

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM - 012647
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well Gas <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or tribe Name
2. Name of Operator BP AMERICA PRODUCTION COMPANY ATTN: Cherry Hlava Room 19.178		7. If Unit or CA Agreement, Name and No
3a. Address P.O. BOX 3092 HOSUTON, TX 77253-3092	3b. Phone No. (include area code) 281-366-4081	8. Lease Name and Well No. RIDDLE B-1 2 S
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1030' FNL & 880' FWL At proposed prod. Zone Same as Surface		9. API Well No. 30-045-32609
10. Field and Pool, or Exploratory BASIN FRUITLAND COAL		11. Sec., T., R., M., or Blk, and survey or Area Section 22 T31N & R9W
14. Distance in miles and direction from nearest town or post office* 24 miles NE from Aztec		12. County or Parish San Juan
15. Distance from proposed* Location to nearest Property or lease line, ft. 880' (Also to nearest drig. Ujnit line, if any)		13. State New Mexico
16. No. of Acres in lease 314.17		17. Spacing Unit dedicated to this well 314.17 314.11 N/S
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 150'		20. BLM/BIA Bond No. on file WY2924
21. Elevations (show whether DF, KDB., RT, GL, etc. 6240' GL		22. Approximate date work will start* 10/31/04
		23. Estimated duration 5 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:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 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). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

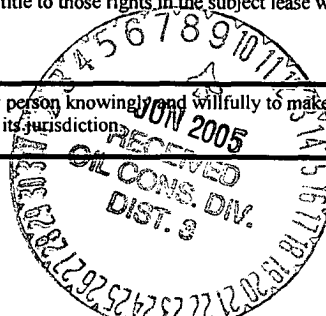
25. Signature <i>Cherry Hlava</i>	Name (Printed/typed) Cherry Hlava	Date 10/4/2004
Title Regulatory Analyst		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed) AFM	Date 6-7-05
Title Office PFO		

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.

*(Instructions on reverse)



DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
LOCAL REQUIREMENTS.

NMOCD

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
Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

RECEIVED

OCT - 7 2004

Bureau of Land Management
Farmington Field Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-32609	² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 15231	⁵ Property Name Riddle B-1	⁶ Well Number #2S
⁷ OGRID No. 000778	⁸ Operator Name BP AMERICA PRODUCTION COMPANY	⁹ Elevation 6240

¹⁰ Surface Location

UL or Lot No. D (Lot 4)	Section 22	Township 31 N	Range 9 W	Lot Idn	Feet from the 1030	North/South line North	Feet from the 880	East/West line West	County SAN JUAN
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¹¹ Bottom Hole Location If Different From Surface

¹² UL or lot no.	¹³ Section	¹⁴ Township	¹⁵ Range	¹⁶ Lot Idn	¹⁷ Feet from the	¹⁸ North/South line	¹⁹ Feet from the	²⁰ East/West line	²¹ County
314.11									
²² Dedicated Acres	²³ Joint or Infill	²⁴ Consolidation Code	²⁵ 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

¹⁶ Lot 4 1030' 880'				¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Cherry Hava Printed Name Cherry Hava Title Regulatory Analyst Date 10-4-04			
¹⁸ 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. Date of Survey April 24, 2004 Signature and Seal of Professional Surveyor GARY D. VANCE NEW MEXICO REGISTERED PROFESSIONAL LAND SURVEYOR 7016 7016 Certificate Number							
Lot 5 Lot 6 Lot 12 Lot 13				Lot 1 Lot 2 Lot 3 Lot 7 Lot 8 Lot 9 Lot 10 Lot 11 Lot 14 Lot 15 Lot 16			

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
March 4, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.
New Well
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Riddle B-1 (Federal well NM - 012647)
8. Well Number 2 S
9. OGRID Number 000778
10. Pool name or Wildcat Basin Fruitland Coal

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
Oil Well ☐ Gas Well ☒ Other ☐

2. Name of Operator
BP AMERICA PRODUCTION CO

3. Address of Operator
P.O. BOX 3092 HOUSTON, TX 77079-2064

4. Well Location

Unit Letter D : 1030 feet from the North line and 880 feet from the West line

Section 22 Township 31N Range 09W NMPM SAN JUAN County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6240' GR

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL D Sect 22 Twp 31N Rng 09W Pit type Drilling Depth to Groundwater >100' Distance from nearest fresh water well >1000'
Distance from nearest surface water >1000' Below-grade Tank Location UL D Sect 22 Twp 31N Rng 09W ;
980' feet from the North line and 895 feet from the West line Please see attached Pad Layout

*12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: Lined Drilling PIT PERMIT ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Please reference BP America's San Juan Basin Drilling/Workover Pit Construction Plan on file with the NMOCD. Pit Construction Plan issued date of 04/15/2004. Pit will be closed according to closure plan on file.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Cherry Hlava TITLE Regulatory Analyst DATE 10/04/04

