

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. NMSF - 078132
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: MARY CORLEY E-Mail: corleyml@bp.com		8. Lease Name and Well No. A L ELLIOTT D 1C
3a. Address P.O. BOX 3092 HOUSTON, TX 77253	3b. Phone No. (include area code) Ph: 281.366.4491 Fx: 281.366.0700	9. API Well No. 3004532498
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWSW Lot M 1165FSL 750FWL 36.44100 N Lat, 107.44200 W Lon At proposed prod. zone SWSW Lot M 660FSL 660FWL 36.44100 N Lat, 107.44200 W Lon		10. Field and Pool, or Exploratory BLANCO MESAVERDE
14. Distance in miles and direction from nearest town or post office* 14.5 MILES FROM BLOOMFIELD, NEW MEXICO		11. Sec., T., R., M., or Blk. and Survey or Area M Sec 12 T29N R9W Mer NMP SME: BLM
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 750	16. No. of Acres in Lease 320.00	12. County or Parish SAN JUAN
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1013	19. Proposed Depth 5378 MD 5321 TVD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6001 GL	22. Approximate date work will start 08/20/2004	17. Spacing Unit dedicated to this well 320.00 w/2
		20. BLM/BIA Bond No. on file WY2924
		23. Estimated duration 7 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. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 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). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) MARY CORLEY	Date 08/02/2004
Title AUTHORIZED REPRESENTATIVE		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 5-5-05
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)

HOLD C104 FOR *Direct mail survey*
Electronic Submission #33906 verified by the BLM Well Information System
For BP AMERICA PRODUCTION COMPANY, sent to the Farmington

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

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

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

NMOCN

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 30-045-32498		2 Pool Code 72319		3 Pool Name BLANCO MESAVERDE	
4 Property Code 000462		5 Property Name A.L. Elliott D			6 Well Number # 1C
7 OGRID No. 000778		8 Operator Name BP AMERICA PRODUCTION COMPANY			9 Elevation 6001

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
M	12	29 N	9 W		1165	SOUTH	750	WEST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	12	29 N	9 W		660	SOUTH	660	WEST	SAN JUAN

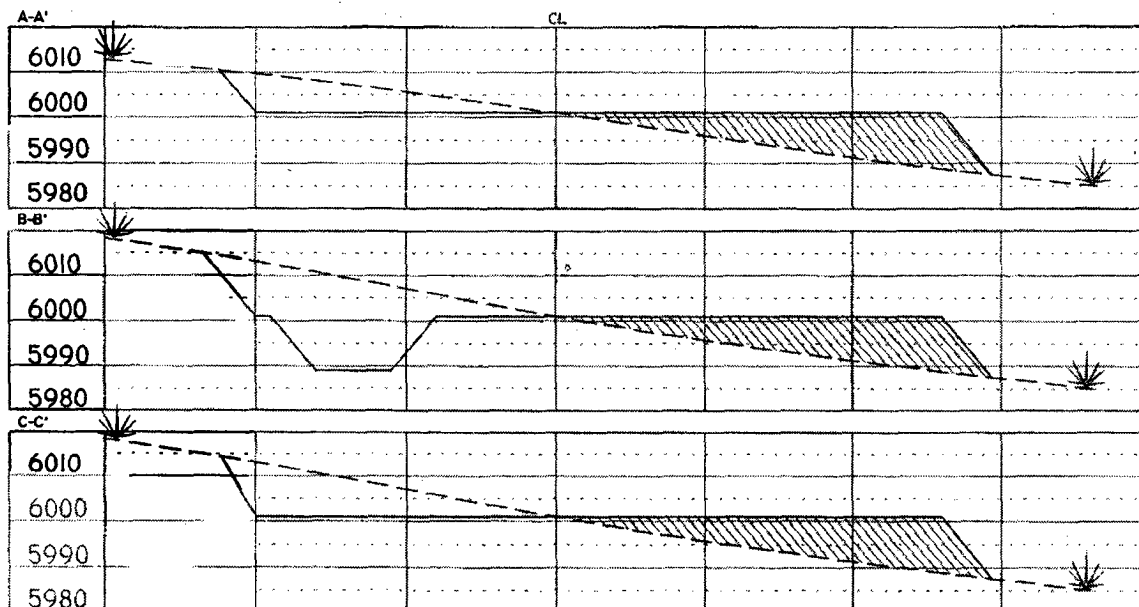
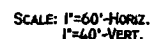
12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>16</p> <p>A L Elliott D 1B 30-045-31746 720' FNL & 660' FWL</p> <p>A L Elliott D 1A 30-045-22338 1710' FNL & 1590' FWL</p> <p>A L Elliott D 1 30-045-08493 1650' FSL & 1550' FWL</p> <p>750' 660' 660' 1165'</p> <p>5195 (R)</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Mary Corley</i> Signature MARY CORLEY Printed Name SR. REGULATORY ANALYST Title 05.26.2004 Date</p>

