FORM APPROVED UNITED STATES OMB No. 1004-0136 DEPARTMENT OF THE INTERIOR Expires November 30, 2000 **BUREAU OF LAND MANGEMENT** SF - 078655 APPLICATION OFOR PERMIT TO DRILL OR REENETER Lease Serial No. PM 11 46 If Indian, Allottee or tribe Name KEUEIVEU If Unit or CA Agreement, Name and No DRILL la. Type of Work: REENTER FARMINGTON EM <u> NMNM -673340</u> Lease Name and Well No. Single Zone Multiple Zone Type of Well: Oil Well Gas Well Gas Other Decker LS VIN API Well No. Name of Operator **BP AMERICA PRODUCTION COMPANY** 30-045-33634 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory 3a. Address P.O. BOX 3092 HOUSTON, TX 77079-2064 281-366-4081 Basin Dakota & Blanco Mesaverde Loction of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T., R., M., or Blk, and survey or Area SECTION 17 T32N & R10W At surface 860' FNL & 1165' FWL NWNW (surface = fee) D At proposed prod. Zone 690' FNL & 1910' FWL NENW (minerals = Federal) 12. County or Parish 14. Distance in miles and direction from nearest town or post office* State 5.7 MILES NORTH FROM AZTEC, NM SAN JUAN **NEW MEXICO** Distance from proposed* 16. No. of Acres in lease 17. Spacing Unit dedicated to this well Location to nearest 315.14 315.14 Property or lease line, ft. WZ (Also to nearest drig. Ujnit line, if any) 860' Distance from proposed location* 19. Proposed Depth 20. BLM/BIA Bond No. on file to nearest well, drilling, completed, 7778' MD WY2924 applied for, on this lease, ft. Elevations (show whether DF, KDB., RT, GL, etc. 22. Approximate date work will start* 23. Estimated duration ##78 GL4 (48 06/15/06 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: Bond to cover the operations unless covered by an existing bond on file (see Item Well plat certified by a registered surveyor. 20 above). A Drilling Plan. Operator certification. A Surface Use Plan (if the location is on National forest System Lands, the Such other site specific information and/or plans as may be required by the SUPO shall be filed with the appropriate Forest Service Office). suthorized officer. 25. Name (Printed/typed) **\$ignature** Date Cherry Hlava 02/28/06 Title Regulatory Analyst Approved by (Sign Name (Printed/Typed) 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

*(Instructions on reverse)

Conditions of approval, if any, are attached.

Operations thereon.

HOLD CHAT OF DEVELOPERS ON ONE OF ST. S

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

The scoons subjects to be calland crosses of they wearen at 10.43 CFR 3165.3 and control of the transfer of 1.77 3165.4

any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

nmocd U District I
PO Box 1980, Hobbs NM 88241-1980
District II
PO Drawer KK, Artesia, NM 87211-07

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

2006 MAR 6 AM 11 46

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

| | | WE | LL LO | CATION | AND AGRE | AGE DEDIC | ATIO | N PLA | ΑT | |
|------------------|------------|--------------|----------------------------------|-----------------------------------|-------------------------|--------------------------|----------|---------------------------------|---|--|
| 30-04 | API Number | 4034 | 7/5 | ² Pool Code 99 € 72 | O I O I MINI | MINGTON IIM SINDASOFA | 2'R/ | Pool ! | | de |
| Property | Code 7 356 | nu I | | LS Con | ⁵ Property ! | | | <u></u> | ~ | * Well Number # 1N ~ |
| , OGRID | | <u>0-7 -</u> | | | A Operator I | Name | | | | ⁹ Elevation |
| 000778 | 3 / | I | BP AMI | ERICA | PRODUCT | ION COMPA | NY | | | 6148 |
| | | | | | ¹⁰ Surface L | | | | | |
| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | | from the | East/West line | |
| D | 17 | 32 N | 10 W | | 860 | NORTH | <u> </u> | 165 | WES | r SAN JUAN |
| | Section | T | | | | Different Fron | | | Fact Officer Lie | Countri |
| , UL or lot no. | 17 | Township | Range | Lot Idn | Feet from the | North/South line | | from the | East/West line | |
| C Dedicated Acre | | 32 N | 10 W | | 690 Order No. | NORTH | 1 | 910 | WES | 1 SAN JUAN |
| 3/5.14 | | | | | | | | | | |
| NO ALLOV | WABLE ' | WILL BE | ASSIGNI | ED TO TH | IS COMPLETIC | ON UNTIL ALL I | INTER | ESTS H | AVE BEEN | CONSOLIDATED |
| ~~~ | | OR A | | | UNIT HAS BE | EN APPROVED | BYT | HE DIV | ISION | |
| 1165' | .098 | 4 | Lot 3 Bottom 690' F uth - 77° | 3310(R) Hole Foot /NL(/1910' F | age //WL Lot 2 | Lot 1 | | I hereby c | ertify that the in. complete to the be | ERTIFICATION formation contained herein is st of my knowledge and belief. |
| (K) | | | Lot 4 | | Lot 5 | Lot 6 | R) | Title 2-2 Date | | a Avalyst ERTIFICATION |
| \$126 | • | | Lot 9 | | Lot 8 | Lot 7 | 51730 | was piolled or under correct to | d from field notes my supervision, a the best of my Septemb Survey e and seal of Pro | ell location shown on this plat of actual surveys made by me nd that the same is true and belief. er 1, 2005 csstonal Surveyor |
| | | L | ot 10 | | Lot 11 | Lot 12 | | 7010 | 701 | MAL LINGS |

