mesaverde formation maximum surface pressure is anticipated to be less than 1000 psi, based on shut-in surface pressures from adjacent wells. Pressure control equipment working pressure minimum requirements are therefore 2000 psi. Equipment to be used will conform to API RP-53 (Figure 2.C.2) for a 2000 psi system per Federal Onshore Order No. 2. Due to available conventional equipment within the area, 3000 psi rated pressure control equipment will typically be utilized in a double ram type arrangement. Regional drilling rigs to be utilized have substructure height limitations which exclude the use of annular preventers; therefore a rotating head will be installed above these rams. This pressure control equipment will be utilized for conventional drilling below conductor to total depth in the Mesaverde. No abnormal temperature, pressure, or H2S anticipated.

Equipment Specification

Interval	BOP Equipment
Below conductor casing to total depth	9", 11" nominal or 7 1/16",3000 psi double ram preventer with rotating head.

All ram type preventers and related control equipment will be hydraulically tested to 250 psi (low pressure) and 750 psi (high pressure), upon installation, following any repairs or equipment replacements, or at 30 day intervals. Accessories to BOP equipment will include kelly cock with a handle available, floor safety valves and choke manifold which will also be tested to equivalent pressure.

FEDERAL CEMENTING REQUIREMENTS

1. **All permeable zones containing fresh water and other usable water containing 10,000 PPM or less total dissolved solids will be isolated and protected from contamination by cement circulated in place for the protection of permeable zones per the NTL-FRA 90-1 Section III A.**

2. **The hole size will be no smaller than 1 ½" larger diameter than the casing O.D. across all water zones.**

3. **An adequate spacer will be pumped ahead of the cement slurry to help prevent mud contamination of the cement.**

4. **An adequate number of casing centralizers will be run through usable water zones to ensure that the casing is centralized through these zones. The adequate number of centralizers to use will be determined by API SPEC 10D.**

5. **Centralizers will be used just below and into the base of the lowest usable water zone.**

6. **A chronological log will be kept recording the pump and slurry information and will be sent to the BLM with the subsequent sundry.**

Cementing Program

Well Name:	Atlantic B LS 2C	Field:	Blanco Mesaverde
Location:	04-30N-10W, 1800 FNL, 1590 FEL	API No.	
County:	San Juan	Well Flac	
State:	New Mexico	Formation:	MesaVerde
		KB Elev (est)	6360
		GL Elev. (est)	6346

Casing Program:

Casing String	Est. Depth (ft.)	Hole Size (in.)	Casing Size (in.)	Thread	TOC (ft.)	Stage Tool Or TOL (ft.)
Surface	120	12 1/4	8 5/8	ST&C	Surface	NA
Intermediate	2729	7 7/8	5 1/2	ST&C	Surface	NA
Production -	5662	4 3/4	2 7/8		2629	NA

Casing Properties: (No Safety Factor Included)

Casing String	Size (in.)	Weight (lb/ft)	Grade	Burst (psi.)	Collapse (psi.)	Joint St. (1000 lbs.)	Capacity (bbl/ft.)	Drift (in.)
Surface	8 5/8	24	X42	2950	1370	244	0.06368	7.972
Intermediate	5 1/2	15.5	J55	4810	4040	202	0.0238	5.067
Production -	2 7/8	6.5	J-55	7264	7676	72	0.00579	2.375

Mud Program

Apx. Interval (ft.)	Mud Type	Mud Weight	Recommended Mud Properties Prio Cementing:
0 - SCP	Water/Spud	8.6-9.2	Fluid Loss <6
SCP - ICP	Water/LSND	8.6-9.2	
ICP - TD	Gas/Air Mist	NA	

Cementing Program:

	Surface	Intermediate	Production
Excess %, Lead	100	100	40
Excess %, Tail	NA	0	40
BHST (est deg. F)	72	110	159
Time Between Stages, (hr)	NA	NA	NA
Special Instructions	1,6	1,6	2,6

1. Do not wash pumps and lines.
2. Wash pumps and lines.
3. Reverse out
4. Run Blend Test on Cement
5. Record Rate, Pressure, and Density on 3.5" disk
6. Confirm densitometer with pressurized mud scales
7. 1" cement to surface if cement is not circulated.
8. If cement is not circulated to surface, run temp. survey 10-12 hr. after landing plug.

Surface:

	Preflush	20 bbl.	FreshWater	
	Slurry 1	90 sx Class G Cement		95 cuft
	TOC@Surface	+ 3% CaCl2 (accelerator)		
		0.25 #/sk Cellophane Flake (lost circulation additive)		0.3961 cuft/ft OH
		0.1% D46 antifoam		100 % excess

Slurry Properties:	Density (lb/gal)	Yield (ft3/sk)	Water (gal/sk)
Slurry 1	15.8	1.16	4.95

Intermediate:

Cementing Program

	Fresh Water	20 bbl	fresh water	
	Lead	290 sx	Class "G" Cement	755 cuft
	Slurry 1		+ 3% D79 extender	
	TOC@Surface		+1/4 #/sk. Cellophane Flake	
			+ 0.1% D46 antifoam'	
		70 sx	50/50 Class "G"/Poz	
	Tail		+ 2% gel (extender)	87 cuft
	Slurry 2		0.1% D46 antifoam	
	500 ft fill		+1/4 #/sk. Cellophane Flake	0.1733 cuft/ft OH
			+ 2% S1 Calcium Chloride	0.2009 cuft/ft csg ann
				80 % excess

Slurry Properties:	Density (lb/gal)	Yield (ft3/sk)	Water (gal/sk)
Slurry 1	11.7	2.61	17.77
Slurry 2	13.5	1.27	5.72

Production:

	Fresh Water	10 bbl	CW100	
	Slurry	140	LiteCrete D961 / D124 / D154	
			+ 0.03 gps D47 antifoam	345 cuft
			+ 0.5% D112 fluid loss	
	TOC 200 ft in 5 1/2"		+ 0.11% D65 TIC	
				0.078 cuft/ft OH

Slurry Properties:	Density (lb/gal)	Yield (ft3/sk)	Water (gal/sk)	40 % excess 0.0886 cuft/ft csg ann
Slurry	9.5	2.52	6.38	