FORM APPROVED OMB No. 1004-0135 UNITED STATES Expires November 30, 2000 DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANGEMENT Lease Serial No NMNM704208 SUNDRY NOTICES AND REPORTS ON WELD Do not use this form for proposals to drill or to re-enter af Abandoned well. Use Form 3160-3 (APD) for such proposals. If Indian, Allottee or tribe Name If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE – Other instructions on te Type of Well Well Name and No. Other Gas Well Oil Well McCulley LS 4 S Name of Operator API Well No. **BP AMERICA PRODUCTION COMPANY** 30-045-32426 10. Field and Pool, or Exploratory Area 32 Address Phone No. (include area code) P.O. BOX 3092 HOUSTON, TX 77253-281-366-4081 **BASIN FRUITLAND COAL** 3092 Location of Well (Footage, Sec., T., R., M., or Survey Description) County or Parish, State Surface: SEC 14 T28N & R09W SWNW 1490' FNL 910' FWL SAN JUAN, NM Bottom Hole: Sec. 14 T28N & 09W NENW 816' FNL & 1838' FWL 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OR NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Production (Start/Resume) Deepen Water shut-Off Acidize Notice of Intent Reclamation Well Integrity Alter Casing Fracture Treat Other _Change to Original Casing Repair New Construction Recomplete Drilling plan Subsequent Report Change Plans Plug and Abandon Water Disposal Final Abandonment Notice Convert to Injection Plug Back 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection. Original APD submitted on 6/21/04 and approved on 8/19/04. The original plan was to drill the well as a straight hole. It is now our intent to directionally drill the well to a bottom hole location of 816' FNL & 1838' FWL. The surface location remains the same. Attached in support of our request is amended drilling and completion program, amended cementing report, directional drilling plot and profile & amended Form C-I hereby certify that the foregoing is true an dcorrect

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 witin its jurisdiction.

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Office

Title Regulatory Analyst

Date 10/11/2004



Conditions of approval, if any, and attached. Approval of this notice does not warrant or Certify that the applicant holds legal or equitable title to those rights in the

subject lease which would entitle the applicant to conduct operations thereon.

Name (Printed/typed)
Cherry Hlava

Signature

Approved by

BP AMERICA PRODUCTION COMPANY DRILLING AND COMPLETION PROGRAM

Prospect Name: McCulley LS

Lease:

Well No: 4S
Surface Location: Section 14E, T28N, R9W;

1490' FNL, 910' FWL

BHL: 816' FNL; 1838' FWL Field: Basin Fruitland Coal

County: San Juan State: New Mexico
Date: October 11, 2004

	0001 11, 20					<u> </u>						
OBJECTIVE: Drill to a TD	of 2676'; Set	7" casing ar	nd perf ar	nd frac the Fr	uitland	Coal interva	ıl					
METH	AP	PROXIM	ATE DE	PTHS C	F GEO	LOGICA	L MA	RKER				
TYPE OF TOOLS	DE	EPTH OF	DRILLI	NG	8	Estimated	GL:	5896	Es	timated k	(B:	5909
Rotary		- 2676' KE				MARKER	₹ T \$	SUBSEA	-	TVD		MD
	OG PROG	RAM				Alamo	l	474	6	1163		1273
_	• • • • • • • • • • • • • • • • • • • •				1 -	land		130	9	4600		1442
						itland	Į	190		4002		2133
TYPE	DE	EPTH INVE	RAL		Fru	itland Coa	ıl Ì	201		3895		2256
Cased-hole gamma-ray	Mi	nimum cha	rge dep	th - TD	Pic	tured Cliffs	s	222	8	3681		2503
			•]		Ì		1			
					1							
					1		1					
					l		1					
					-4		}		1			
REMARKS:			~		ł				ı			
			•		TO	TAL DEPT	гы	353	4	2378		2676
						robable co				Possible	L Pav	
	PECIAL T	FSTS				RILL CUT				DRILL		TIME
TYPE	LOIAL					EQUENC		EPTH		REQUEN		DEPTH
None					noi		no			olograph	٠.	0-2676
REMARKS:	·· -				- ```							
TEMPATIO.												
MUD PROGRAM:												
Approx. Interval	1 -	Type Mud		Weight, #/	na Í Vi	s, sec/qt	- 1 w/i	. cc's/30	min l	Other S	necil	ication
0 - 120		Spud		8.6-9.2	J. V	o, acorqu		. 00 3/00	1111111	Other o	pecii	Ication
120 - 2676		opud Water/LSN	וח	8.6-9.2			<6					
REMARKS:	<u> </u>	Valenton	10	0.0-5.2	-						**	
(1) The hole will require	eweens to	keen unk	aded v	vhile fresh	water	drilling L	et hole	conditio	ne dicta	to frague	ncv	
CASING PROGRAM: (N												
Casing String	Estimate	d Depth	Casin	g Size		8/1/2	Weigl		le Size		ig Pt	Cmt, Etc.
Surface/Conductor		120		8-5/8"		, 8 RND	4	0.0	12/4	11		
Intermediate		2676		5-1/2"	J-55 <u>,</u>	8 RND		5.5	8.75"			
REMARKS:	Curfoso											
(1) Circulate Cement to	Suпасе											
CORING PROGRAM:												
None												
COMPLETION PROGRA												
Rigless, Single Stage Lir	nited Entry	/ Hydraulic	Frac									
GENERAL REMARKS:			2004	4:			4.					
Notify BLM/NMOCD 24 I	nours prior	to Spua, I	BOP te						2114			
Form 46 Reviewed by:		1 4555	<u> </u>		ging p	rogram re		by:	N/A			
PREPARED BY:		APPR	OVED:			DATE:						
1101						10/14/0	004			1		
HGJ		_L				10/11/2	:004					
Form 46 12-00 MNP												

