

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: November 30, 2000

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
NMSF078051

| | | | | | |
|---|--|--|--|--|---|
| 1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other | | | 6. If Indian, Allottee or Tribe Name | | |
| b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____ | | | 7. Unit or CA Agreement Name and No. | | |
| 2. Name of Operator BP AMERICA PRODUCTION CO | | | 8. Lease Name and Well No. MUDGE LS 24N | | |
| 3. Address 200 ENERGY CT FARMINGTON, NM 87402 | | | 9. API Well No. 30-045-32323-00-C1 | | |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements) Sec 33 T32N R11W Mer NMP At surface SWNE 2180FNL 1835FEL 36.56600 N Lat, 107.59500 W Lon At top prod interval reported below At total depth | | | 10. Field and Pool, or Exploratory BLANCO MV / BASIN DAKOTA 11. Sec., T., R., M., or Block and Survey or Area Sec 33 T32N R11W Mer NMP | | |
| 14. Date Spudded 08/25/2004 | | | 15. Date T.D. Reached 08/31/2004 | | 16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 10/20/2004 |
| 17. Elevations (DF, KB, RT, GL)* 6124 GL | | | 18. Total Depth: MD 7585 TVD | | |
| 19. Plug Back T.D.: MD 7519 TVD | | | 20. Depth Bridge Plug Set: MD TVD | | |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) CBL TDT GR | | | 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) | | |

23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 13.500 | 9.625 H-40 | 32.0 | | 146 | | 88 | | 0 | |
| 8.750 | 7.000 J-55 | 20.0 | | 3120 | | 389 | | 0 | |
| 6.250 | 4.500 J-55 | 11.6 | | 7519 | | 359 | | 2720 | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|-------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2.375 | 7361 | | | | | | | |

25. Producing Intervals

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|-----------|------|--------|---------------------|-------|-----------|--------------|
| A) DAKOTA | 7277 | 7451 | 7277 TO 7317 | 3.130 | 8 | |
| B) | | | 7326 TO 7451 | 3.130 | 56 | |
| C) | | | | | | |
| D) | | | | | | |

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

| Depth Interval | Amount and Type of Material |
|----------------|------------------------------|
| 7277 TO 7451 | 21,000 LBS 20/40 C-LITE SND. |
| | |
| | |
| | |

28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 10/21/2004 | 10/07/2004 | 12 | → | 1.0 | 325.0 | 1.0 | | | FLows FROM WELL |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| 3/4 | SI | 70.0 | → | 2 | 650 | 2 | | PGW | |

28a. Production - Interval B

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| | SI | | → | | | | | | |

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #50584 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED

FARMINGTON FIELD OFFICE

ACCEPTED FOR RECORD

NOV 02 2004

NWOCOD

28b. Production - Interval C

| | | | | | | | | | |
|---------------------|----------------------------|--------------|----------------------|---------|---------|-----------|--------------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |

28c. Production - Interval D

| | | | | | | | | | |
|---------------------|----------------------------|--------------|----------------------|---------|---------|-----------|--------------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
CAPTURED

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top |
|-------------------------------------|-----------|--------|------------------------------|---|--|
| | | | | | Meas. Depth |
| OJO ALAMO NACIMIENTO KIRTLAND | 0 1064 | 1064 | | CLIFF HOUSE MENEFE POINT LOOKOUT MANCOS GREENHORN GRANEROS DAKOTA | 4339 4735 5086 5450 7154 7212 7269 |

32. Additional remarks (include plugging procedure):

Well is currently down hole commingling DHC-1543AZ the Dakota & Mesaverde.

Mesaverde completion to follow.

PLEASE NOTE C-104 TD SHOULD BE 7585' READY DATE 10/15/2004

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7 Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

**Electronic Submission #50584 Verified by the BLM Well Information System.
For BP AMERICA PRODUCTION CO, sent to the Farmington
Committed to AFMSS for processing by ADRIENNE BRUMLEY on 11/02/2004 (05AXB0221SE)**

Name (please print) CHERRY HLAVA Title REGULATORY ANALYST

Signature (Electronic Submission) Date 11/01/2004

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.

