

Dr., Hobbs, NM 88240

State of New Mexico
Energy Minerals and Natural ResourcesForm C-101
May 27, 2004

Grand Avenue, Artesia, NM 88210

District III

000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

Submit to appropriate District Office

MAY 31 2005

☐ AMENDED REPORT

OCD-ARTESIA

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|---|--|---|
| ¹ Operator Name and Address BP AMERICA PRODUCTION COMPANY ATTN: SUE SELLERS, RM 6.115 P. O. BOX 3092, HOUSTON, TX 77253 | | ² OGRID Number 000778 |
| ³ Property Code 22954 29362 | | ⁴ API Number 30-015-30333 |
| ⁵ Property Name WASHINGTON 33 STATE | | ⁶ Well No. 23 |
| ⁹ Proposed Pool 1 ARTESIA: QUEEN-GRAYBURG-SAN ANDRES | | ¹⁰ Proposed Pool 2 |

⁷ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from thE | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| M | 33 | 17S | 28E | | 975' | SOUTH | 1060'' | WEST | EDDY |

⁸ Proposed 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

Additional Well Information

| | | | | |
|---|---------------------------------------|---|------------------------------------|---|
| ¹¹ Work Type Code P | ¹² Well Type Code O | ¹³ Cable/Rotary R | ¹⁴ Lease Type Code S | ¹⁵ Ground Level Elevation 3671' |
| ¹⁶ Multiple NO | ¹⁷ Proposed Depth 4150' | ¹⁸ Formation ARTESIA: Q-G-S | ¹⁹ Contractor | ²⁰ Spud Date 08/17/98 |
| Depth to Groundwater | | Distance from nearest fresh water well | | Distance from nearest surface water |
| ²¹ Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____ Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> | | | | |

²¹ Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 12 1/4" | 8 5/8" | 24# | 500' | 400 | SURFACE |
| 7 7/8" | 5 1/2" | 15 1/2# | 4150' | 860 | SURFACE |
| | | | | | |
| | | | | | |
| | | | | | |

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

CURRENT PRODUCING FORMATION - ARTESIA: GLORIETA-YESO WITH PERFS @ 3702-3876' WHICH WAS COMPLETED 12/8/98.

TEMPORARY PLUG BACK/RECOMPLETION - EST. START DATE: JUNE 17, 2005

SET RETRIEVAL BRIDGE PLUG @ 3000', TEST RBP TO 3000 PSI, PICKLE CASING W/500 GAL 15% HCL; SPOT 1400 GAL ACETIC ACID AT 2770'; PRESSURE TEST CASING AND FRAC VALVES TO 3800 PSI; PERFORATE AND BREAK DOWN WITH 15 BBLs. 2% KCL WATER 2017-2023' INTERVAL; MONITOR WELL PRESSURE OVERNIGHT; FINISH PERFORATING INTERVALS OF 2751-2757', 2133-2139', 1881-1887', 1807-1813', 1551-1557', 1466-1472' W/13 SHOTS AT 2 SPF 120 DEGREE PHASING; FRAC PERFS WITH 273,000# OF 16/30 JORDAN SAND; ACIDIZE WITH 15% HCL GRADUALLY INCREASING RATE TO 85 BPM; RUN PRODUCTION TEST WITH TEST SEPARATOR.

(NOTE: ANTICIPATED PLANS ARE TO REMOVE RBP AND DOWN HOLE COMMINGLE THIS FORMATION WITH THE DEEPER, PREVIOUSLY PRODUCING FORMATION, ARTESIA: GLORIETA-YESO. CONTINGENT ON RECEIVING OCD APPROVAL.)

³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: SUE SELLERS

Title: REGULATORY STAFF ASSISTANT

E-mail Address: SUE.SELLERS@BP.COM

Date: 05/26/05

Phone: 281-366-2052

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date: JUN 13 2005

Expiration Date: JUN 13 2006

Conditions of Appro

If earthen pits are used in association with this work, an OCD pit permit must be obtained prior to pit construction.

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

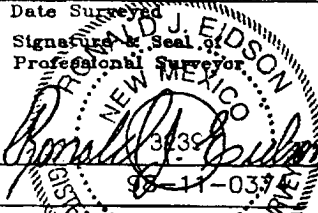
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

| | | |
|----------------------------|--------------------------------------|-------------------------------------|
| API Number 30-015-30333 | Pool Code 96830 | Pool Name ARTESIA; GLORIETA-YESO |
| Property Code 22954 | Property Name WASHINGTON 33 STATE | Well Number 23 |
| OGRID No. 000990 | Operator Name ARCO PERMIAN | Elevation 3671' |

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| M | 33 | 17 S | 28 E | | 975 | SOUTH | 1060 | WEST | EDDY |

| | | | | | | | | | |
|-----------------------|-----------------|--------------------|-------|-----------|---------------|------------------|---------------|----------------|--------|
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| Dedicated Acres 40 | Joint or Infill | Consolidation Code | | Order No. | | | | | |

| | | | | |
|-------|-----|-----|-----|--|
| | | | 01 | OPERATOR CERTIFICATION I hereby certify the information contained herein is true and complete to the best of my knowledge and belief. <i>Laurie Cherry</i> Signature LAURIE CHERRY Printed Name REC / COMP. Title 10-21-98 Date |
| | | | 02 | |
| | | | 03 | |
| | 010 | 012 | 014 | 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. MARCH 3, 1998 Date Surveyed Signature & Seal Professional Surveyor  Certificate No., RONALD J. EDSON 3239 PROFESSIONAL SURVEYOR 12641 |
| 210 | | 017 | | |
| 022 | | | | |
| 1060' | 025 | | 030 | |
| 975' | | | | |