(R) - BLM Record

Lat: 36°44'08"
Long: 107°44'12"



Cuts and fills shown are approximate - final finished elevation is to be adjusted so earthwork will balance. Corner stakes are approximate and do not include additional areas needed for sideslopes and drainages. 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: A. L. Elliott D
Lease: Elliott D
County: San Juan
State: New Mexico
Date: December 11, 2003

Well No: 1 C
Surface Location: 12-29N-9W, 1165 FSL, 750 FWL
BHL: 12-29N-9W, 660 FSL, 660 FWL
Field: Blanco Mesaverde

OBJECTIVE: Drill 400' below the top of the Point Lookout Sandstone, set 4 1/2" production liner, Stimulate CH, MF and PL intervals

METHOD OF DRILLING		APPROXIMATE DEPTHS OF GEOLOGICAL MARKER			
TYPE OF TOOLS	DEPTH OF DRILLING	Estimated GL: 6001'		Estimated KB: 6015'	
Rotary	0 - TD				
LOG PROGRAM					
TYPE	DEPTH INVERAL	MARKER		TVD	MD
<u>OPEN HOLE</u>		Ojo Alamo		1531	1558
None		Kirtland		1635	1665
		Fruitland		2154	2200
		Fruitland Coal	*	2399	2453
		Pictured Cliffs	*	2638	2695
		Lewis	*	2944	3001
<u>CASED HOLE</u>		Cliff House	#	4133	4190
GR-CCL-TDT	TDT - TD to 7" shoe	Menefee	#	4392	4449
		Point Lookout	#	4821	4878
		Mancos		5102	5159
REMARKS:					
- Please report any flares (magnitude & duration).					
		TOTAL DEPTH		5321	5378
		# Probable completion interval		* Possible Pay	
SPECIAL TESTS		DRILL CUTTING SAMPLES		DRILLING TIME	
TYPE		FREQUENCY	DEPTH	FREQUENCY	DEPTH
None		None	Production hole	Geograph	0-TD
REMARKS:					

MUD PROGRAM:

Approx. Interval	Type Mud	Weight, #/gal	Vis, sec/qt	W/L cc's/30 min	Other Specification
0 - 120 200	Spud	8.6-9.2			
120 - 2401 (1)	Water/LSND	8.6-9.2		<6	
2401 - 5378	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, Etc.
Surface/Conductor	200 120	9 5/8"	H-40 ST&C	32#	13.5"	1
Intermediate	2401	7"	J/K-55 ST&C	20#	8.75"	1,2
Production	5378	4 1/2"	J-55	10.5#	6.25"	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

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:

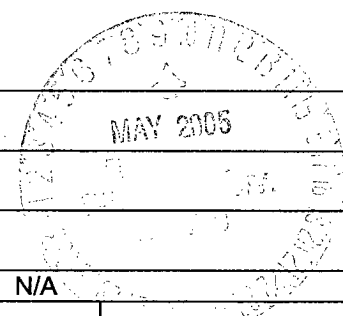
APPROVED:

DATE:

HGJ/MNP/JMP

December 11, 2003
Version 1.0

Form 46 12-00 MNP



Additional Operator Remarks:

PLEASE NORE: Notice of Staking was submitted on 01/09/2004 as the A L ELLIOTT A 1C. PLEASE CHANGE WELL NAME TO A L ELLIOTT D 1C.