BP America Production Company BOP Pressure Testing Requirements

Well Name: McCulley LS 4S

County: San Juan

State: New Mexico

Formation	TVD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	1163		
Kirtland	1309		
Fruitiand Coal	2014	400	0
PC	2228		
Lewis Shale Cliff House Menefee Shale Point Lookout Mancos Dakota	•		

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

Requested BOP Pressure Test Exception: 850 psi

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

PO Box 2088, Santa Fe, NM 87504-2088

District IV

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	² Pool Code	¹ Pool Name	ţ
30-045-32426	71629	Basin Fruitland Coal	
Property Code	5	Property Name	Well Number
000 854	McCulley LS	# 4S	
7 OGRID No.		⁹ Elevation	
000778	BP AMERICA PROD	5896	

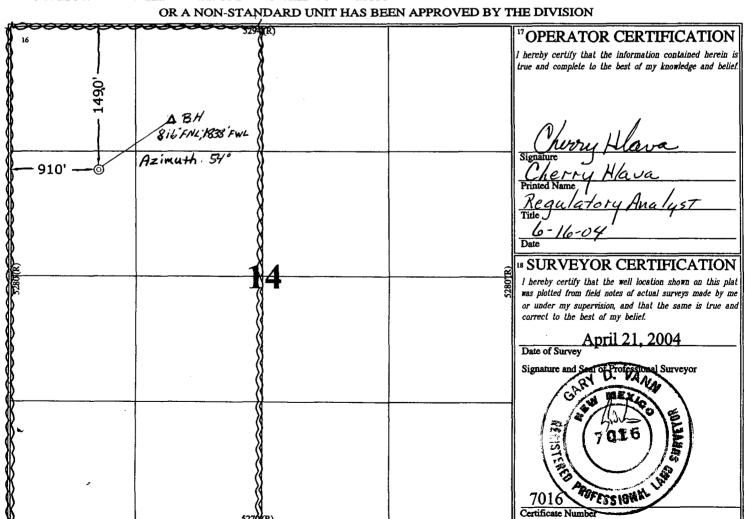
Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	14	28 N	9 W		1490	NORTH	910	WEST	SAN JUAN

"Bottom Hole Location If Different From Surface

7 UL or lot no.	Section 14	Township 28N	Range 9W	Lot Ida	Feet from the	North/South line	Feet from the	East/West line Wes7	San Juan
Dedicated Acres	¹³ Join	t or Infill 14	Consolidation	n Code 15	Order No.				

