

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF - 078385
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator BP AMERICA PRODUCTION COMPANY		7. If Unit or CA Agreement, Name and No.
Contact: CHERRY HLAVA E-Mail: hlavacl@bp.com		8. Lease Name and Well No. FLORANCE P 3S
3a. Address P.O. BOX 3092 HOUSTON, TX 77253-3092	3b. Phone No. (include area code) Ph: 281.366.4081 Fx: 281.366.0700	9. API Well No. 3004532427
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface NESE 1745FSL 785FEL 36.76556 N Lat, 107.63889 W Lon At proposed prod. zone		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
14. Distance in miles and direction from nearest town or post office* 22 MILES NORTH/EAST FROM BLOOMFIELD, NM		11. Sec., T., R., M., or Blk. and Survey or Area I Sec 35 T30N R08W Mer NMP
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 785'	16. No. of Acres in Lease	12. County or Parish SAN JUAN
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 75'	19. Proposed Depth 3051 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6133 GL	22. Approximate date work will start 10/15/2004	17. Spacing Unit dedicated to this well 320.00 E/L
		20. BLM/BIA Bond No. on file WY2924
		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 (Electronic Submission)	Name (Printed/Typed): CHERRY HLAVA	Date 06/21/2004
Title REGULATORY ANALYST		
Approved by (Signature) 	Name (Printed/Typed)	Date 8-17-04
Title AFM	Office FFO	

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 #32186 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 **

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 30-045-32427		³ Pool Code 71629		⁵ Pool Name Basm Fruitland Coal	
⁴ Property Code 000547		⁵ Property Name Florance P			⁶ Well Number # 3S
⁷ OGRID No. 000778		⁸ Operator Name BP AMERICA PRODUCTION COMPANY			⁹ Elevation 6133

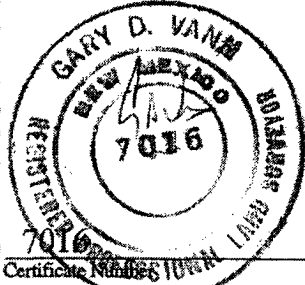
¹⁰ Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	35	30 N	8 W		1745	SOUTH	785	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 320		¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order No.				

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

16	5199(R)	35	5487(R)	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature <u>Cherry Hlava</u> Printed Name <u>Cherry Hlava</u> Title <u>Regulatory Analyst</u> Date <u>6-18-04</u>	
				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 <u>April 23, 2004</u> Signature and Seal of Professional Surveyor  Certificate Number <u>7016</u>	

2634(R) 2571(R) 785' 1745'

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
March 4, 2004

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

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.)		WELL API NO.
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator BP AMERICA PRODUCTION CO		6. State Oil & Gas Lease No.
3. Address of Operator P.O. BOX 3092 HOUSTON, TX 77079-2064		7. Lease Name or Unit Agreement Name Florance P (Federal Well SF - 078385)
4. Well Location Unit Letter I : 1745 feet from the SOUTH line and 785 feet from the EAST line Section 35 Township 30N Range 08W NMPM SAN JUAN County		8. Well Number 3 S
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6133' GR		9. OGRID Number
10. Pool name or Wildcat Basin Fruitland Coal		
Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)		
Pit Location: UL I Sect 35 Twp 30N Rng 08W Pit type Drilling Depth to Groundwater 100'-200' Distance from nearest fresh water well >1000' Distance from nearest surface water > 1000' Below-grade Tank Location UL I Sect 35 Twp 30N Rng 08W ; 1845' feet from the South line and 770 feet from the East line PLEASE SEE ATTACHED PAD		

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"/> PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: Lined Drilling PIT PERMIT <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.

Please reference BP America's San Juan Basin Drilling/Workover Pit Construction Plan on file with the NMOC. Pit Construction Plan issued date of 04/15/2004. Pit will be closed according to closure plan on file

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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE _____ TITLE Regulatory Analyst DATE 6/18/04

