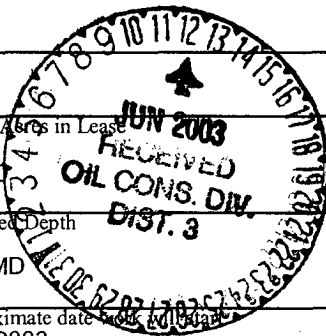


UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF - 078049
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: MARY CORLEY E-Mail: corleyml@bp.com		8. Lease Name and Well No. HUGHES A 2M
3a. Address P.O. BOX 3092 HOUSTON, TX 77253	3b. Phone No. (include area code) Ph: 281.366.4491 Fx: 281.366.0700	9. API Well No. 30045 31640
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SENE Lot H 1965FNL 735FEL 36.41900 N Lat, 107.39400 W Lon At proposed prod. zone		10. Field and Pool, or Exploratory BASIN DAKOTA/BLANCO MESAVERDE
14. Distance in miles and direction from nearest town or post office* 21 MILES FROM BLOOMFIELD, NEW MEXICO		11. Sec., T., R., M., or Blk. and Survey or Area Sec 27 T29N R8W Mer NMP A
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 735	16. No. of Acres in Lease 320.00	12. County or Parish SAN JUAN
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 900	19. Proposed Depth 7837 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6754 GL	22. Approximate date 06/15/2003	17. Spacing Unit dedicated to this well 320.00 E/2
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.  | 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 (Electronic Submission)	Name (Printed/Typed) MARY CORLEY	Date 04/22/2003
Title AUTHORIZED REPRESENTATIVE		
Approved by (Signature) /s/ David J. Mankiewicz	Name (Printed/Typed)	Date JUN 10 2003
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 #20903 verified by the BLM Well Information System  
For BP AMERICA PRODUCTION COMPANY, sent to the Farmington**

This action is subject to technical and procedural review pursuant to 43 CFR 3165.9 and appeal pursuant to 43 CFR 3166.4

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

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***

**NMOC**

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 30-045-31640		2 Pool Code 71599 & 72319		3 Pool Name BASIN DAKOTA & BLANCO MESAVERDE	
4 Property Code 000 701		5 Property Name Hughes A			6 Well Number # 2M
7 OGRID No. 000 778		8 Operator Name BP AMERICA PRODUCTION COMPANY			9 Elevation 6754

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
H	27	29 N	8 W		1965	NORTH	735	EAST	SAN JUAN

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

12 Dedicated Acres 3.20	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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>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><i>Mary Corley</i>        Signature        MARY CORLEY        Printed Name        Sr Regulatory Analyst        Date        04/21/2003</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>April 7, 2003        Date of Survey        Signature and Seal of Professional Surveyor</p> <p>        Certificate Number        7016</p>

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

**Prospect Name:** Hughes A  
**Lease:** Hughes  
**County:** San Juan  
**State:** New Mexico  
**Date:** April 8, 2003

**Well No:** 2M  
**Surface Location:** 27-29N-8W, 1965 FNL, 735 FEL  
**Field:** Blanco Mesaverde/Basin Dakota

**OBJECTIVE:** Drill 70' below the top of the Lower Cubero (or 240' below the top of the Two Wells), if in sand, drill to next underlying shale; set 41/2" production casing, Stimulate CH, MF, PL and DK intervals

METHOD OF DRILLING		APPROXIMATE DEPTHS OF GEOLOGICAL MARKER			
TYPE OF TOOLS	DEPTH OF DRILLING	Estimated GL: 6754		Estimated KB: 6768	
Rotary	0 - TD	MARKER		SUBSEA	TVD.
<b>LOG PROGRAM</b>		Ojo Alamo		4440'	2329'
		Kirkland		4267'	2501'
		Fruitland		3879'	2889'
		Fruitland Coal	*	3656'	3112'
		Pictured Cliffs	*	3396'	3372'
		Lewis Shale	#	3248'	3520'
		Cliff House	#	1889'	4879'
		Menefee Shale	#	1643'	5125'
		Point Lookout	#	1176'	5592'
		Mancos		743'	6025'
		Greenhorn		-759'	7527'
		Bentonite Marker		-820'	7588'
		Two Wells	#	-853'	7621'
		Paguate	#	-951'	7719'
		Cubero Upper	#	-976'	7744'
		Cubero Lower	#	-999'	7767'
		<b>TOTAL DEPTH</b>		<b>-1069'</b>	<b>7837'</b>
		# Probable completion interval		* Possible Pay	
<b>REMARKS:</b>		<b>DRILL CUTTING SAMPLES</b>		<b>DRILLING TIME</b>	
- Please report any flares (magnitude & duration).		<b>FREQUENCY</b>	<b>DEPTH</b>	<b>FREQUENCY</b>	<b>DEPTH</b>
		none	Production hole	Geolograph	0-TD
<b>SPECIAL TESTS</b>					
<b>TYPE</b>					
None					
<b>REMARKS:</b>					

MUD PROGRAM:						
Approx. Interval	Type Mud	Weight, #/ga	Vis, sec/qt	W/L cc's/30 min	Other Specification	
0 - 200	Spud	8.6-9.2				
200 - 3620 (1)	Water/LSND	8.6-9.2		<6		
3620 - 7682	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	200	9 5/8"	H-40 ST&C	32#	13.5"	1
Intermediate 1	3620	7"	J/K-55 ST&C	20#	8.75"	1,2
Production	7682	4 1/2"	J-55	11.6#	6.25"	3

**REMARKS:**  
(1) Circulate Cement to Surface  
(2) Set casing 100' into Lewis Shale  
(3) Bring cement 100' above 7" shoe

**CORING PROGRAM:**  
None

**COMPLETION PROGRAM:**  
Rigless, 3-4 Stage Limited Entry Hydraulic Frac

**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

<b>PREPARED BY:</b> HGJ/MNP/JMP	<b>APPROVED:</b>	<b>DATE:</b> April 8, 2003 Version 1.0
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Form 46 12-00 MNP

# BP America Production Company BOP Pressure Testing Requirements

Well Name: Hughes A  
County: San Juan

2M  
State: New Mexico

Formation	TVD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	2329		
Fruitland Coal	3112		
PC	3372		
Lewis Shale	3520		
Cliff House	4879	500	0
Menefee Shale	5125		
Point Lookout	5592	600	0
Mancos	6025		
Dakota	7621	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.
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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.

## FEDERAL CEMENTING REQUIREMENTS