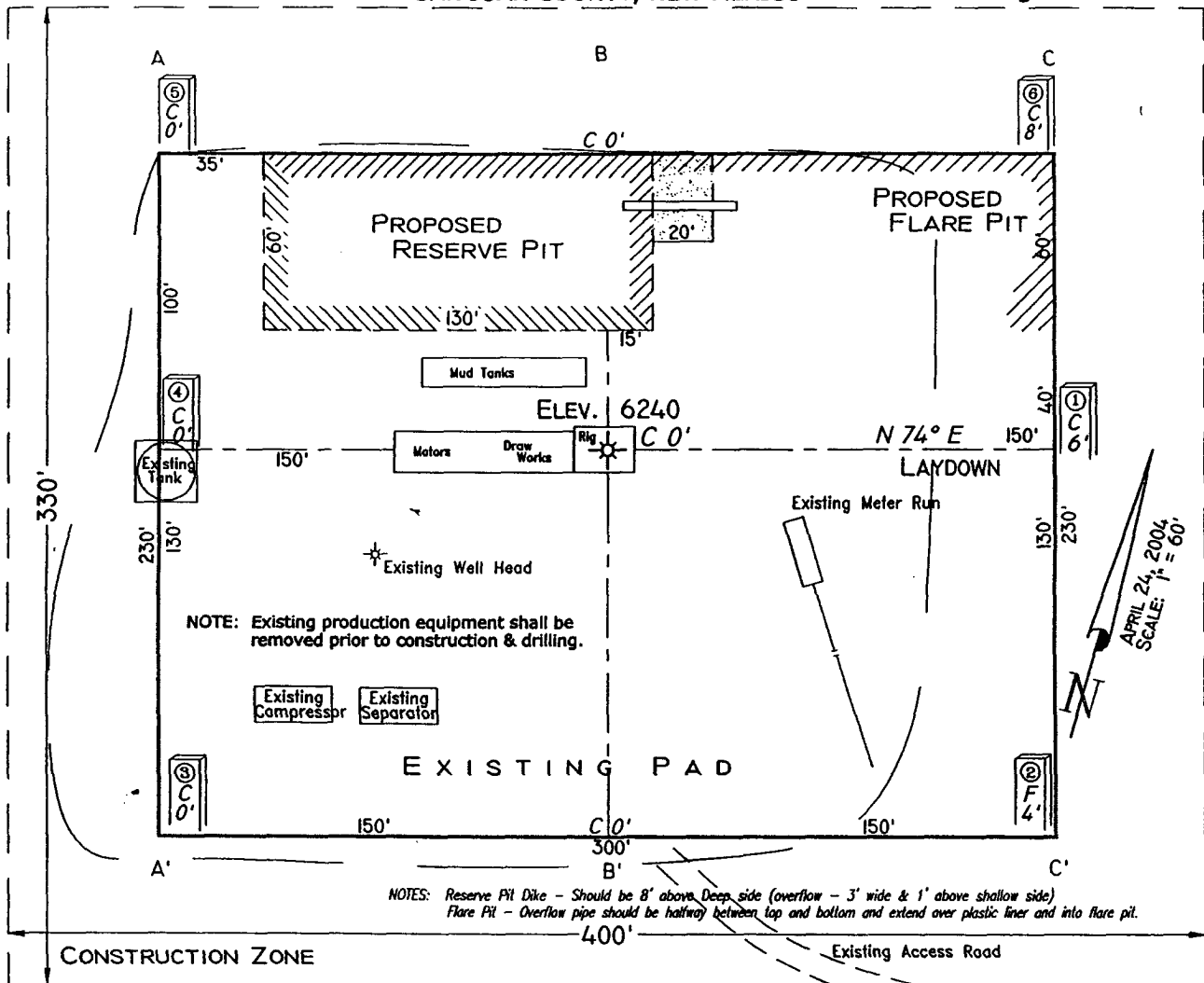
Type or print name Cherry Hlava E-mail address: hlavacl@bp.com Telephone No. 281-366-4081

(This space for State use)

APPROVED BY [Signature] TITLE NEW MEXICO OIL & GAS INSPECTOR, DIST. 5 DATE JUN 9 2005
Conditions of approval, if any:

