

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. NM - 03549
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <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 BP AMERICA PRODUCTION COMPANY		7. If Unit or CA Agreement, Name and No.
Contact: CHERRY HLAVA E-Mail: hlavaci@bp.com		8. Lease Name and Well No. FLORANCE C LS 9M
3a. Address P.O. BOX 3092 HOUSTON, TX 77253-3092	3b. Phone No. (include area code) Ph: 281.366.4081	9. API Well No. 3004532218
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWNW Lot 2 1370FNL 1245FWL 36.38100 N Lat, 107.43600 W Lon At proposed prod. zone SWNW Lot 2 1850FNL 1780FWL		10. Field and Pool, or Exploratory BASIN DK & BLANCO MV
14. Distance in miles and direction from nearest town or post office* 20 MILES S/E FROM BLOOMFIELD		11. Sec., T., R., M., or Blk. and Survey or Area Sec 30 T28N R8W Mer NMP F
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of Acres in Lease	12. County or Parish SAN JUAN
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 100'	19. Proposed Depth 6737 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5797 GL	22. Approximate date work will start 04/25/2004	17. Spacing Unit dedicated to this well 305.92 W/2
		20. BLM/BIA Bond No. on file WY2924
		23. Estimated duration 7 DAYS

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) <i>Cherry Hlava</i>	Name (Printed/Typed) CHERRY HLAVA	Date 03/03/2004
Title REGULATORY ANALYST		
Approved by <i>David J. Markiewicz</i>	Name (Printed/Typed)	Date MAR 23 2004
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 #22434 verified by the BLM Well Information System  
For BP AMERICA PRODUCTION COMPANY, will be sent to the Farmington

HOLD C104 FOR

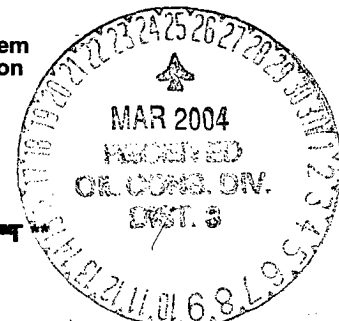
*Directional Survey*

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

NMOC

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



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

API Number <b>30-045-32218</b>	Pool Code <b>71599 ? 72319</b>	Pool Name <b>Basin DAKOTA ? BLANC MESENERDE</b>
Property Code <b>000527</b>	Property Name <b>Florance C LS</b>	Well Number <b># 9M</b>
OGRID No. <b>000778</b>	Operator Name <b>BP AMERICA PRODUCTION COMPANY</b>	Elevation <b>5797</b>

10 Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>F</b>	<b>30</b>	<b>28 N</b>	<b>8 W</b>		<b>1370</b>	<b>NORTH</b>	<b>1245</b>	<b>WEST</b>	<b>SAN JUAN</b>

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
<b>E (Lot 2)</b>	<b>30</b>	<b>28 N</b>	<b>8 W</b>		<b>1850</b>	<b>NORTH</b>	<b>1780</b>	<b>WEST</b>	<b>SAN JUAN</b>
Dedicated Acres <b>305.92</b>	Joint or Infill	Consolidation Code	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>Lot 1</p> <p>Lot 2</p> <p>Lot 3</p> <p>Lot 4</p> <p>Florance C LS 6A 30-045-25231 820' FNL &amp; 1600' FWL MV</p> <p>Florance C LS 6 30-045-07135 1750' FSL &amp; 990' FWL MV</p> <p>Florance C LS 9 30-045-07115 1450' FSL &amp; 1170' FWL DK</p> <p>Bottom Hole Location 1850' FNL E 1780' FWL</p> <p>zimuth - 216°03' 841'</p> <p>1370'</p> <p>1245'</p> <p>2640'(R)</p> <p>5280'(R)</p> <p>7016</p> <p>7016</p>	<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>Signature <i>Mary Coley</i></p> <p>Printed Name <b>Mary Coley</b></p> <p>Title <b>Regulatory Analyst</b></p> <p>Date <b>12.10.2003</b></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>November 7, 2003</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor <b>GARY D. VANN</b></p> <p>7016</p> <p>Certificate Number</p>
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**BP AMERICA PRODUCTION COMPANY  
DRILLING AND COMPLETION PROGRAM**

**Prospect Name:** Florance C LS  
**Lease:** Florance C LS  
**County:** San Juan  
**State:** New Mexico

**Well No:** 9 M  
**Surface Location:** 30-28N-8W, 1370 FNL, 1245 FWL  
**Bottom Location:** 30-28N-8W, 1850 FNL, 1780 FWL  
**Field:** Blanco Mesaverde/Basin Dakota

