

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 - 012201
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.
3a. Address P.O. BOX 3092 HOUSTON, TX 77253-3092		8. Lease Name and Well No. BLANCO A 1 M
3b. Phone No. (include area code) Ph: 281.366.4081		9. API Well No. 30045 32441
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWNE 4755 FNL 1480 FEL 36.61722 N Lat, 107.61861 W Lon At proposed prod. zone 1785 1490		10. Field and Pool, or Exploratory BASIN DK & BLANCO MV
14. Distance in miles and direction from nearest town or post office* 21.8 MILES S/E FROM BLOOMFIELD		11. Sec., T., R., M., or Blk. and Survey or Area G Sec 36 T28N R8W Mer NMP
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1480'	16. No. of Acres in Lease	12. County or Parish SAN JUAN
17. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	18. Proposed Depth 7147 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6218 GL	22. Approximate date work will start 08/25/2004	17. Spacing Unit dedicated to this well 320.00 N/A
23. Estimated duration 7 DAYS		20. BLM/BIA Bond No. on file WY2924

24. Attachments

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

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) CHERRY HLAVA	Date 06/28/2004
Title REGULATORY ANALYST		
Approved by (Signature) J. J. Montague	Name (Printed/Typed)	Date 11/30/04
Title AFM	Office FFO	

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 #32339 verified by the BLM Well Information System
For BP AMERICA PRODUCTION COMPANY, sent to the Farmington

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

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

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

NM0000

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 30-045-3241		¹ Pool Code 71599-72319		¹ Pool Name Basin Dakota; Blanco Mesaverde	
¹ Property Code 000319		¹ Property Name Blanco A			¹ Well Number # 1M
¹ OGRID No. 000778		¹ Operator Name BP AMERICA PRODUCTION COMPANY			¹ Elevation 6218

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
G	36	28 N	8 W		1785	NORTH	1490	EAST	SAN JUAN

Bottom Hole Location If Different From Surface

¹¹ UL or lot no.	¹¹ Section	¹¹ Township	¹¹ Range	¹¹ Lot Idn	¹¹ Feet from the	¹¹ North/South line	¹¹ Feet from the	¹¹ East/West line	¹¹ County
¹² Dedicated Acres 320		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ 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

				<h3>OPERATOR CERTIFICATION</h3> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Cherry Hlava</i> Signature Cherry Hlava Printed Name Regulatory Analyst Title 11-9-04 Date</p>	
				<h3>SURVEYOR CERTIFICATION</h3> <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>Restaked: October 21, 2004 May 27, 2004 Date of Survey</p>	
				<p>Signature and Seal of Professional Surveyor</p>	
				<p>7016 Certificate Number</p>	

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM012201

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
BLANCO A 1M

9. API Well No.
30-045-32441-00-X1

10. Field and Pool, or Exploratory
BASIN DAKOTA
BLANCO MESAVERDE

11. County or Parish, and State
SAN JUAN COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
BP AMERICA PRODUCTION CO

Contact: CHERRY HLAVA
E-Mail: HlavaCL@bp.com

3a. Address
200 ENERGY CT
FARMINGTON, NM 87402

3b. Phone No. (include area code)
Ph: 281.366.4081

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 36 T28N R8W SWNE 1755FNL 1480FEL
36.61722 N Lat, 107.61861 W Lon

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

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 recomplate 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.)

Second Notice of Staking was submitted 11/05/2004. The original APD was submitted 06/28/2004. Due to an arch problem the well staking location had to be moved from: 1755' FNL & 1480' FEL
To New Location: 1785' FNL & 1490' FEL.
Well is in the same Section Township & Range. No change to drilling plan.
Please attached C-102 and other plats.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #50856 verified by the BLM Well Information System
For BP AMERICA PRODUCTION CO, sent to the Farmington
Committed to AFMSS for processing by ADRIENNE BRUMLEY on 11/16/2004 (05AXB0264SE)

Name (Printed/Typed) CHERRY HLAVA

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 11/10/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

Conditions of approval, if any, are 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.