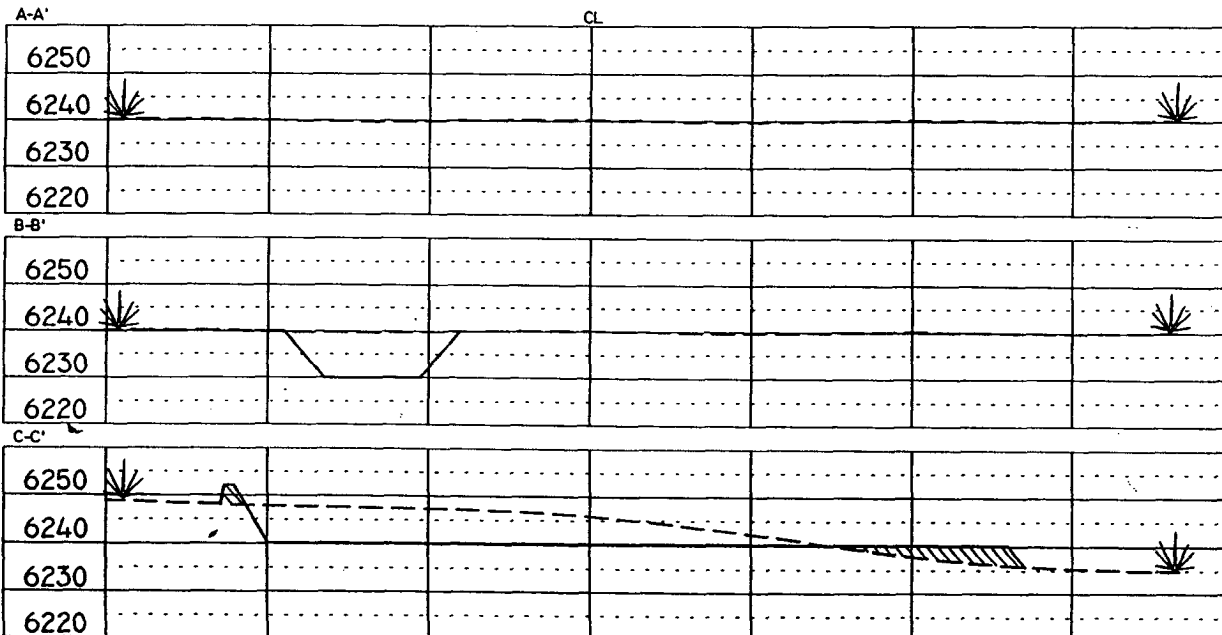
PAD LAYOUT PLAN & PROFILE
BP AMERICA PRODUCTION COMPANY
 Riddle B-1 25
 1030' F/NL 880' F/WL
 SEC. 22, T31N, R9W, N.M.P.M.
 SAN JUAN COUNTY, NEW MEXICO

Lat: 36°53'17"
 Long: 107°46'25"



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

**BP AMERICA PRODUCTION COMPANY
DRILLING AND COMPLETION PROGRAM**

Prospect Name: Riddle B

Lease:

County: San Juan

State: New Mexico

Date: September 16, 2004

Well No: 1-2 S

Surface Location: Section 22D, T31N, R09W; 1030'
FNL, 880' FWL

Field: Basin Fruitland Coal

OBJECTIVE: Drill to a TD of 3238' md, topset FT with 7" casing and air drill the Fruitland Coal interval, under-ream and set 5.5" liner.

METHOD OF DRILLING		APPROXIMATE DEPTHS OF GEOLOGICAL MARKER			
TYPE OF TOOLS	DEPTH OF DRILLING	Estimated GL: 6240		Estimated KB: 6251	
Rotary	0 - 3238' MD KB				
LOG PROGRAM		MARKER	SUBSEA	MEAS. DEPTH	
TYPE	DEPTH INVERAL	Ojo Alamo	4483	1768	
Mud log & gas chromatograph	2700' - TD	Kirtland	4309	1942	
		Fruitland	3513	2738	
		Fruitland Coal	*# 3405	2846	
		Pictured Cliffs	* 3173	3078	
(see Remarks section below).					
REMARKS: At TD and prior to completion of the Fruitland coal interval, the operator will FAX or email a copy of the mud log covering the lower basal Fruitland coal seam and Pictured Cliffs Formation to the FFO-PMT geologist (Chip Harraden @ 505-599- 8997 or chip_harraden@nm.blm.gov) as well as the BP geologist Dennis Hilkewich at hilkewdn@bp.com , fax 281-366-7099. Note: It is very important that the mud log include gas chromatograph results.		TOTAL DEPTH		3323	
		# Probable completion interval		* Possible Pay	
SPECIAL TESTS		DRILL CUTTING SAMPLES		DRILLING TIME	
TYPE		FREQUENCY	DEPTH	FREQUENCY	DEPTH
None		none	none	Geolograph	0-TD
REMARKS:					

MUD PROGRAM:					
Approx. Interval	Type Mud	Weight, #/ga	Vis, sec/qt	W/L cc's/30 min	Other Specification
0 - 120	Spud	8.6-9.2			
120 - 2830 (1)	Water/LSND	8.6-9.2		<6	
2830 - 3075	Gas/Air/N2/Mist	Volume sufficient to maintain a stable and clean wellbore			

REMARKS:

(1) The hole will require sweeps to keep unloaded while fresh water drilling. Let hole conditions dictate frequency.