**Date:** March 1, 2004

<b>OBJECTIVE:</b> Drill 250' below the top of the Two Wells; set 4 1/2" production casing. Stimulate CH, MF, PL and DK intervals							
<b>METHOD OF DRILLING</b>				<b>APPROXIMATE DEPTHS OF GEOLOGICAL MARKER</b>			
<b>TYPE OF TOOLS</b>		<b>DEPTH OF DRILLING</b>		<b>Estimated GL: 5797</b>		<b>Estimated KB: 5811</b>	
Rotary		0 - TD					
<b>LOG PROGRAM</b>							
<b>TYPE</b>		<b>DEPTH INTERVAL</b>		<b>MARKER</b>		<b>TVD</b>	
<u>OPEN HOLE</u>						<b>MD</b>	
None				Ojo Alamo		1193'	
				Kirkland		1265'	
				Fruitland		1651'	
				Pictured Cliffs		2079'	
<u>CASED HOLE</u>				Lewis Shale		2227'	
GR-CCL-TDT		TDT - TD to 7" shoe		Cliff House		3583'	
CBL		Identify 4 1/2" cement top		Menefee Shale		3757'	
				Point Lookout		4331'	
				Mancos		4695'	
				Greenhorn		6272'	
				Bentonite Marker		6340'	
				Two Wells		6383'	
<b>REMARKS:</b>				Paguete		6460'	
- Please report any flares (magnitude & duration).				Cubero Upper		6515'	
				Cubero Lower		6541'	
				<b>TOTAL DEPTH</b>		6623'	
						6737'	
				# Probable completion interval		* Possible Pay	
<b>SPECIAL TESTS</b>				<b>DRILL CUTTING SAMPLES</b>		<b>DRILLING TIME</b>	
<b>TYPE</b>				<b>FREQUENCY</b>		<b>FREQUENCY</b>	
None				DEPTH		DEPTH	
				10'		2327' -TD	
				Geolograph		0-TD	
<b>REMARKS:</b>							
<b>MUD PROGRAM:</b>							
<b>Approx. Interval</b>		<b>Type Mud</b>	<b>Weight, #/ga</b>	<b>Vis, sec/qt</b>	<b>W/L cc's/30 min</b>	<b>Other Specification</b>	
0 - 120 200		Spud	8.6-9.2				
120 - 2547 (1)		Water/LSND	8.6-9.2		<6		
2547 - 6737		Gas/Air/N2/Mist	Volume sufficient to maintain a stable and clean wellbore				
<b>REMARKS:</b>							
(1) The hole will require sweeps to keep unloaded while fresh water drilling. Let hole conditions dictate frequency.							
<b>CASING PROGRAM:</b> (Normally, tubular goods allocation letter specifies casing sizes to be used. Hole sizes will be governed by Contract)							
<b>Casing String</b>	<b>Estimated Depth</b>	<b>Casing Size</b>	<b>Grade</b>	<b>Weight</b>	<b>Hole Size</b>	<b>Landing Pt, Cmt, Etc.</b>	
Surface/Conductor	200 120	9 5/8"	H-40 ST&C	32#	13.5"	1	
Intermediate	2547	7"	J/K-55 ST&C	20#	8.75"	1,2	
Production	6737	4 1/2"	J-55	11.6#	6.25"	3	
<b>REMARKS:</b>							
(1) Circulate Cement to Surface							
(2) Set casing 100' into Lewis Shale							
(3) Bring cement 100' above 7" shoe							
<b>CORING PROGRAM:</b>							
None							
<b>COMPLETION PROGRAM:</b>							
Rigless, 3-4 Stage Limited Entry Hydraulic Frac							
<b>GENERAL REMARKS:</b>							
Notify BLM/NMOCD 24 hours prior to Spud; BOP testing, and Casing and Cementing.							
Form 46 Reviewed by:				Logging program reviewed by: N/A			
<b>PREPARED BY:</b>		<b>APPROVED:</b>		<b>DATE:</b>			
HGJ/JLP/JMP				March 1, 2004			
				Version 1.2			
Form 46 12-00 MNP							

## BOP Test Pressure

### BP America Production Company BOP Pressure Testing Requirements

Well Name: Florance C LS  
County: San Juan

9 M  
State: New Mexico

Formation	TVD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	1193		
Fruitland Coal	1861		
PC	2089		
Lewis Shale	2227		
Cliff House	3583	500	0
Menefee Shale	3757		
Point Lookout	4331	600	0
Mancos	4695		
Dakota	6383	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.