Office

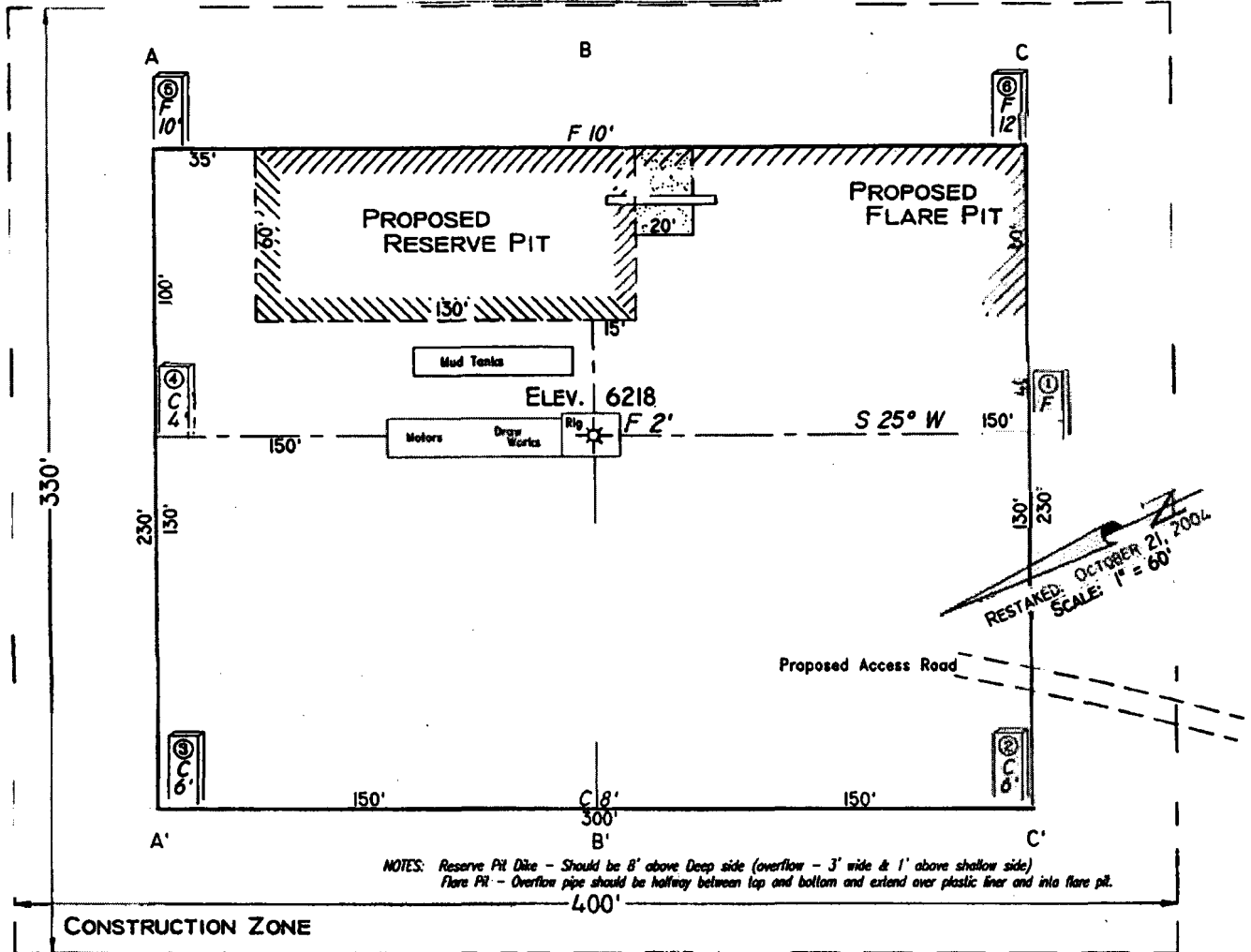
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NWOCOD