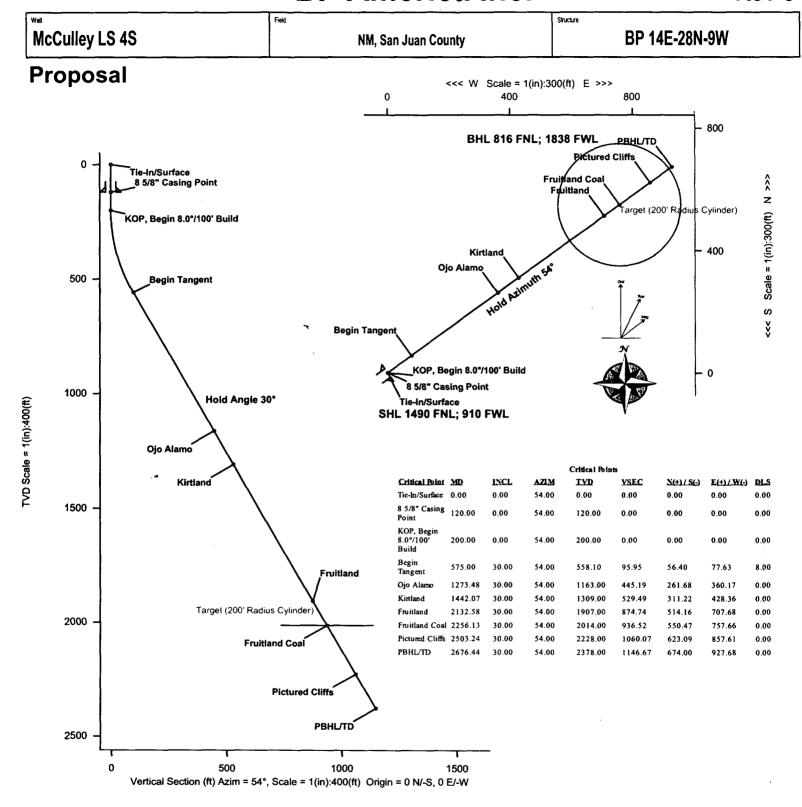
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED



Schlumberger

BP America Inc.

Rev₀



Quality Control

Date Drawn: Wed 03:34 PM October 06, 2004 Drawn by: John O'Keefe

Checked by: Richard Sanders Client OK:

Schlumberger

McCulley LS 4S R0 Proposal

Report Date: October 6, 2004 Client: BP America Inc.

Field: NM, San Juan County (NAD 83 WZ) 2004

Structure / Slot: BP 14E-28N-9W (McCulley LS 4S) No Plat / McCulley LS 4S

Well: McCulley LS 4S Borehole: Original Hole

UWI/AP#:

Location Lat/Long: Location Grid N/E Y/X: Grid Convergence Angle:

Grid Scale Factor:

Survey Name / Date: McCulley LS 4S R0 jok 05-Oct-04 / October 6, 2004

Tort / AHD / DDI / ERD ratio: 30.000° / 1146.67 ft / 4.588 / 0.482

Grid Coordinate System: NAD83 New Mexico State Planes, Western Zone, US Feet

Survey / DLS Computation Method: Minimum Curvature / Lubinski Vertical Section Azimuth: 54,000°

Vertical Section Origin: N 0.000 ft, E 0.000 ft

TVD Reference Datum: RKB

TVD Reference Elevation: 5909.0 ft relative to MSL Sea Bed / Ground Level Elevation: 5896,000 ft relative to MSL Magnetic Declination:

Total Field Strength: Magnetic Dip: Declination Date:

Magnetic Declination Model: North Reference: Grid North

Total Corr Mag North -> Grid North: Local Coordinates Referenced To: Well Head

Comments	Measured Depth	Inclination	Azimuth	TVD	Vertical Section	NS	EW	Closure	Closure Azimuth	DLS	Tool Face
	(ft)	(deg)	(deg)	(ft)	(ft)	(ft)	(ft)	(ft)	(deg)	(deg/100 ft)	(deg)
Tie-In/Surface	0.00	0.00	54.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	54.00M
8 5/8" Casing Point	120.00	0.00	54.00	120.00	0.00	0.00	0.00	0.00	0.00	0.00	54.00M
KOP, Begin 8.0°/100' Build	200.00	0.00	54,00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	54.00M
	300.00	8.00	54.00	299.68	6.97	4.10	5.64	6.97	54.00	8.00	0.00G
	400.00	16.00	54.00	397.41	27.74	16.31	22.45	27.74	54.00	8.00	0.00G
	500.00	24.00	54.00	491.30	61.92	36.39	50.09	61.92	54.00	8.00	0.00G
Begin Tangent	575.00	30.00	54.00	558.10	95.95	56.40	77.63	95.95	54.00	8.00	0.00G
Ojo Alamo	1273.48	30.00	54.00	1163.00	445.19	261.68	360.17	445.19	54.00	0.00	0.00G
Kirtland	1442.07	30.00	54.00	1309.00	529.49	311.22	428.36	529.49	54.00	0.00	0.00G
Fruitland	2132.58	30.00	54.00	1907.00	874.74	514.16	707.68	874.74	54.00	0.00	0.00G
Fruitland Coal	2256.13	30.00	54.00	2014.00	936.52	550.47	757.66	936.52	54.00	0.00	0.00G
Pictured Cliffs	2503.24	30.00	54.00	2228.00	1060.07	623.09	857.61	1060.07	54.00	0.00	0.00G
PBHL/TD	2676.44	30.00	54.00	2378.00	1146.67	674.00	927.68	1146.67	54.00	0.00	0.00G