All ram type preventers and related control equipment will be hydraulically tested to 250 psi (low pressure) and 1500 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.

# Cementing Program

Well Name: Florance C LS 9M  
 Location: 30-28N-08W, 1370 FNL, 1245 FWL  
 County: San Juan  
 State: New Mexico

Field: Blanco Mesaverde / Basin Dakota  
 API No.  
 Well Flac  
 Formation: Blanco Mesaverde/Basin Dakota  
 KB Elev (est) 5811  
 GL Elev. (est) 5797

## Casing Program:

Casing String	Est. Depth (ft.)	Hole Size (in.)	Casing Size (in.)	Thread	TOC (ft.)	Stage Tool Or TOL (ft.)	Cmt Cir. Out (bbl.)
Surface	200 <del>420</del>	13.5	9.625	ST&C	Surface	NA	
Intermediate	2547	8.75	7	ST&C	Surface	NA	
Production -	6737	6.25	4.5	ST&C	2447	NA	

## Casing Properties:

(No Safety Factor Included)								
Casing String	Size (in.)	Weight (lb/ft)	Grade	Burst (psi.)	Collapse (psi.)	Joint St. (1000 lbs.)	Capacity (bbl/ft.)	Drift (in.)
Surface		9.625	32 H-40	2270		1400	254	0.0787
Intermediate		7	20 K-55	3740		2270	<del>254</del> 234	0.0405
Production -		4.5	11.6 J-55	5350		4960	154	0.0155

## Mud Program

Apx. Interval (ft.)	Mud Type	Mud Weight	Recommended Mud Properties Prio Cementing:	
			PV	<20
			YP	<10
			Fluid Los: <15	
0 - SCP	Water/Spud	8.6-9.2		
SCP - ICP	Water/LSND	8.6-9.2		
ICP - ICP2	Gas/Air Mist	NA		
ICP2 - TD	LSND	8.6 - 9.2		

## Cementing Program:

	Surface	Intermediate	Production
Excess %, Lead	100	75	40
Excess %, Tail	NA	0	40
BHST (est deg. F)	75	120	183
Special Instructions	1,6,7	1,6,8	2,4,6

1. Do not wash pumps and lines.
2. Wash pumps and lines.
3. Reverse out
4. Run Blend Test on Cement
5. Record Rate, Pressure, and Density on 3.5" disk
6. Confirm densitometer with pressurized mud scales
7. 1" cement to surface if cement is not circulated.
8. If cement is not circulated to surface, run temp. survey 10-12 hr. after landing plug.

## Notes:

\*Do not wash up on top of plug. Wash lines before displacing production cement job to minimize drillout.

## Surface:

Preflush	20 bbl.	FreshWater	
Slurry 1	100 sx Class C Cement		127
TOC@Surface	+ 2% CaCl <sub>2</sub> (accelerator)		117 cuft
	0.25 #/sk Cellophane Flake (lost circulation additive)		
	0.1% D46 antifoam		0.4887 cuft/ft OH
Slurry Properties:	Density (lb/gal)	Yield (ft <sup>3</sup> /sk)	Water (gal/sk)
Slurry 1	15.2	1.27	5.8

## Casing Equipment:

- 9-5/8", 8R, ST&C
- 1 Guide Shoe
- 1 Top Wooden Plug
- 1 Autofill insert float valve
- Centralizers, 1 per joint except top joint
- 1 Stop Ring
- 1 Thread Lock Compound

# Cementing Program

## Intermediate:

Fresh Water	20 bbl	fresh water	
Lead		210 sx Class "G" Cement	518
Slurry 1		+ 3% D79 extender	528 cuft
TOC@Surface		+ 2% S1 Calcium Chloride	
		+ 1/4 #/sk. Cellophane Flake	
		+ 0.1% D46 antifoam'	
Tail		60 sx 50/50 Class "G"/Poz	75 cuft
Slurry 2		+ 2% gel (extender)	
500 ft fill		0.1% D46 antifoam	0.1503 cuft/ft OH
		+ 1/4 #/sk. Cellophane Flake	0.1746 cuft/ft csg ann
		+ 2% CaCl2 (accelerator)	

Slurry Properties:	Density	Yield	Water
	(lb/gal)	(ft3/sk)	(gal/sk)
Slurry 1	11.4	2.61	- 17.77
Slurry 2	13.5	1.27	5.72

Casing Equipment: 7", 8R, ST&C

- 1 Float Shoe (autofill with minimal LCM in mud)
- 1 Float Collar (autofill with minimal LCM in mud)
- 1 Stop Ring
- 14 Centralizers (one in middle of first joint, then every third collar)
- 2 Fluidmaster vane centralizers @ base of Ojo
- 1 Top Rubber Plug
- 1 Thread Lock Compound