(R) - BLM Record

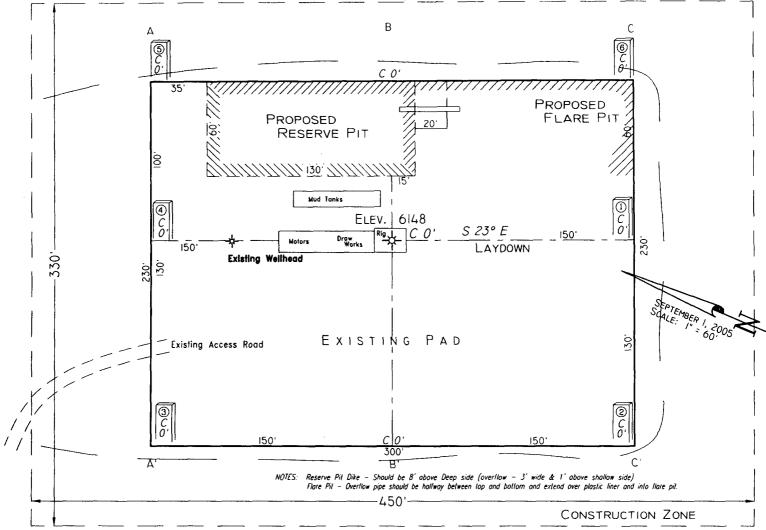
| Submit 3 Copies To Appropriate District | State of New Mex | ico | | Form C-103 |
|--|---|---------------------------------|--------------------------|--------------------------|
| Office ' District I | Energy, Minerals and Natura | l Resources | | May 27, 2004 |
| 1625 N. French Dr., Hobbs, NM 88240 | 3. | i | WELL API NO. | 500 3300 |
| District II | OIL CONSERVATION I | | | 1-045-33634 |
| 1301 W. Grand Ave., Artesia, NM 88210 District III | 1220 South St. Franc | | 5. Indicate Type of | |
| 1000 Rio Brazos Rd., Aztec, NM 87410 | | ~ - | STATE [| FEE |
| District IV | Santa Fe, NM 875 | 05 | 6. State Oil & Gas | Lease No. |
| 1220 S. St. Francis Dr., Santa Fe, NM 87505 | | | | |
| | CES AND REPORTS ON WELLS | | 7. Lease Name or I | Unit Agreement Name |
| l . | ALS TO DRILL OR TO DEEPEN OR PLUC | | | eker LS Com |
| | ATION FOR PERMIT" (FORM C-101) FOR | SUCH | | Lis (1) // (1) |
| PROPOSALS.) 1. Type of Well: Oil Well | Gos Well 🕅 Other | - | 8. Well Number | |
| 1. Type of well: Oil well | Gas well 🔼 Other | | | 1 N |
| 2. Name of Operator | | | 9. OGRID Number | |
| BP AMERICA PRODUCTION C | OMPANY | | 0 | 00778 |
| 3. Address of Operator | | | 10. Pool name or V | Vildcat |
| P.O. BOX 3092 HOUSTON, TX | 77079-2064 | • | Basin Dakota & | k Blanco Mesaverde |
| 4. Well Location | · · · · · · · · · · · · · · · · · · · | | | |
| Unit Letter D : 86 | 60 feet from the North | line and 1165 | feet from the West | line |
| | | | | |
| Section 17 | | lange 10W | NMPM SA | NJUAN County |
| | 11. Elevation (Show whether DR, I | | | |
| Pit or Below-grade Tank Application 🛛 o | 6148' C | K | | |
| (*** | | | | 2001 |
| Pit typeDRILLINGDepth to Ground | water Distance from nearest fresh | water well <u>> 1000'</u> Di | istance from nearest su | rface water < 3010 |
| Pit Liner Thickness: 12 mil B | elow-Grade Tank: Volume 3000 | _bbls; Construction | Material | |
| 12. Check A | appropriate Box to Indicate Na | ture of Notice. F | Report or Other I |)ata |
| | ppropriate Zon to marcate rea | , 1 | topon or outer 2 | |
| NOTICE OF IN | TENTION TO: | SUBS | SEQUENT REP | ORT OF: |
| PERFORM REMEDIAL WORK | PLUG AND ABANDON 🔲 | REMEDIAL WORK | | ALTERING CASING 🔲 |
| TEMPORARILY ABANDON | CHANGE PLANS | COMMENCE DRIL | LING OPNS. | P AND A |
| PULL OR ALTER CASING | MULTIPLE COMPL | CASING/CEMENT | JOB 🔲 | |
| | | | | — |
| OTHER: LINED DRILLING PIT | | OTHER: | | |
| | eted operations. (Clearly state all pe | | | |
| or recompletion. | rk). SEE RULE 1103. For Multiple | Completions: Atta | ach wellbore diagrai | n of proposed completion |
| or recompletion. | | | | |
| Construct a lined drilling pit per B | P America – San Juan Rasin Drilli | ing/Workover Pit | Construction Plan | issued date of |
| 11/17/2004. Pit will be closed acco | | ing/ Workover Tit | Construction Fian | issued date of |
| Thirmson The will be closed acco | ding to closure plan on file. | | | |
| Please see attached Pad Layout | | | | |
| · | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| I hamala a santification that the information | all and the state of the state | | 11 1 6 | |
| I hereby certify that the information grade tank has been/will be constructed or | above is true and complete to the bes | t of my knowledge | and belief. I further | tive OCD-approved plan |
| grade tank has been/will be constructed of | closed according to MMOCD guidennes M | , a general permit 🗀 t | n an (attacheu) aitei na | tive OCD-approved pian |
| SIGNATURE (Chan il | /a | | T- 4 TTT - 0.4 (0.0) | 1000 F |
| SIGNATURE Cherry Ha | avecTITLE_Reg | ulatory Analyst | DATE <u>04/20/</u> | 2005 |
| ر | | | | |
| Type or print name Cherry Hlava | E-mail address: hlavacl@br | o.com | Telephone | No. 281-366-4081 |
| For State Use Only | | | | ለምላው 4 mm ባበብድ |
| APPROVED BY: | TITLE | UTY OIL & GAS IN | STOLIUI, DDI. | DATE APR 17 2000 |
| Conditions of Approval (if any): | WW TILE | | | ביאוב |
| | 4 . | | | |

