

RECEIVED

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
APPLICATION OF FOR PERMIT TO DRILL OR REENTER

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

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>SF - 078390</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well Gas <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or tribe Name
2. Name of Operator <b>BP America Production Company Attn: Mary Corley</b>		7. If Unit or CA Agreement, Name and No
3a. Address <b>P.O. Box 3092 Houston, Texas 77253</b>	3b. Phone No. (include area code) <b>281-366-4491</b>	8. Lease Name and Well No. <b>Price 2M</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface <b>2390' FNL &amp; 1630' FEL</b> At proposed prod. Zone		9. API Well No. <b>3004531847</b>
10. Field and Pool, or Exploratory <b>Basin Dakota &amp; Blanco Mesaverde</b>		11. Sec., T., R., M., or Blk, and survey or Area <b>G Sec. 13, T28N, R08W</b>
14. Distance in miles and direction from nearest town or post office* <b>27 miles from Bloomfield, NM</b>	12. County or Parish <b>San Juan</b>	13. State <b>New Mexico</b>
15. Distance from proposed* Location to nearest Property or lease line, ft. (Also to nearest drig. Ujnit line, if any) <b>1010'</b>	16. No. of Acres in lease <b>320</b>	17. Spacing Unit dedicated to this well <b>320 E/2</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>1200'</b>	19. Proposed Depth <b>7497'</b>	20. BLM/BIA Bond No. on file <b>WY2924</b>
21. Elevations (show whether DF, KDB., RT, GL, etc.) <b>6412' GL</b>	22. Approximate date work will start* <b>September 20, 2003</b>	23. Estimated duration <b>7 Days</b>

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 <i>Mary Corley</i>	Name (Printed/typed) <b>Mary Corley</b>	Date <b>08/13/2003</b>
Title <b>Senior Regulatory Analyst</b>		
Approved by (Signature) <i>Charlie Beecham</i>	Name (Printed/Typed) <b>Charlie Beecham</b>	Date <b>OCT - 7 2003</b>
Title <b>Office</b>		

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.

\*(Instructions on reverse)

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

NWCCD

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 <b>30-045-31847</b>		2 Pool Code <b>71599; 72319</b>		3 Pool Name <b>BASIN DAKOTA ; BLANCO MESA VERDE</b>		
4 Property Code <b>000957</b>		5 Property Name <b>Price</b>			6 Well Number <b># 2M</b>	
7 OGRID No. <b>000778</b>		8 Operator Name <b>BP AMERICA PRODUCTION COMPANY</b>			9 Elevation <b>6412</b>	

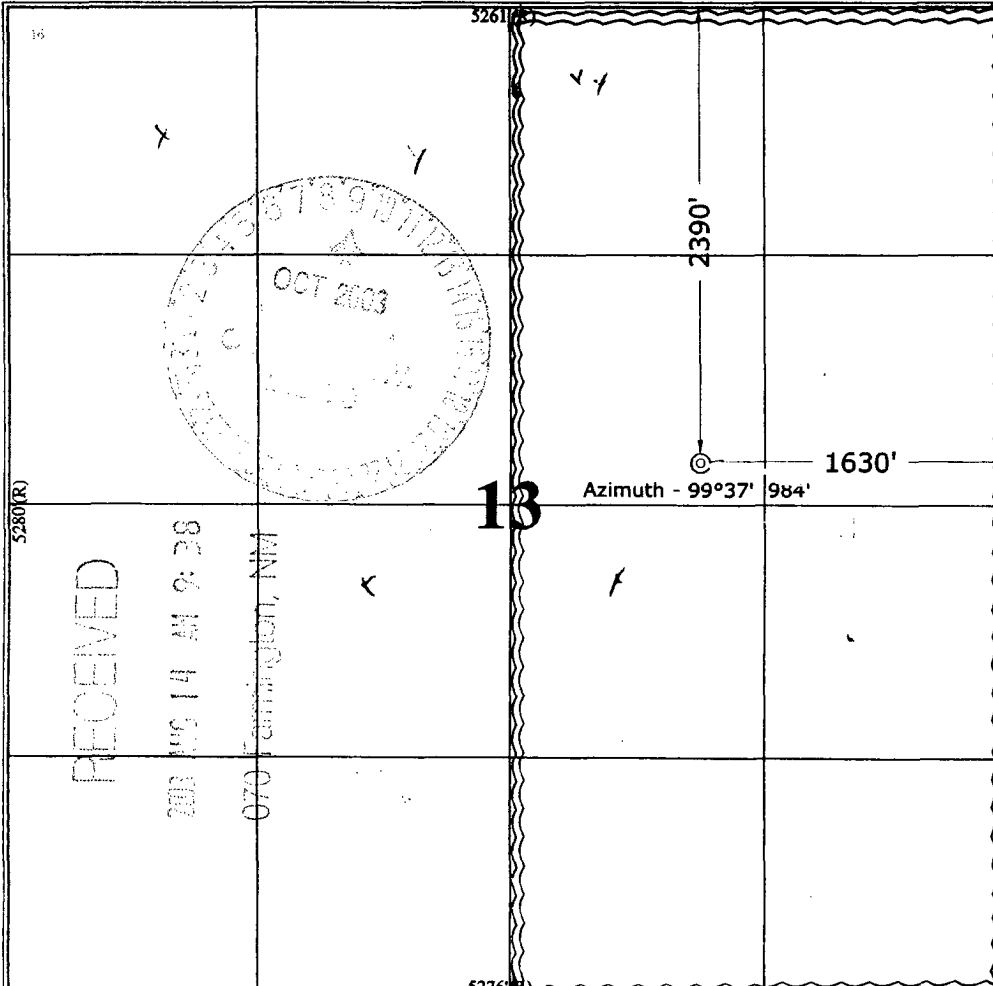
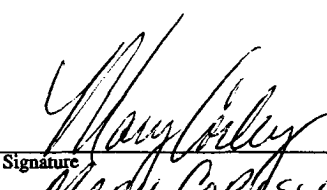
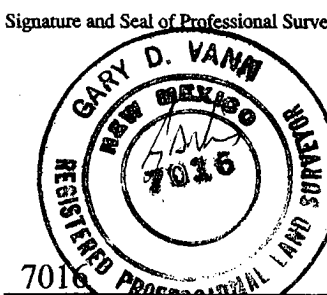
10 Surface Location

