

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
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101

APPLICATION FOR PERMIT TO DRILL

| | | |
|---|---|---|
| Operator Name and Address BP America Production Company PO Box 3092 Houston, TX 77253 | | OGRID Number <p style="text-align: center;">778</p> API Number <p style="text-align: center;">30-45-31405</p> |
| Property Code <p style="text-align: center;">31997</p> | Property Name <p style="text-align: center;">State Gas Com AB</p> | Well No. <p style="text-align: center;">001</p> |

Surface Location

| UL or Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|-----------|----------|------------|------------|---------|-------------|----------|-------------|----------|-----------------|
| J | 2 | 29N | 10W | | 1860 | S | 2245 | E | San Juan |

Proposed Pools

| | |
|--|--------------|
| BASIN DAKOTA (PRORATED GAS) | 71599 |
| BLANCO-MESAVERDE (PRORATED GAS) | 72319 |

| | | | | |
|------------------------------|-------------------------------|--------------------------------------|----------------------------|---------------------------------------|
| Work Type New Well | Well Type Gas | Cable/Rotary | Lease Type State | Ground Level Elevation 5784 |
| Multiple Y | Proposed Depth 6966 | Formation Dakota Formation | Contractor | Spud Date 4/10/2003 |

Proposed Casing and Cement Program

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 13.5 | 9.625 | 32 | 120 | 110 | 0 |
| Int1 | 8.75 | 7 | 20 | 2681 | 280 | 0 |
| Prod | 6.25 | 4.5 | 11.6 | 6966 | 320 | 2581 |

Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|-------------------|------------------|---------------|--------------|
| Double Ram | 2000 | 1500 | |

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

Electronically Signed By: **Mary Corley**

Title: **Manager**

Date: **2/21/2003**

Phone: **281-366-4491**

OIL CONSERVATION DIVISION

Electronically Approved By: **Charlie Perrin**

Title: **Manager**

Approval Date: **2/25/2003**

Expiration Date: **2/25/2004**

Conditions of Approval:
No Conditions

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Energy, Minerals and Natural Resources

Form C-102

Oil Conservation Division

1220 S. St Francis Dr.

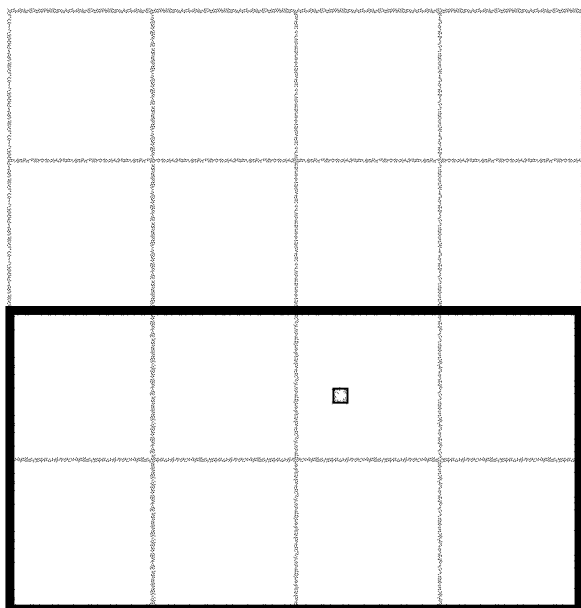
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---------------------------|--|--------------------|
| API Number 30-45-31405 | Pool Name BASIN DAKOTA (PRORATED GAS) | Pool Code 71599 |
| Property Code 31997 | Property Name State Gas Com AB | Well No. 001 |
| OGRID No. 778 | Operator Name BP America Production Company | Elevation 5784 |

Surface And Bottom Hole Location

| | | | | | | | | | |
|--------------------------|--------------|-----------------|--------------|--------------------|-------------------|---------------|-------------------|---------------|--------------------|
| UL or Lot J | Section 2 | Township 29N | Range 10W | Lot Idn | Feet From 1860 | N/S Line S | Feet From 2245 | E/W Line E | County San Juan |
| Dedicated Acres 317.7 | | Joint or Infill | | Consolidation Code | | Order No. | | | |



OPERATOR CERTIFICATION

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

Electronically Signed By: Mary Corley

Title: Manager

Date: 2/21/2003

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.

Electronically Signed By: Gary Vann

Date of Survey: 2/4/2003

Certificate Number: 7016

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State of New Mexico
Energy, Minerals and Natural Resources

Form C-102

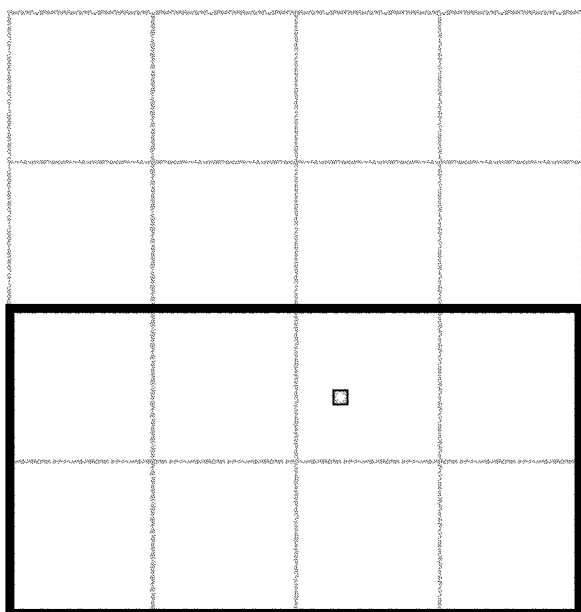
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---------------------------|--|--------------------|
| API Number 30-45-31405 | Pool Name BLANCO-MESAVERDE (PRORATED GAS) | Pool Code 72319 |
| Property Code 31997 | Property Name State Gas Com AB | Well No. 001 |
| OGRID No. 778 | Operator Name BP America Production Company | Elevation 5784 |

Surface And Bottom Hole Location

| | | | | | | | | | |
|--------------------------|--------------|-----------------|--------------|--------------------|-------------------|---------------|-------------------|---------------|--------------------|
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Title: Manager

Date: 2/21/2003

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Date of Survey: 2/4/2003

Certificate Number: 7016

APD Comments

Operator: 778 BP America Production Company

Well: State Gas Com AB 001

| User Name | Comment | Comment Date |
|-----------|--|--------------|
| SHAYDEN | Fresh water selected for fluid type is LSND mud. | 2/25/2003 |