BP America Production Company respectfully request permission to directionally drill the subject well to a total depth of approximately 5378' (TVD 5321') and complete in the Blanco Mesaverde Pool.

As an alternate to the drilling of the surface hole with drilling mud as stated on the attached Form 46, BP request permission to either drill with drilling mud or with air/air mist. Additionally, BP request as a possible alternate to the cementing of the surface casing to be either the cementing program stated on the cementing report or with approximately 94 CU/FT TYPE I-II, 20% FLYASH, 14.5 PPG, 7.41 GAL/SK, 1.61 CF/SK YIELD, 80 DEG BHST READY MIX CMT.

SUPPLEMENTAL TO SURFACE USE PLAN

New facilities:

A 4 1/2" diameter buried steel pipeline that is + or 1000 feet in length will be constructed. The pipe wall thickness is .156 and the pipe wall strength is 42,000. It will be adjacent to the access road and tie the well into a gas well meter operated by BP America Production Company. The pipeline will not be used to transport gas to drill the well. After the well is spud the pipeline will be authorized by a right-of-way issued to El Paso Field Services, refer to the attached survey plat.



BP America Production Company BOP Pressure Testing Requirements

Well Name: A. L. Elliott D
County: San Juan

1 C
State: New Mexico

Formation	Estimated TVD/MD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	1531		
Fruitland Coal	2399		
PC	2638		
Lewis Shale	2944		
Cliff House	4133	500	0
Menefee Shale	4392		
Point Lookout	4821	600	0
Mancos	5102		
Dakota	-		

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

Requested BOP Pressure Test Exception: 750 psi

**SAN JUAN BASIN
Mesaverde Formation
Pressure Control Equipment**



Background

Mesaverde

The objective ~~Dakota~~ 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.

Blanco Mesaverde

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: A L Elliot D 1C
 Location: 12-29N-09W, 1165 FSL, 755 FWL
 County: San Juan
 State: New Mexico

Field: Blanco Mesaverde
 API No.
 Well Flac
 Formation: MesaVerde
 KB Elev (est) 6015
 GL Elev. (est) 6001

Casing Program:

Casing String	Est. Depth (ft.)	Hole Size (in.)	Casing Size (in.)	Thread	TOC (ft.)	Stage Tool Or TOL (ft.)	Cmt Cir. Out (bbl.)
Surface	120 200	12.25 13.5	9.625	ST&C	Surface	NA	
Intermediate	2401	8.75	7	ST&C	Surface	NA	
Production -	5378	6.25	4.5		2301	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		9.625	32 H-40	3370		1400	254	0.0787
Intermediate		7	20 K-55	3740		2270	254 234	0.0405
Production -		4.5	11.6 J-55	5350		4960	154	0.0155

Mud Program

Apx. Interval (ft.)	Mud Type	Mud Weight	Recommended Mud Properties Prio Cementing:
			PV <20
			YP <10
			Fluid Loss <15
0 - SCP	Water/Spud	8.6-9.2	
SCP - ICP	Water/LSND	8.6-9.2	
ICP - ICP2	Gas/Air Mist	NA	
ICP2 - TD	LSND	8.6 - 9.2	

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.

Notes:

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

Surface:

Preflush	20 bbl.	Fresh Water	
Slurry 1	70 sx Class C Cement		
TOC@Surface	+ 2% CaCl ₂ (accelerator)		
	0.25 #/sk Cellophane Flake (lost circulation additive)		
	0.1% D46 antifoam		
Slurry Properties:	Density (lb/gal)	Yield (ft ³ /sk)	Water (gal/sk)
Slurry 1	15.8	1.16	4.95

81
~~75~~ cuft
 0.3132 cuft/ft OH
 100 % excess

Casing Equipment:

- 9-5/8", 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