CASING PROGRAM: (Normally, tubular goods allocation letter specifies casing sizes to be used. Hole sizes will be governed by Contract)

Casing String	Estimated Depth	Casing Size	Grade	Weight	Hole Size	Landing Pt, Cmt, Etc.
Surface/Conductor	120	9 5/8"	H-40, 8 RND	32.3	12.5"	1
Intermediate	2830	7"	J-55, 8 RND	20.0	8.75"	1
Production Liner	2730 - 3238	5 1/2"	J-55, 8 RND	15.5	11.0"	2

REMARKS:

- (1) Circulate Cement to Surface
- (2) Under-ream 6.25" hole interval to 11.0"

CORING PROGRAM:

None

COMPLETION PROGRAM:

Run 5.5" liner. Perforate coal intervals (depths based on mud log). Run 2-3/8" tubing.

GENERAL REMARKS:

Notify BLM/NMOCD 24 hours prior to Spud, BOP testing, and Casing and Cementing.

Form 46 Reviewed by: _____ Logging program reviewed by: N/A

PREPARED BY:	APPROVED:	DATE:	
Teruko Thomas/Dennis Hilkewich		9/16/04	
Form 46 12-00 MNP			

Cementing Program

Well Name: Riddle B-1 2S Location: Sec 22 - 31N - 09W, 1030' FNL, 880' FWL County: San Juan State: New Mexico	Field: Basin Fruitland Coal API No. Well Flac Formation: Fruitland Coal KB Elev (est) 6251 GL Elev. (est) 6240
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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	120	12.5	9.625	ST&C	Surface	NA	
Production -	2830	8.75	7	ST&C	Surface	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	2270	1400	254	0.0787
Production -	7	20	K-55	3740	2270		234 254	0.0405

Mud Program

Apx. Interval (ft.)	Mud Type	Mud Weight	Recommended Mud Properties Prio Cementing:
			PV <20
			YP <10
0 - SCP	Water/Spud	8.6-9.2	Fluid Loss <6
SCP - TD	Water/LSND	8.6-9.2	
SCP - TD	Gas/Air/N2/Mist	NA	

Cementing Program:

	Surface	Production
Excess %, Lead	100	40
Excess %, Tail	NA	40
BHST (est deg. F)	75	120
Special Instructions	1,6	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

Surface:

Preflush	20 bbl.	Fresh Water	
Slurry 1	70 sx Class C Cement		83 cuft
TOC@Surface	+ 2% CaCl2 (accelerator)		
			0.347 cuft/ft OH

Slurry Properties:

	Density (lb/gal)	Yield (ft ³ /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

Production:

Fresh Water	10 bbl	CW100
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Cementing Program

Lead		190 sx Class "G" Cement	486 cuft
Slurry 1		+ 3% D79 extender	
TOC@Surface		+ 2% S1 Calcium Chloride	
		+1/4 #/sk. Cellophane Flake	
		+ 0.1% D46 antifoam'	
Tail		90 sx 50/50 Class "G"/Poz	105 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
- Centralizers, as needed
- 1 Float Shoe (autofill with minimal LCM in mud)
- 1 Float Collar (autofill with minimal LCM in mud)
- 1 Top Rubber Plug
- 1 Thread Lock Compound

**SAN JUAN BASIN
Fruitland Formation
Pressure Control Equipment**

Background

The objective Fruitland 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 Fruitland Coal. 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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.
NMNM012647

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.8. Well Name and No.
RIDDLE B-1 2S9. API Well No.
30-045-32609-00-X110. Field and Pool, or Exploratory
BASIN FRUITLAND COAL11. County or Parish, and State
SAN JUAN COUNTY, NM1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
BP AMERICA PRODUCTION CO
Contact: CHERRY HLAVA
E-Mail: HLAVACL@BP.COM3a. Address
PO BOX 3092
HOUSTON, TX 772533b. Phone No. (include area code)
Ph: 281.366.40814. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 22 T31N R9W NWNW 1030FNL 880FWL

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 APD
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompleate 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 recompleation 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.)

The original APD was submitted on 10/04/04. We are currently waiting on APD approval.

We respectfully request to change the BOP from a double ram stack to a single ram & annular configuration. Please see attached BOP diagram.

BOP Equipment:

Below conductor casing to total depth 11" nominal or 7 1/16", 2000 psi Single ram preventer with 3000 psi annular preventer and rotating head. All ram type and annular preventers as well as 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.



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

Electronic Submission #54808 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 03/23/2005 (05AXB0956SE)

Name (Printed/Typed) CHERRY HLAVA

Title AGENT

Signature (Electronic Submission)

Date 03/07/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By	Title AFM	Date 6-7-05
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 FPD	

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.

BP American Production Company

Well Control Equipment Schematic