## Production:

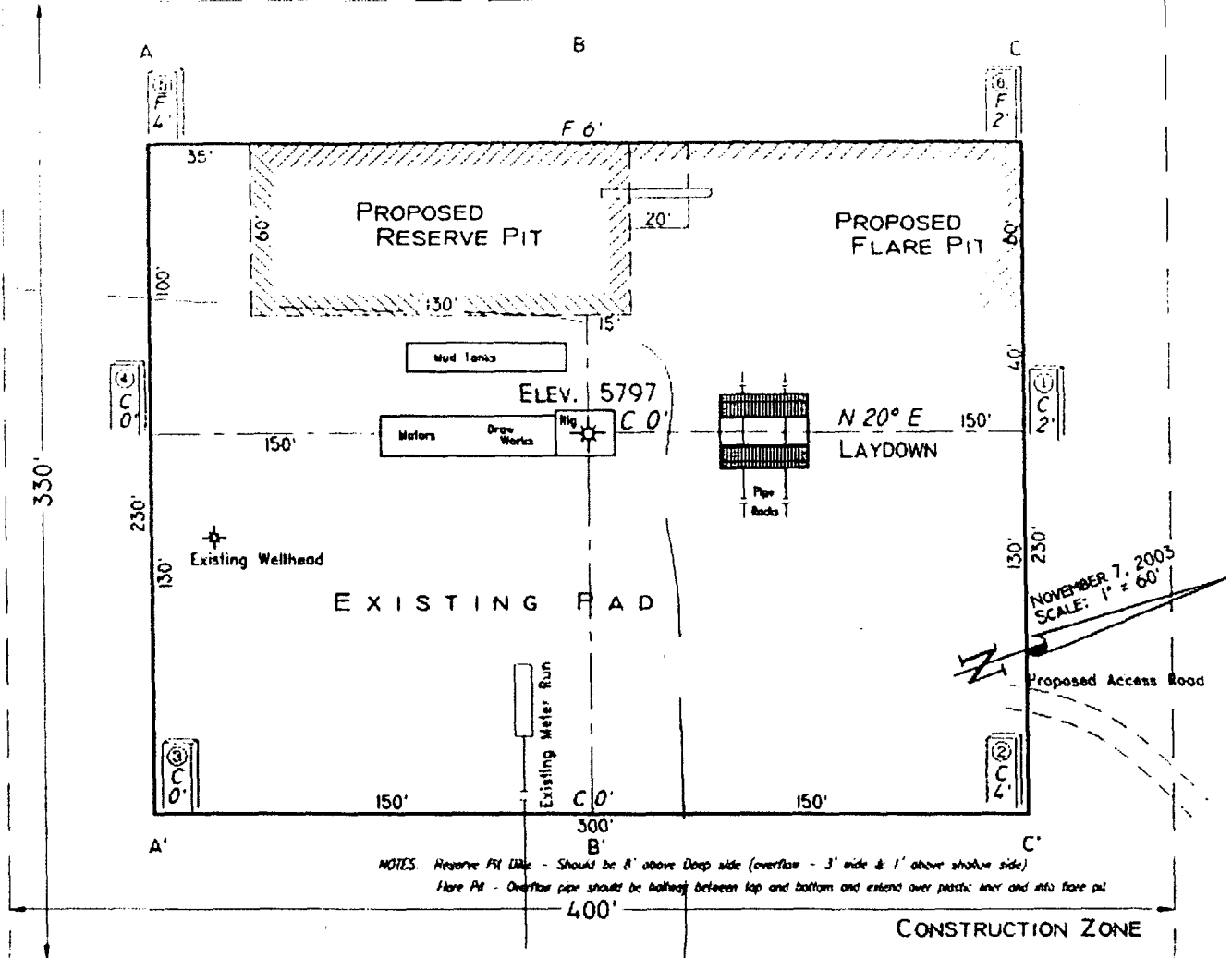
Fresh Water	10 bbl	CW100	
Lead		160 LiteCrete D961 / D124 / D154	400 cuft
Slurry 1		+ 0.03 gps D47 antifoam	
TOC, 100' above 7" shoe		+ 0.5% D112 fluid loss	
		+ 0.11% D65 TIC	
Tail		140 sx 50/50 Class "G"/Poz	201 cuft
Slurry 2		+ 5% D20 gel (extender)	+ 5 #/sk D24 gilsonite
1402 ft fill		+ 0.1% D46 antifoam	+ 0.15% D65 TIC
		+ 1/4 #/sk. Cellophane Flake	+ 0.1% D800 retarder
		+ 0.25% D167 Fluid Loss	
			0.1026 cuft/ft OH
Slurry Properties:	Density	Yield	Water
	(lb/gal)	(ft3/sk)	(gal/sk)
Slurry 1	9.5	2.52	6.38
Slurry 2	13	1.44	6.5
			Top of Mancos
			4835

