

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 - 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 Contact: MARY CORLEY E-Mail: corleyml@bp.com		7. If Unit or CA Agreement, Name and No.
3a. Address P.O. BOX 3092 HOUSTON, TX 77253		8. Lease Name and Well No. A L ELLIOTT D 1B
3b. Phone No. (include area code) Ph: 281.366.4491 Fx: 281.366.0700		9. API Well No. 3004531746
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWNW Lot D 720FNL 660FWL 36.44700 N Lat, 107.44200 W Lon At proposed prod. zone		10. Field and Pool, or Exploratory BLANCO MESAVERDE
14. Distance in miles and direction from nearest town or post office* 27 MILES FROM BLOOMFIELD, NEW MEXICO		11. Sec., T., R., M., or Blk. and Survey or Area Sec 12 T29N R9W Mer NMP D
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660	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. 1600	19. Proposed Depth 5553 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6294 GL	22. Approximate date work will start 08/29/2003	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 06/25/2003
Title AUTHORIZED REPRESENTATIVE		
Approved by (Signature)	Name (Printed/Typed)	Date AUG 18 2003
Title /s/ David J. Markiewicz		

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 #23658 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 activity is subject to technical and
procedural requirements pursuant to 43 CFR 3165.3
and 43 CFR 3165.4

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

NMOC

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 30-045-31746		2 Pool Code 72319		3 Pool Name BLANCO MESA VERDE	
4 Property Code 000462		5 Property Name A.L. Elliott D			6 Well Number # 1B
7 OGRID No. 000778		8 Operator Name BP AMERICA PRODUCTION COMPANY			9 Elevation 6294

Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	12	29 N	9 W		720	NORTH	660	WEST	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 **3.20** 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

	<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 06-25-2003 Date</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>June 5, 2003 Date of Survey</p> <p>Signature and Seal of Professional Surveyor 7016 Certificate Number</p>

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

Prospect Name: A L Elliott D
Lease: Elliott D
County: San Juan
State: New Mexico
Date: June 18, 2003

Well No: 1 B
Surface Location: 12-29N-9W, 770 FNL, 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: 6294'		Estimated KB: 6308'	
Rotary	0 - TD		MARKER		SUBSEA	TVD
LOG PROGRAM			Ojo Alamo		4522	1786
TYPE	DEPTH INVERAL		Kirtland		4378	1930
<u>OPEN HOLE</u>			Fruitland		3926	2382
None			Fruitland Coal	*	3607	2701
			Pictured Cliffs	*	3363	2945
<u>CASED HOLE</u>			Lewis	*	3191	3117
GR-CCL-TDT	TDT - TD to 7" shoe		Cliff House	#	1854	4454
			Menefee	#	1586	4722
			Point Lookout	#	1154	5153
			Mancos		811	5497
REMARKS:			TOTAL DEPTH		754	5553
- Please report any flares (magnitude & duration).			# Probable completion interval		* Possible Pay	
SPECIAL TESTS			DRILL CUTTING SAMPLES		DRILLING TIME	
TYPE			FREQUENCY	DEPTH	FREQUENCY	DEPTH
None			None	Production hole	Geolograph	0-TD
REMARKS:						
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 - 2651 (1)	Water/LSND	8.6-9.2		<6		
2651 - 5553	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	120	9 5/8"	H-40 ST&C	32#	13.5"	1
Intermediate 1	2651	7"	J/K-55 ST&C	20#	8.75"	1,2
Production	5553	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				June 18, 2003		
Form 46 12-00 MNP				Version 1.0		

BP America Production Company BOP Pressure Testing Requirements

Well Name: Annie L Elliott D
County: San Juan

1 B
State: New Mexico

Formation	Estimated TVD/MD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	1786		
Fruitland Coal	2701		
PC	2945		
Lewis Shale	3117		
Cliff House	4454	500	0
Menefee Shale	4722		
Point Lookout	5153	600	0
Mancos	5497		
Dakota	-		

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

Requested BOP Pressure Test Exception: 750 psi
SAN JUAN BASIN
Dakota Formation
Pressure Control Equipment

Background

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.

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.