Survey Type: Raw Proposal

Survey Error Model: SLB ISCWSA version 21 *** 3-D 95.00% Confidence 2.7955 sigma

Surveying Prog:

MD From (ft) 0.00

MD To (ft) EOU Freq Survey Tool Type 2676.44 1/100.00 ft SLB_MWD-STD

Cementing Program

			Cerner	illig Frog	rain	
FINAL CORRE	CTION 10/18/04					
Well Name:	McCulley LS 45	S		Field:	Basin Fruitla	nd Coal
Location:		09W, 1490' FNL, 910' F	WL	API No.		7
County:	San Juan	1		Well Flac		7
State:	New Mexico	1		Formation:	Fruitland Co	⊒ al
State.	INEM MEXICO	ı		KB Elev (est)	5909	_
				• •		_
				GL Elev. (est)	589	의
			······································			
Casing Progra						
Casing String	Est. Depth	Hole Size Casing Siz	e Thread	TOC		
	(ft.)	(in.) (in.)		(ft.)		
Surface	120	12.25 8 5/8	8rd	Surface		
Production -	2676	7 7/8 5 1/2	8rd	Surface		
Casing Proper		(No Safety Factor Inclu	ded)			
Casing String	Size	Weight Grade	404)			
Casing Sung		Weight Grade	X-42			
	(in.)		•			
Surface	8 5/8		-40			
Production -	5 1/2	15.5	J-55			
Mud Program						
Apx. Interval	Mud Type	Mud Weight	Recomm	ended Mud Pro	perties Prio C	ementing:
(ft.)	• •	•	PV	<20		
(***/			YP	<10		
0 000	MotorCould	9.6.0.3	• •			
0 - SCP	Water/Spud	8.6-9.2	Fluid Los	s: <0		
SCP - TD	Water/LSND	8.6-9.2				
Cementing Pro	gram:					
		Surface	9	Production		
Excess %, Lea	d	100		40		
Excess %, Tail		NA		40		
BHST (est deg		75		120		
Special Instruct	•	1,6		2,4,6		
opecial institut				2,4,0		
		pumps and lines.				
	2. Wash pump					
	Reverse out					
	4. Run Blend T	est on Cement				
	5. Record Rate	e, Pressure, and Density	on 3.5" disk			
		sitometer with pressuriz		s		
Surface:						
•	Preflush	20 bbl.	FreshWa	ator		
	i ionusii	20 001.	1 ICSHVV	31G1		
	Clump 4	00 01 0	Coment			00 6
	Slurry 1	80 sx Class C				99 cuft
	TOC@Surface	+ 2% CaC	l2 (accelerato	r)		
						0.4127 cuft/ft OH
Slurry Propertie	es:	Density	Yield		Water	
• •		(lb/gal)	(ft3/sk)		(gal/sk)	
	Slurry 1	15.2	1.27	7	5.8	8
	Ciarry	13.2	1.2		5.0	•
Cooling Facilities	.antı	0 5/0" 00 0700				
Casing Equipm	ient:	8-5/8", 8R, ST&C				
		1 Guide Shoe				
		1 Top Wooden Plug				
		1 Autofill insert float va	lve			
		Centralizers, 1 per joint	except top jo	int		
		1 Stop Ring	, , ,			
		1 Thread Lock Compos	ınd			
		Jaa Look Compot				

	Cementing Program									
Production:	Fresh Water		10 bbl	CW100						
	Lead Slurry 1			240 sx Class "G" Cer + 3% D79 exten		605 cuft				
	TOC@Sur	face		+ 2% S1 Calcium +1/4 #/sk. Cellop + 0.1% D46 antii	n Chloride bhane Flake					
	Tail		•	120 sx 50/50 Class "	G"/Poz	141 cuft				
	Slurry 2			+ 2% gel (extend	•					
		500 ft fill		0.1% D46 antifor +1/4 #/sk. Cellor	hane Flake	0.2019 cuft/ft OH 0.2009 cuft/ft csg ann				
				+ 2% CaCl2 (acc	celerator)					
Slurry Propert	ies:	Density (lb/gal)		Yield (ft3/sk)	Water (gal/sk)					
Slurry 1		11.4		2.61	17.77					
Slurry 2		13.5		1.27	5.72					
Casing Equipr	ment:	5 1/2", 8R, 1 Float Sho		ith minimal LCM in m	ud)					

1 Float Collar (autofill with minimal LCM in mud) Centralizers as needed

1 Top Rubber Plug 1 Thread Lock Compound