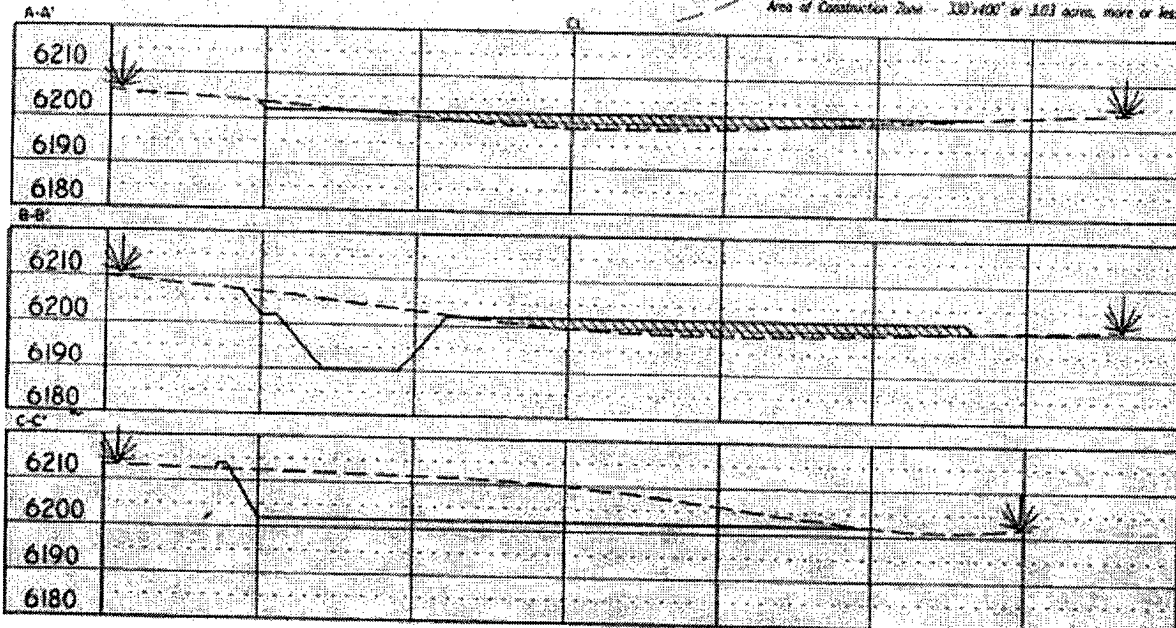
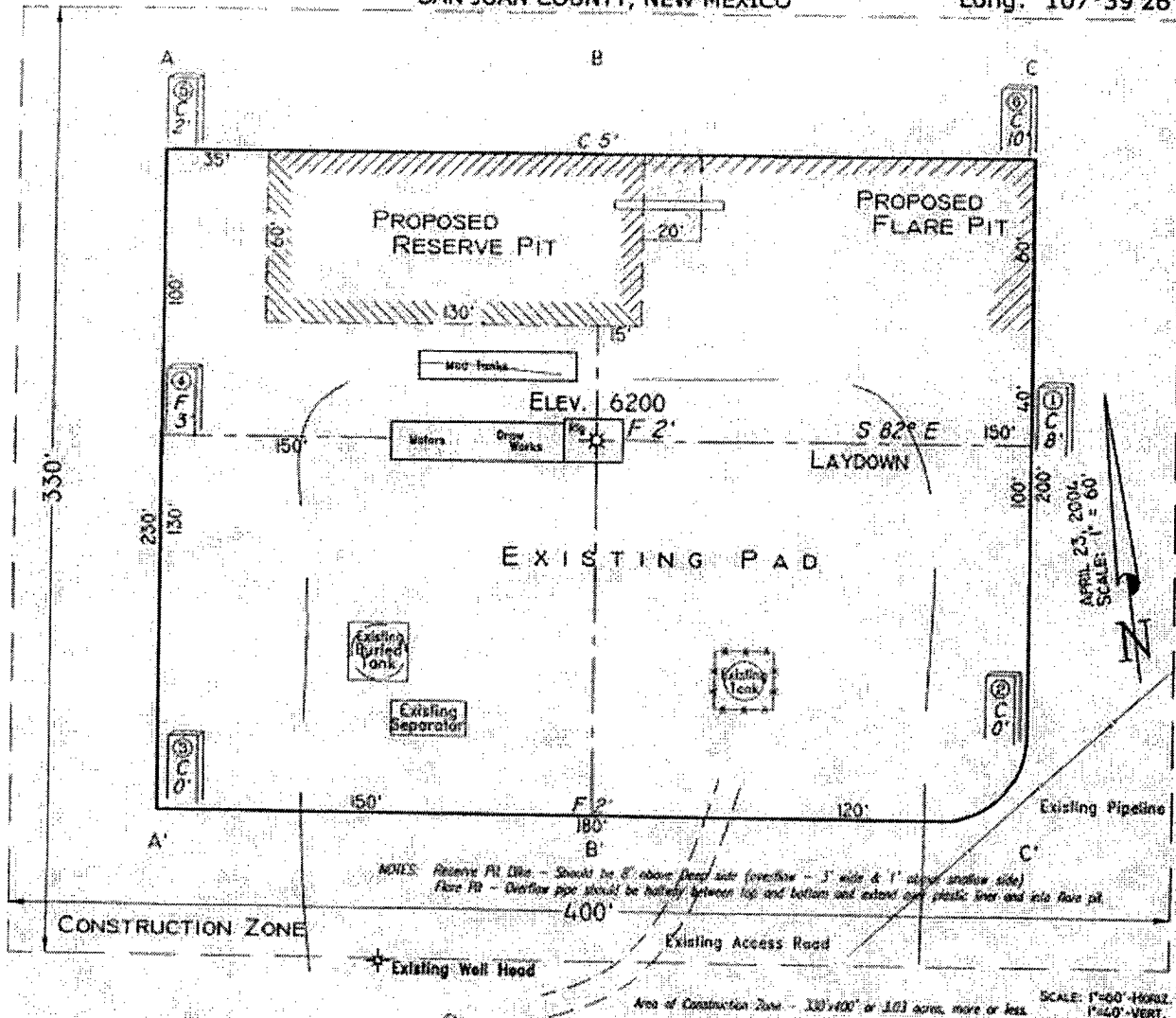
Type or print name Cherry Hlava E-mail address: _____ Telephone No. 281-366-4081