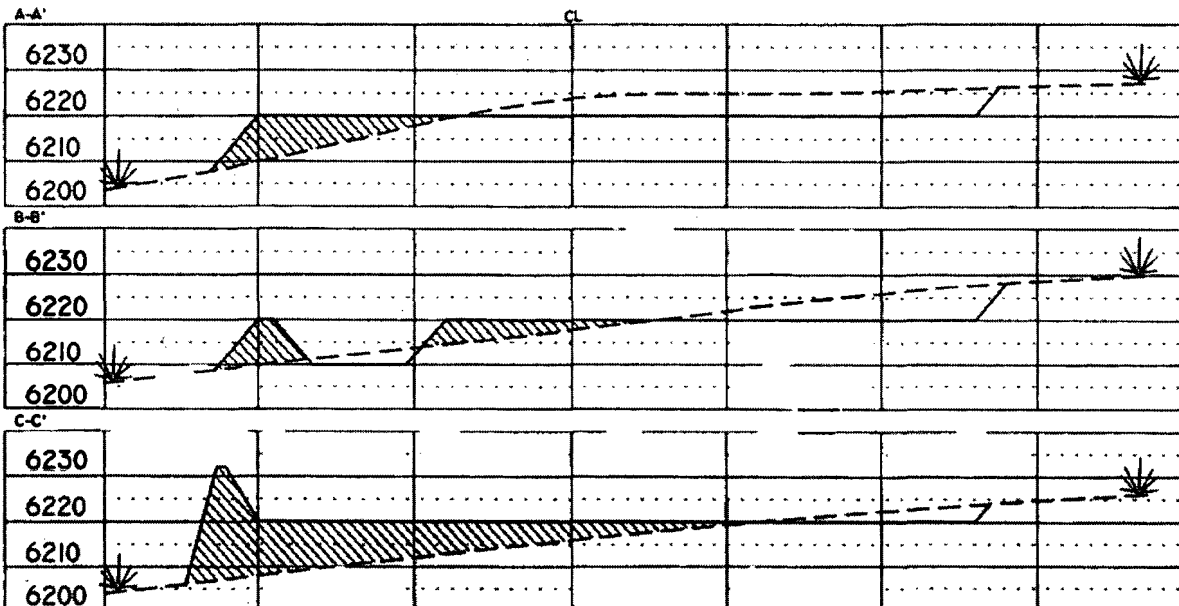
PAD LAYOUT PLAN & PROFILE
BP AMERICA PRODUCTION COMPANY
Blanco A # 1M
 1785' F/NL 1490' F/EL
 SEC. 36, T28N, R8W, N.M.P.M.
 SAN JUAN COUNTY, NEW MEXICO

Lat: 36°37'13"
 Long: 107°37'42"



Area of Construction Zone - 330'x400' or 3.03 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 areas needed for sideslopes and drainages. Final Pad Dimensions are to be verified by Contractor.

VANN SURVEYS
 P. O. Box 1306
 Farmington, NM

DRILLING AND COMPLETION PROGRAM

Lease:	Blanco	Well No.	Blanco A #1M	Field:	Basin Dakota/Blanco Mesaverde
County:	San Juan, New Mexico	Location:	36-28N-8W:1755' FNL, 1480' FEL		
Minerals:	State	BHLOC:	same		
Rig:	Aztec 184	Surface:	Lat: 36 deg, 37.22 min; Long: 107 deg 37.68 min		

OBJECTIVE	Drill 240' below the top of the Two Wells Mbr, set 4-1/2" production casing, Stimulate DK, CH, MF, PL and CHCR intervals.
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APPROXIMATE DEPTHS OF GEOLOGICAL MARKER

TYPE OF TOOLS		DEPTH OF DRILLING		Actual GL:	6218	Estimated KB:	6,232.0'
Rotary		0 - TD		Marker	SUBSEA	TVD	APPROX. MD

Ojo Alamo

Type - single run	Depth Interval	Kirtland	4,334'	1,898'	1,898'
		Fruitland *	3,966'	2,266'	2,266'
Cased Hole TDT- CBL	TD to 7" shoe	Fruitland Coal *	3,679'	2,553'	2,553'
	Identify 4 1/2" cement top	Pictured Cliffs *	3,558'	2,674'	2,674'
		Lewis *	3,313'	2,919'	2,919'
		Cliff House #	2,000'	4,232'	4,232'
		Menefee #	1,799'	4,433'	4,433'
		Point Lookout #	1,324'	4,908'	4,908'
		Mancos	952'	5,280'	5,280'
		Greenhorn	-578'	6,810'	6,810'
		Graneros (bent,mkr)	-646'	6,878'	6,878'
		Two Wells Mbr #	-675'	6,907'	6,907'
		Paguate Mbr #	-772'	7,004'	7,004'
		Cubero Mbr #	-812'	7,044'	7,044'
		L. Cubero Mbr #	-835'	7,067'	7,067'
		Encinal Cyn Mbr#	-872'	7,104'	7,104'
		TOTAL DEPTH:	-915'	7,147'	7,147'

# Probable completion interval	* Possible Pay	
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DRILLING TIME

				FREQUENCY	DEPTH	FREQUENCY	DEPTH
				30'/10' intervals	3019'-TD	Geologist	0 - TD

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TYPE							
None							

Approx. Interval	Type Mud	Weight, #/gal	Vis sec/qt	W/L cc's/30 min	Other Specification
200'	Spud	8.8 - 9.0	Sufficient to clean hole.		
3,019'	Water/LSND	8.4 - 9.0		<9	Sweep hole while whilst water drilling, LCM onsite
7,147'	Air	1	1000 cfm for hammer		Volume sufficient to maintain a stable and clean wellbore