**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ****

Mudge LS 24N
New Well Completion Report
API 30-045-32323
11/01/04

PER SPUD & SET REPORT TD'd WELL @ 7519' ON 8/31/04. WELL IS APPROVED TO 7600'. WELL WAS DEEPEN TO LESS THAN APPROVED TD. SEE 9/16/04 NOTATION

9/10/04 SPOT IN DRILLING RIG

9/11/04 NDWH & NU BOP.

9/13/04 RU & RUN CBL 7472' – 2573' UNDER 1000 PSI. LOG TDT, GR, CCL 7480' – 3090'. RD WL.

9/14/04 PRESSURE TEST BOP 750 LOW 2800 PSI HIGH.

9/15/04 ATTEMPT TO UNLOAD WITH AIR. UNLOAD TBG & PU & STAGE IN TO 7486' KB w/219 JTs TBG. TIE BACK TO SINGLE LINE & RU PWO SWIVEL & UNLOAD HOLE.

9/16/04 SICP 70 PSI. BLW DN. BREAK CIRC & C/O STRINGERS & DRILL OUT FLOAT & SHOE @7519' & DRILL TO 7584' NO RETURNS. SHUT DOWN N2 & CIRC w/AIR @480 PSI @1240 CSFM GOT WTR IN RETURNS. TD @7585'. ABORT DRILLING. TIE BACK DRILLING LINES & PMP 50 bbls DN TBG. SDFN.

9/17/04 ROLL HOLE w/2% KCL. TOH w/TBG

9/20/04 BLW DN INTER CSG PRESS. TEST PRIMARY & SECONDARY – HELD OK. TIH & SET CIBP @7508' AND DUMP 1 SACK CMT w/BAILER. RD WIRE LINE.

9/21/04 CK PRESSURES. BLW DN INTER. CSG. ND BOP; NU BOP.

9/22/04 BLW DN CSG PRES & FLARE. WATCH BHP DROP. TIH w/ BIT – FLOAT SUB & TBG. TOH & LAY DN CS HYD.

9/23/04 PRES TEST CSG & FRAC Y TO 4500 PSI; HELD 15 MIN.

9/24/04 TIH w/3.125" GUN & PER MAIN DK 7326' – 7451' @ 4 JSPF. TIH w/3.125" GUN & PERF'd UPPER DK 7277' – 7317; w/2 JSPF.

9/27/04 SEE COMPLETION SUNDRY FOR FRAC.

10/01/04 ND BOP & FRAC VLV. NU BOP. PRES TST BLIND & PIPE RAMS 250# LOW & 2000# HIGH OK. SI FOR NIGHT.

10/5/04 FLW TESTING WELL & FLARE TO PIT. WTR & SND.

10/06/04 90# FLWING THRU 48/64" CK. TIH w/TBG & TAG @7242'. CIRC w/AIR MIST. CLEANOUT TO PBTD @7494'.

10/07/04 FLOW DK @70# CSG PRESSURE. 12 hrs TEST 325 MCF.

10/08/04 FLW TESTING

10/11/04 TIH & SET CIBP @5500'. TIH w/3.125" GUN & PERF MESAVERDE 4981' – 5296' @ 4 JSPF. TEST LINES TO 5500# O.K. PMP 12 bbls 15% HCL, 229 bbls OF 70 Q FOAM PAD, 74,000#

16/30 BRADY SAND, 22,000# 16/30 BRADY SAND w/330# ADDED PROPNET, FLUSHED w/70Q FOAM TO TOP PERF. FLW WELL ON 16/64" CK. TO FLARE PIT.

10/12/04 MIST GOOD FLARE NO SND.

10/13/04 TEST MV 120# 12 hr TEST 517 MCF. DRILL OUT CIBP @5500'. FLARE MV & DK TO FLARE PIT.

10/14/04 CK FLW PRESS ON WELL @100# ON 1/2" CK. PRESS UR 70#.

10/15/04 TIH & LAND TBG 7361'. ND BOP NU WH. RIG DN MOVE TO NEXT WELL.