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE AUG 20 2004
Conditions of approval, if any:

PAD LAYOUT PLAN & PROFILE
BP AMERICA PRODUCTION COMPANY
 Florence G # 3S
 1245' F/SL 975' F/EL
 SEC. 3, T30N, R8W, N.M.P.M.
 SAN JUAN COUNTY, NEW MEXICO

Lat: 36°50'08"
 Long: 107°39'26"



NOTE: Contractor should call One-Call for location of any marked or unmarked buried pipelines or cables on well pad and for access road at least two (2) working days prior to construction.

Cuts and fills shown are approximate - final finished elevation is to be adjusted so northwork will balance. Corner slopes are approximate and do not include additional areas needed for side slopes and ditches. Final Pad Dimensions are to be verified by Contractor.

VANN SURVEYS
 P. O. Box 1306
 Farmington, NM

**BP AMERICA PRODUCTION COMPANY
DRILLING AND COMPLETION PROGRAM**

Prospect Name: Florance P
Lease:

County: San Juan
State: New Mexico
Date: June 14, 2004

Well No: 3S
Surface Location: Section 35I, T30N, R08W; 1745'
FSL, 785' FEL
Field: Basin Fruitland Coal

OBJECTIVE: Drill to a TD of 3051' kb set 7" casing and perf and frac the Fruitland Coal interval.							
METHOD OF DRILLING				APPROXIMATE DEPTHS OF GEOLOGICAL MARKER			
TYPE OF TOOLS		DEPTH OF DRILLING		Estimated GL: 6133		Estimated KB: 6146	
Rotary		0 – 3051' KB					
LOG PROGRAM							
TYPE		DEPTH INVERAL		MARKER		SUBSEA	
<u>OPEN HOLE</u>						MEAS. DEPTH	
Run1: Run Platform Express		TD up to minimum charge.		Ojo Alamo		4257 1889	
(array induction, 3-detector Litho-				Kirtland		4080 2066	
Density, compensated neutron,				Fruitland		3492 2654	
caliper, microlog, SP and gamma				Fruitland Coal		3379 2767	
ray). (see Remarks section				Pictured Cliffs		3245 2901	
below).							
REMARKS:							
- Primary presentation is Bulk Density Presentation (5"=100') with							
<1.75 g/cc shaded as coal. High resolution pass across the Fruitland							
interval only. Three final prints to Dennis Hilkewich in Houston.							
Customer LAS file to Dennis Hilkewich in Houston –							
hilkewdn@bp.com							
				TOTAL DEPTH		3095 3051	
				# Probable completion interval		* Possible Pay	
SPECIAL TESTS				DRILL CUTTING SAMPLES		DRILLING TIME	
TYPE				FREQUENCY DEPTH		FREQUENCY DEPTH	
None				none none		Geolograph 0-3051	
REMARKS:							
MUD PROGRAM:							
Approx. Interval		Type Mud	Weight, #/ga	Vis, sec/qt	W/L cc's/30 min	Other Specification	
0 - 120		Spud	8.6-9.2				
120 - 3051 (1)		Water/LSND	8.6-9.2		<6		
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, Etc.	
Surface/Conductor	120	8-5/8"	H-40, 8 RND	20.0	12.5"	1	
Intermediate	3051	5-1/2"	J-55, 8 RND	15.5	8.75"	1	
REMARKS:							
(1) Circulate Cement to Surface							
CORING PROGRAM:							
None							
COMPLETION PROGRAM:							
Rigless, Single Stage Limited Entry Hydraulic Frac							
GENERAL REMARKS:							
Notify BLM/NMOCD 24 hours prior to Spud, BOP testing, and Casing and Cementing.							
Form 46 Reviewed by:				Logging program reviewed by: N/A			
PREPARED BY:		APPROVED:		DATE:			
Daniel Crosby				6/14/2004			
Form 46 12-00 MNP							