UL or Lot No. <b>G</b>	Section <b>13</b>	Township <b>28 N</b>	Range <b>8 W</b>	Lot Idn	Feet from the <b>2390</b>	North/South line <b>NORTH</b>	Feet from the <b>1630</b>	East/West line <b>EAST</b>	County <b>SAN JUAN</b>
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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
12 Dedicated Acres <b>320</b>		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

		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.   Signature <b>MARY CORLEY</b> Printed Name <b>SR. Regulatory Analyst</b> Title <b>08-12-2003</b> Date	
		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. <b>July 21, 2003</b> Date of Survey Signature and Seal of Professional Surveyor  7016 Certificate Number	

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

**Prospect Name:** Price  
**Lease:** Price  
**County:** San Juan

**Well No:** 2M  
**Surface Location:** 13-28N-8W, 2390 FNL, 1630 FEL  
**Field:** Blanco Mesaverde/Basin Dakota

**State:** New Mexico  
**Date:** July 29, 2003

**OBJECTIVE:** Drill 240' below the top of the Two Wells; set 4 1/2" production casing, Stimulate CH, MF, PL and DK intervals

METHOD OF DRILLING		APPROXIMATE DEPTHS OF GEOLOGICAL MARKER			
TYPE OF TOOLS	DEPTH OF DRILLING	Estimated GL: 6412		Estimated KB: 6426	
Rotary	0 - TD				
<b>LOG PROGRAM</b>		<b>MARKER</b>		<b>SUBSEA</b>	<b>MD.</b>
		Ojo Alamo		4298'	2128'
		Kirkland		4246'	2180'
		Fruitland		3771'	2655'
		Fruitland Coal	*	3579'	2847'
		Pictured Cliffs	*	3434'	2993'
		Lewis Shale	#	3244'	3182'
		Cliff House	#	1946'	4480'
		Menefee Shale	#	1663'	4763'
		Point Lookout	#	1229'	5198'
		Mancos		864'	5562'
		Greenhorn		-728'	7154'
		Bentonite Marker		-792'	7218'
		Two Wells	#	-831'	7257'
		Paguate	#	-928'	7354'
		Cubero Upper	#	-959'	7385'
		Cubero Lower	#	-989'	7415'
		<b>TOTAL DEPTH</b>		<b>-1071'</b>	<b>7497'</b>
		# Probable completion interval		* Possible Pay	
<b>SPECIAL TESTS</b>		<b>DRILL CUTTING SAMPLES</b>		<b>DRILLING TIME</b>	
TYPE		<b>FREQUENCY</b>	<b>DEPTH</b>	<b>FREQUENCY</b>	<b>DEPTH</b>
None		10'	3382' -TD	Geograph	0-TD
<b>REMARKS:</b>					
- Please report any flares (magnitude & duration).					

**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 - 3282 (1)	Water/LSND	8.6-9.2		<6	
3282 - 7497	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	3282	7"	J/K-55 ST&C	20#	8.75"	1,2
Production	7497	4 1/2"	J-55	11.6#	6.25"	3

**REMARKS:**

- (1) Circulate Cement to Surface
- (2) Set casing 100' into Lewis Shale
- (3) Bring cement 100' above 7" shoe

**CORING PROGRAM:**

None

**COMPLETION PROGRAM:**

Rigless, 3-4 Stage Limited Entry Hydraulic Frac

**GENERAL REMARKS:**

Notify BLM/NMOCDD 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:**

July 29, 2003

Version 1.0

HGJ/MNP/JMP

Form 46 12-00 MNP

# BP America Production Company BOP Pressure Testing Requirements

Well Name: Price  
County: San Juan

2M  
State: New Mexico

Formation	MD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	2128		
Fruitland Coal	2847		
PC	2993		
Lewis Shale	3182		
Cliff House	4480	500	0
Menefee Shale	4763		
Point Lookout	5198	600	0
Mancos	5562		
Dakota	7257	2600	1449

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

Requested BOP Pressure Test Exception: 1500 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.
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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.