Casing String	Estimated Depth	Hole Size	Casing Size	Wt, Grade, Thread	Landing Point	Cement
Surface/Cond	200'	13 1/2"	9-5/8"	32#, H-40 ST&C		cmt to surface
Intermediate	3,019'	8-3/4"	7"	20#, J/K-55 ST&C	100' below LWS	cmt to surface
Production	7,147'	6-1/4"	4-1/2"	11.6#, J-55	DKOT	Cmt to 150' inside Intermediate 1 TOC survey required

[illegible]

Rigless, 3-4 Stage Limited Entry Hydraulic Frac, FMC Unihead			
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	Formation	Depth	Anticipated bottom hole pressure	Max anticipated surface pressure**		
	Cliffhouse	4,232'	500	0		
	Point Lookout	4,908'	600	0		
	Dakota	6,907'	2600	1080		
Requested BOP Pressure Test Exception = 1500 psi				** Note: Determined using the following formula: ABHP - (.22*TVD) = ASP		

Requested BOP Pressure Test Exception = 1500 psi	** Note: Determined using the following formula: $ABHP - (.22 \cdot TVD) = ASP$
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Notify BLM/NMOCDD 24 hours prior to Spud, BOP testing, and Casing and Cementing.				
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Notify BLM/NMOCD 24 hours prior to Spud, BOP testing, and Casing and Cementing.

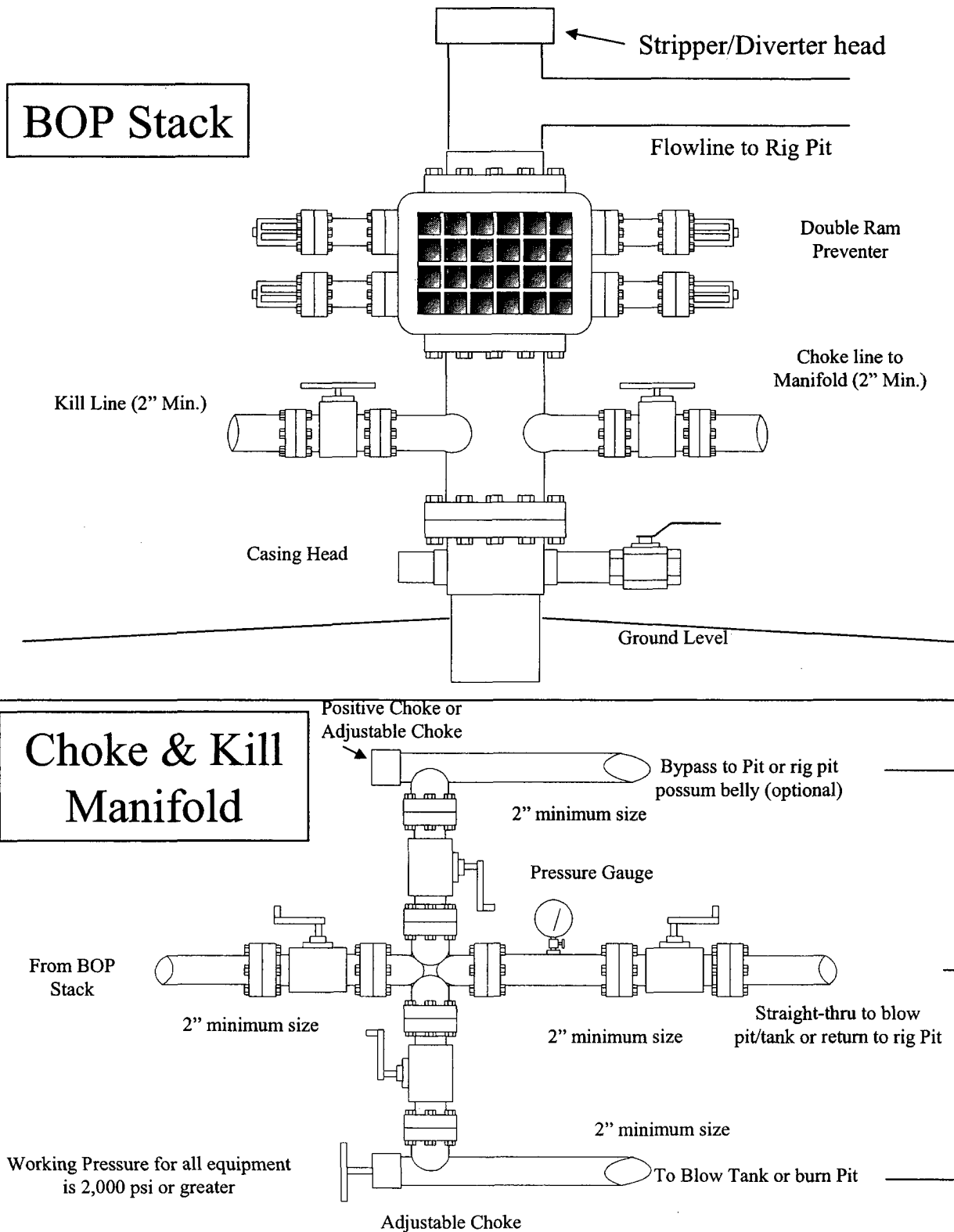
Form 46 Reviewed by:		Logging program reviewed by:				
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PREPARED BY:	APPROVED:	DATE:	APPROVED:	DATE:
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HGJ	JMP			2-Jun-04		
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Form 46 7-84bw	For Drilling Dept.		For Production Dept.	
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BP American Production Company
Well Control Equipment Schematic