BOP Test Pressure

BP America Production Company BOP Pressure Testing Requirements

Well Name: Florance P 3S

County: San Juan

State: New Mexico

Formation	TVD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	1889		
Kirtland	2066		
Fruitland Coal	2767	400	0
PC	2901		
Lewis Shale			
Cliff House			
Menefee Shale			
Point Lookout			
Mancos			
Dakota			

** Note: Determined using the following formula: $ABHP - (.22 \times TVD) = ASP$

Requested BOP Pressure Test Exception: 850 psi

SAN JUAN BASIN
Fruitland Formation
Pressure Control Equipment

Background

The objective Fruitland Coal 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 rights 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 Basin ~~Dakota~~. No abnormal temperature, pressure, or H2S anticipated.

Equipment Specification

Interval

BOP Equipment

Below conductor casing to total depth

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 2000 psi (high pressure), upon installation, following any repairs or equipment replacements, or at 30 day intervals. Accessories to BOP equipment will include kelly cock, upper kelly cock with a handle available, floor safety valves and choke manifold which will also be tested to equivalent pressure.

Cementing Program

Well Name:	Florance P 3S	Field:	Basin Fruitland Coal
Location:	Sec 35 - 30N - 08W, 1745' FSL, 785' FEL	API No.	
County:	San Juan	Well Flac	
State:	New Mexico	Formation:	Fruitland Coal
		KB Elev (est)	6146
		GL Elev. (est)	6133

Casing Program:					
Casing String	Est. Depth (ft.)	Hole Size (in.)	Casing Size (in.)	Thread	TOC (ft.)
Surface	120	12.5	8 5/8	8rd	Surface
Production -	3051	8.75	5 1/2	8rd	Surface

Casing Properties:				(No Safety Factor Included)
Casing String	Size (in.)	Weight (lb/ft)	Grade	
Surface	8 5/8	20	H-40	
Production -	5 1/2	15.5	J-55	

Mud Program				Recommended Mud Properties Prio Cementing:
Apx. Interval (ft.)	Mud Type	Mud Weight		
0 - SCP	Water/Spud	8.6-9.2		PV <20
SCP - TD	Water/LSND	8.6-9.2		YP <10
				Fluid Loss <6

Cementing Program:		
	Surface	Production
Excess %, Lead	100	40
Excess %, Tail	NA	40
BHST (est deg. F)	75	120
Special Instructions	1,6,7	2,4,6
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.		

Notes: *Do not wash up on top of plug. Wash lines before displacing production cement job to minimize drillout.

Surface:			
Preflush	20 bbl.	FreshWater	
Slurry 1	80 sx Class C Cement		99 cuft
TOC@Surface	+ 2% CaCl2 (accelerator)		0.4127 cuft/ft OH

Slurry Properties:	Density (lb/gal)	Yield (ft3/sk)	Water (gal/sk)
Slurry 1	15.2	1.27	5.8

Casing Equipment:		8-5/8", 8R, ST&C
		1 Guide Shoe
		1 Top Wooden Plug
		1 Autofill insert float valve
		Centralizers, 1 per joint except top joint
		1 Stop Ring
		1 Thread Lock Compound

Production:			
Fresh Water	10 bbl	CW100	
Lead		340 sx Class "G" Cement	884 cuft
Slurry 1		+ 3% D79 extender	