Casing Equipment:

- 4-1/2", 8R, ST&C
- 1 Float Shoe (autofill with minimal LCM in mud)
- 1 Float Collar (autofill with minimal LCM in mud)
- 1 Stop Ring
- Centralizers, every 4th joint in mud-drilled holes, none in air-drilled holes.
- 1 Top Rubber Plug
- 1 Thread Lock Compound

**PAD LAYOUT PLAN & PROFILE**  
**BP AMERICA PRODUCTION COMPANY**  
 Florance C LS # 9M  
 1370' F/NL 1245' F/WL  
 SEC. 30, T28N, R8W, N.M.P.M.  
 SAN JUAN COUNTY, NEW MEXICO

Lat: 36°38'09"  
 Long: 107°43'36"

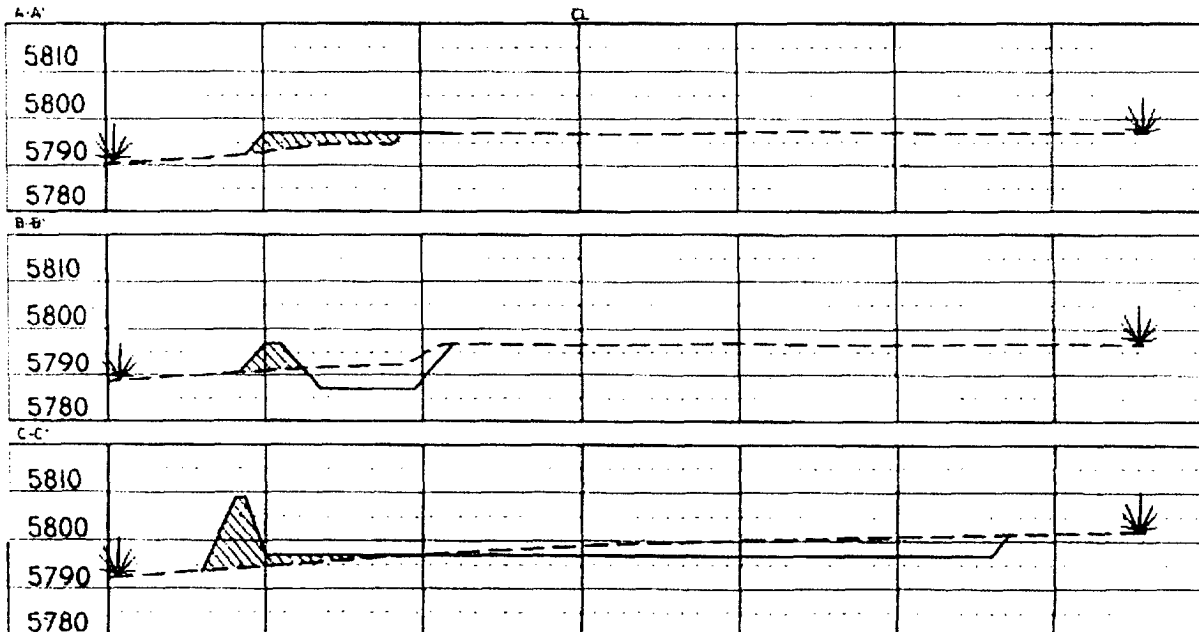


NOTES: Reserve Pit Dike - Should be 8" above Deep side (overflow - 3' wide & 1' above shallow side)  
 Flare Pit - Overflow pipe should be halfway between top and bottom and extend over plastic liner and into flare pit

NOVEMBER 7, 2003  
 SCALE: 1" = 60'

Area of Construction Zone - 330'x400' or 1.03 acres, more or less

SCALE: 1"=60'-HORIZ.  
 1"=40'-VERT.



NOTE: Contractor should call One-Call for location of any marked or unmarked buried pipelines or cables on well pad and/or access road at least two (2) working days prior to construction

Cuts and fills shown are approximate - final finished elevation is to be adjusted so earthwork will balance. Corner stakes are approximate and do not include additional props needed for sideslope and drains. Final Pad Dimensions are to be verified by Contractor.

VANN SURVEYS  
 P. O. Box 1306  
 Farmington, NM