

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 - 078215-B
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.
3a. Address P.O. BOX 3092 HOUSTON, TX 77253		8. Lease Name and Well No. MCEWEN GAS COM D 1S
3b. Phone No. (include area code) Ph: 281.366.4491 Fx: 281.366.0700		9. API Well No. 3004531401
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWNW Lot 5 1075FNL 240FWL 36.55900 N Lat, 107.54800 W Lon At proposed prod. zone		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
14. Distance in miles and direction from nearest town or post office* 15 MILES TO AZTEC, NEW MEXICO		11. Sec., T., R., M., or Blk. and Survey or Area Sec 5 T31N R10W Mer NMP
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 240		12. County or Parish SAN JUAN
16. No. of Acres in Lease 320.25		13. State NM
17. Spacing Unit dedicated to this well 320.25 N/S		
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 500		20. BLM/BIA Bond No. on file WY2924
19. Proposed Depth 2920 MD		21. Estimated duration 3 DAYS
22. Approximate date work will start 04/06/2003		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- 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 02/12/2003
Title AUTHORIZED REPRESENTATIVE		
Approved by (Signature) /s/ David J. Menkiewicz	Name (Printed/Typed)	Date MAR 11 2003
Title Office		

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 #18553 verified by the BLM Well Information System
For BP AMERICA PRODUCTION COMPANY, sent to the Farmington

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

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

HOLD C184 FOR N/S

** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL **

NMOCD

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 30-065-31401		2 Pool Code 71629		3 Pool Name Basin Full Land Coal		
4 Property Code 000-060		5 Property Name McEwen Gas Com D			6 Well Number # 1S	
7 OGRID No. 000778		8 Operator Name BP AMERICA PRODUCTION COMPANY			9 Elevation 6062	

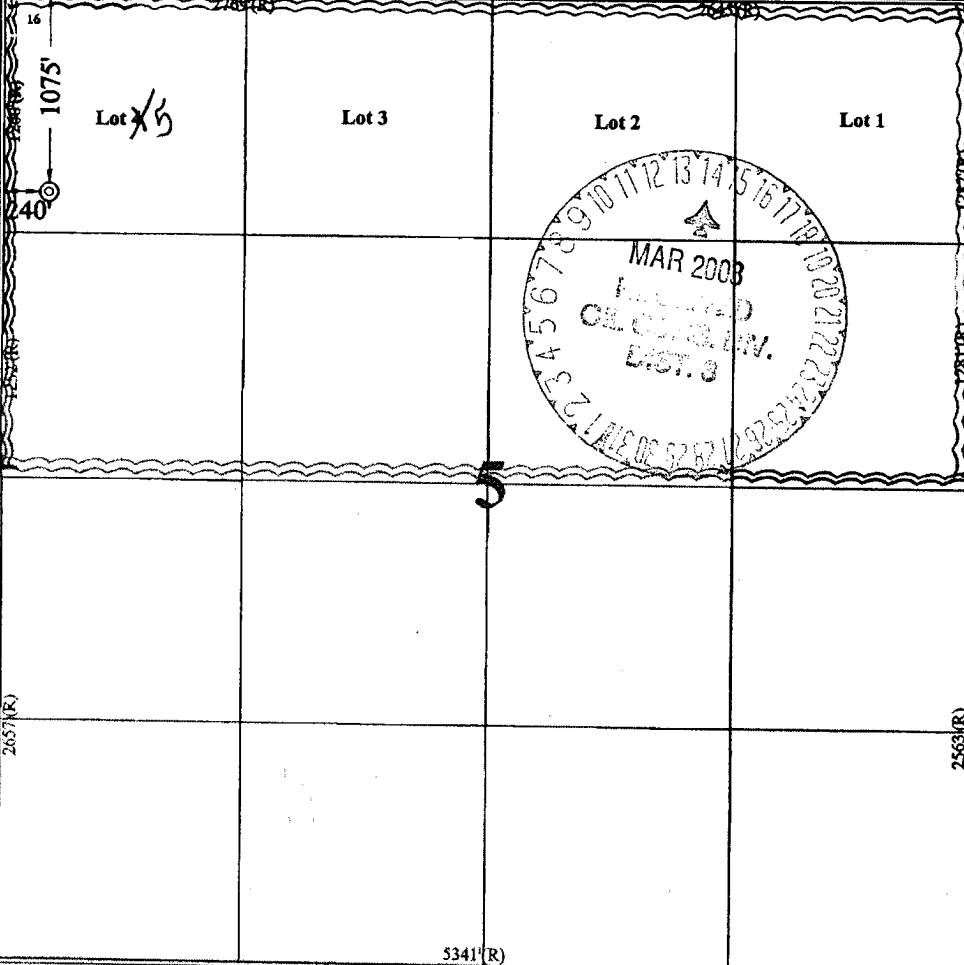
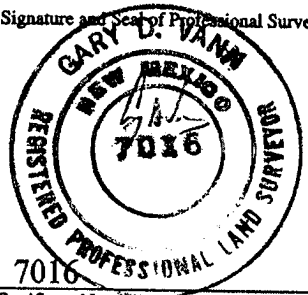
10 Surface Location