Cementing Program

Well Name: Blanco A1M Location: 36-28N-08W, 1755' FNL, 1480' FEL County: San Juan State: New Mexico	Field: Blanco Mesaverde / Basin Dakota API No. Well Flac Formation: Dakota MesaVerde KB Elev (est) 6232 GL Elev. (est) 6218
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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	13.5	9.625	ST&C	Surface	NA	
Intermediate	3019	8.75	7	LT&C	Surface	NA	
Production -	7147	6.25	4.5	ST&C	2919	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	3370	1400	254	0.0787	8.845
Intermediate	7	20	K-55	3740	2270	234	0.0405	6.456
Production -	4.5	11.6	J-55	5350	4960	154	0.0155	3.875

Mud Program

Apx. Interval (ft.)	Mud Type	Mud Weight	Recommended Mud Properties Prio Cementing:
			PV <20 YP <10 Fluid Loss <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	160 sx Class C Cement		195 cuft
TOC@Surface	+ 2% CaCl2 (accelerator)		
			0.4887 cuft/ft OH

Slurry Properties:

	Density (lb/gal)	Yield (ft ³ /sk)	Water (gal/sk)
Slurry 1	15.2	1.27	5.8

Cementing Program

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

Intermediate:

Fresh Water	20 bbl	fresh water	
Lead		250 sx Class "G" Cement	645 cuft
Slurry 1		+ 3% D79 extender	
TOC@Surface		+1/4 #/sk. Cellophane Flake	
		+ 5 lb/sk Gilsonite	
Tail		60 sx 50/50 Class "G"/Poz	75 cuft
Slurry 2		+ 2% gel (extender)	
500 ft fill		+1/4 #/sk. Cellophane Flake	0.1503 cuft/ft OH
		+ 2% CaCl2 (accelerator)	0.1746 cuft/ft csg ann
		+ 5 lb/sk Gilsonite	

Slurry Properties:	Density	Yield	Water
	(lb/gal)	(ft3/sk)	(gal/sk)
Slurry 1	11.4	2.63	15.8
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
 Centralizers one in middle of first joint, then every third collar
 1 Top Rubber Plug
 1 Thread Lock Compound

Production:

Fresh Water	10 bbl	CW100	
Lead		190 LiteCrete D961 / D124 / D154	462 cuft
Slurry 1		+ 0.03 gps D47 antifoam	
TOC, 400' above 7" shoe		+ 0.5% D112 fluid loss	
		+ 0.11% D65 TIC	
Tail		140 sx 50/50 Class "G"/Poz	196 cuft
Slurry 2		+ 5% D20 gel (extender)	
1367 ft fill		+ 0.1% D46 antifoam	
		+ 1/4 #/sk. Cellophane Flake	
		+ 0.25% D167 Fluid Loss	
		+ 5 lb/sk Gilsonite	

Cementing Program

+0.1% d800, retarder
+0.15% D65, dispersant

0.1026 cuft/ft OH

Slurry Properties:

	Density (lb/gal)	Yield (ft ³ /sk)	Water (gal/sk)	
Slurry 1	9.5	2.52	6.38	0.1169 cuft/ft csg ann
Slurry 2	13	1.44	6.5	Top of Mancos 5280

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

**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.
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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.