

SAP NO: X5-XXXXXX

**BP America Production Company
AUTHORIZATION FOR EXPENDITURE**

DATE PREPARED: 12/18/2002 FINANCIAL MEMO NO: SJ-02-037-WEWK
 OPERATOR: BP America AFE NO: _____
 LEASE/UNIT/FACILITY: Crawford SURFACE LOCATION: Sec.24, T29N, R12W
 LEASE FLAC IDENTIFIER: _____ BOTTOM HOLE LOC: _____
 WELL NAME/NUMBER: Gas Com B 1 PROPOSED TOTAL DEPTH: _____
 OPERATION CENTER: San Juan COUNTY/STATE: San Juan, NM
 BPA WORKING INTEREST: _____ OPERATING FIELD: Otera Chacra
 JOA NUMBER: _____ HORIZON: Chacra
 (formation/prospect) ANTICIPATED START: Feb-03

PROJECT TYPE: Check one
 Capital Construction
 New Drill
 Recompletion
 Repair
 Plug and Abandonment
 Maintenance Expense Project
 Downhole Commingle
 Other

TYPE WELL:
 OIL WELL GAS WELL
 INJECTOR WATER DISPOSAL
 DEVELOPMENT WELL EXPLORATORY WELL
 SINGLE COMPLETION DUAL COMPLETION

INVESTMENT CATEGORY: check one
 DPXF APXF MPXF

PROJECT DESCRIPTION/COMMENTS TO PARTNERS:
 BP is in the process of exploiting the undeveloped potential of the Chacra horizon through recompletions. The subject Dakota well is in an optimal location for such. However, the Dakota formation in this wellbore has not yet produced to its economic limit. It is therefore proposed to recomplete this well to the Chacra and commingle with the existing Dakota. The project includes a fracture stimulation along with appropriate facility modifications to produce the well.

4A

| EXPENSE/CAPITAL/PXA T - Tangible I - Intangible | DESCRIPTION | ESTIMATED COST | |
|--|--|---------------------|----------------|
| | | GROSS PRODUCER | GROSS DRY HOLE |
| Capital/Intangible | Drilling Intangibles Rig 30000 E-line work 4000 Stimulation 45000 Rentals 18000 Transportation 4000 Misc 15000 116000 | \$116,000.00 | |
| Capital/Intangible | Well Equipment Tangibles Materials 7000 Wellhead 2000 Tubing 11000 Sep & Tank 6000 Misc 5000 31000 | \$31,000.00 | |
| TOTAL PROJECT COST: | | \$147,000.00 | \$0.00 |

PROJECT CONTACTS:

| NAME | TITLE | PHONE NUMBER |
|-----------------|-------------------|--------------|
| John Papageorge | TECHNICAL CONTACT | 281-366-5721 |
| | BUSINESS CONTACT | |

APPROVED BY: _____ **DATE:** _____

NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. Nonoperators should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation. Overhead will be charged in accordance with the Joint Operating Agreement.

APPROVAL YES _____ NO _____

COMPANY NAME / NONOPERATOR _____

BY _____ (print name) DATE _____

BY _____ (signature)

SPECIAL REQUESTS: (i.e. template preference, additional WBS elements, special recording by Tulsa, etc.)

CCenter: _____
 JV #: _____
 Lease flac: _____
 Well Flac: 92389501

PROJECT CLOSE
 API #: 30-045-07983
 Date of State of Prod. Ready: _____
 TD: _____
 PBTD: _____
 Useless Footage: 0

BP America Production Company
 Compulsory Pooling-January 23, 2003
 S/2 of Section 24-T29N-R12W
 San Juan County
 Exhibit No. 4A