UL or Lot No. D (Lot 4)	Section 5	Township 31 N	Range 10 W	Lot Idn	Feet from the 1075	North/South line NORTH	Feet from the 240	East/West line WEST	County SAN JUAN
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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 320.25									
13 Joint or Infill									
14 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 02.10.2003 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>January 18, 2003 Date of Survey</p> <p><i>GARY D. VANN</i> Signature and Seal of Professional Surveyor</p> <p></p> <p>7016 Certificate Number</p>					

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

Prospect Name: McEwen Gas Com D
Lease:

Well No: 1S
Surface Location: Section 5D, T31N, R10W; 1075'
FNL, 240' FWL
Field: Basin Fruitland Coal

County: San Juan
State: New Mexico
Date: February 7, 2003

OBJECTIVE: Drill to a TD of 2920' GL md, set 7" casing and perf and frac the Fruitland Coal interval.

METHOD OF DRILLING		APPROXIMATE DEPTHS OF GEOLOGICAL MARKER			
TYPE OF TOOLS		Estimated GL: 6185		Estimated KB: 6197	
Rotary		DEPTH OF DRILLING			
		0 - 2920' GL MD, 2932' KB			
LOG PROGRAM		MARKER		SUBSEA	MEAS. DEPTH
		Ojo Alamo		4629	1433
		Kirtland		4499	1563
		Fruitland		3775	2287
		Fruitland Coal	*#	3619	2443
		Pictured Cliffs	*	3213	2849
		TOTAL DEPTH		3142	2920
		# Probable completion interval		* Possible Pay	
SPECIAL TESTS		DRILL CUTTING SAMPLES		DRILLING TIME	
TYPE		FREQUENCY	DEPTH	FREQUENCY	DEPTH
None		none	none	Geolograph	0-2920
REMARKS: Obtain reservoir pressures by individual coal seam before starting production.					

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 - 2920 (1)	Water/LSND	8.6-9.2		<6	
	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"			12.5"	1
Intermediate	2920	7"			8.75"	1
Production						

REMARKS:
(1) Circulate Cement to Surface

CORING PROGRAM:
None

COMPLETION PROGRAM:
Rigless, Single 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:** _____

BOP Test Pressure

BP America Production Company BOP Pressure Testing Requirements

Well Name: Horton Gas Com
County: San Juan

1S
State: New Mexico

Formation	TVD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	1433		
Kirtland	1563		
Fruitland Coal	2443	500	0
PC	2849	1300	673
Lewis Shale			
Cliff House			
Menefee Shale			
Point Lookout			
Mancos			
Dakota			

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

Requested BOP Pressure Test Exception: 850 psi

SAN JUAN BASIN
Fruitland Formation
Pressure Control Equipment

Background

The objective Fruitland Coal 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.