

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 778
		API Number 30-045-31994
Property Code 675	Property Name Holmberg Gas Com D	Well No. 001S

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	21	32N	10W	P	840	S	940	E	San Juan

Proposed Pools

BASIN FRUITLAND COAL (GAS) 71629

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type Private	Ground Level Elevation 5915
Multiple N	Proposed Depth 2890	Formation Pictured Cliffs Formation	Contractor	Spud Date 01/15/2004

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.5	9.625	32.3	120	80	0
Int1	8.75	7	20	2430	250	0
Liner1	11	5.5	15.5	2890	0	

Casing/Cement Program: Additional Comments

BP America Production Co. requests permission to drill into the Pictured Cliffs formation to allow for sufficient rat hole. The well will be perfd and produced from the Basin Fruitland Coal formation. If you have questions please call the engineer, Dan Crosby @281-366-0769

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	850	

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: 11/12/2003

Phone: 281-366-4491

OIL CONSERVATION DIVISION

Electronically Approved By: Frank Chavez

Title: District Supervisor

Approval Date: 12/29/2003

Expiration Date: 12/29/2004

Conditions of Approval:

There are conditions. See Attached.

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Form C-102

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-31994	Pool Name BASIN FRUITLAND COAL (GAS)	Pool Code 71629
Property Code 675	Property Name Holmberg Gas Com D	Well No. 001S
OGRID No. 778	Operator Name BP AMERICA PRODUCTION COMPANY	Elevation 5915

Surface And Bottom Hole Location

UL or Lot P	Section 21	Township 32N	Range 10W	Lot Idn P	Feet From 840	N/S Line S	Feet From 940	E/W Line E	County San Juan
Dedicated Acres 319.64		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: 11/12/2003

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.

Surveyed By: Gary Vann

Date of Survey: 10/10/2003

Certificate Number: 7016

Permit Comments

Operator: BP AMERICA PRODUCTION COMPANY , 778

Well: Holmberg Gas Com D #001S

User Name	Comment	Comment Date
SHAYDEN	Well is in the Fruitland HPA and will be held pending notification and waiting period.	11/13/2003
SHAYDEN	Waiting period will end on 12/13/2003.	12/10/2003

Permit Conditions Of Approval

Operator: BP AMERICA PRODUCTION COMPANY , 778

Well: Holmberg Gas Com D #001S

OCD Reviewer	Condition
SHAYDEN	Hole must be mud-logged through the Fruitland Coal and Pictured Cliffs to demonstrate the PC to be unproductive. Mud logs to be submitted to NMOCD with completion report.