Cementing Program

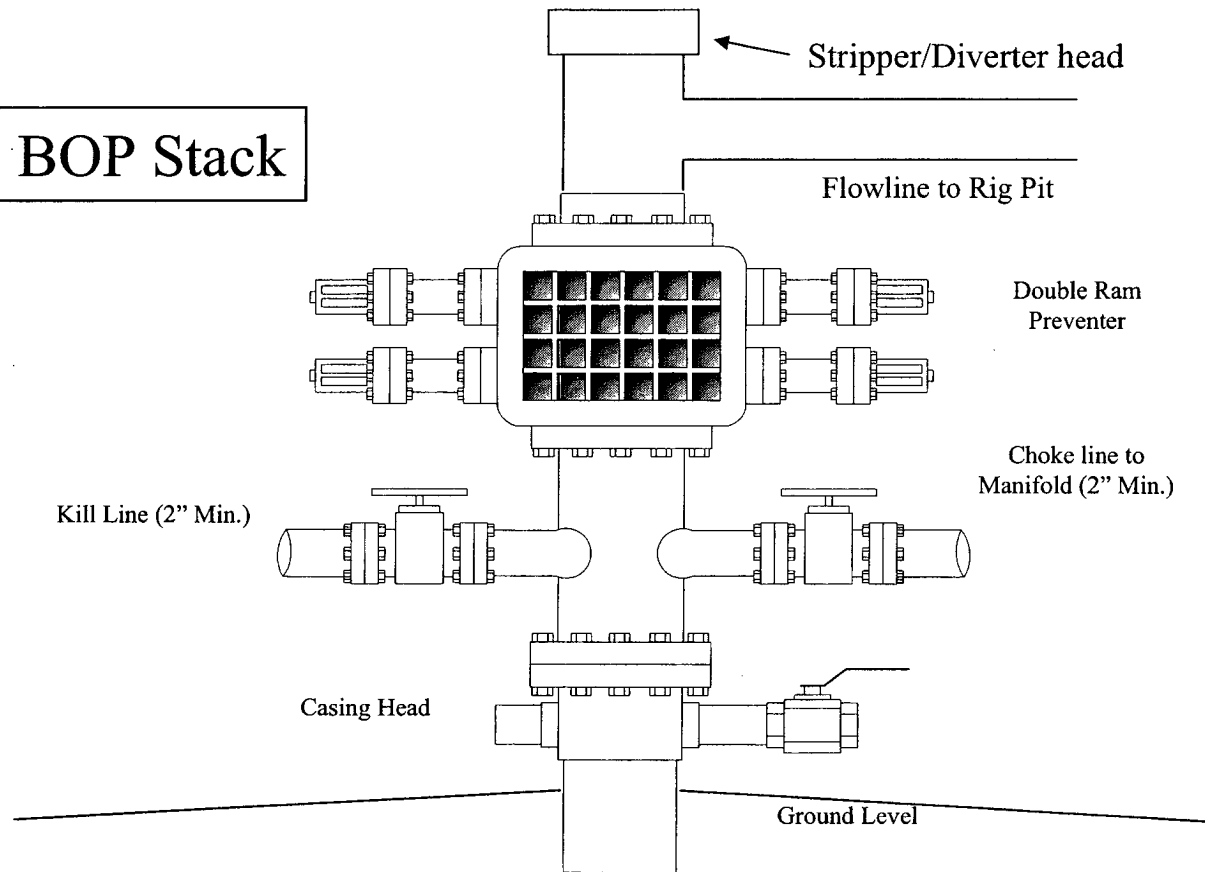
TOC@Surface		+ 2% S1 Calcium Chloride	
		+1/4 #/sk. Cellophane Flake	
		+ 0.1% D46 antifoam'	
Tail		140 sx 50/50 Class "G"/Poz	177 cuft
Slurry 2		+ 2% gel (extender)	
	500 ft fill	0.1% D46 antifoam	0.2526 cuft/ft OH
		+1/4 #/sk. Cellophane Flake	0.2009 cuft/ft csg ann
		+ 2% CaCl ₂ (accelerator)	
Slurry Properties:	Density	Yield	Water
	(lb/gal)	(ft ³ /sk)	(gal/sk)
Slurry 1	11.4	2.61	17.77
Slurry 2	13.5	1.27	5.72
Casing Equipment:	5 1/2", 8R, ST&C		
	1 Float Shoe (autofill with minimal LCM in mud)		
	1 Float Collar (autofill with minimal LCM in mud)		
	1 Top Rubber Plug		
	1 Thread Lock Compound		

BP American Production Company

Well Control Equipment Schematic



BOP Stack



Choke & Kill Manifold