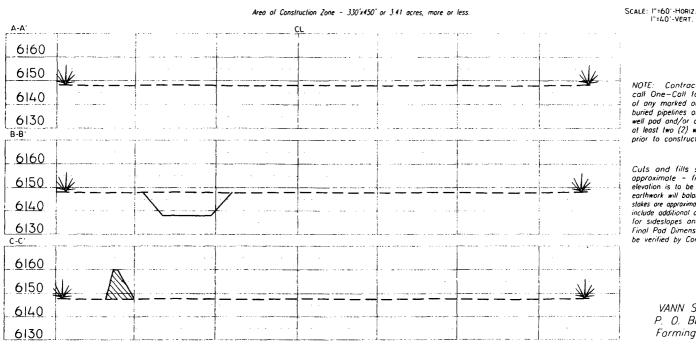
PAD LAYOUT PLAN & PROFILE BP AMERICA PRODUCTION COMPANY Decker LSU# 1N

860' F/NL 1165' F/WL SEC. 17, T32N, R10W, N.M.P.M. SAN JUAN COUNTY, NEW MEXICO

36.9897° Lat: 107.9106° Long:

36°59'23" 107°54'38" Lat: Long:





NOTE: Contractor should call One-Call for location of any marked or unmarked buried pipelines or cables on well pod 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 12/14/2005m Field: Blanco Mesaverde/Basin Dakota Well Name & No. Decker LS #1N Lease: Decker LS Surface Location: 17-32N-10W: 860' FNL, 1165' FWL County: San Juan, New Mexico Surface: Lat: 36.9898856 deg; Long: -107.9100714 deg Minerals: State BH Location: 690 FNL x 1910 FWL Lat: 36.9902843; Long: -10709075157 Aztec 184 Rig: OBJECTIVE: Drill 280' below the top of the Two Wells Mbr, set 4-1/2"casing, Stimulate DK, MF, and PL intervals. APPROXIMATE DEPTHS OF GEOLOGICAL MARKER METHOD OF DRILLING Estimated KB: 6,159.0 TYPE OF TOOLS **DEPTH OF DRILLING** Actual GL: 6148 APPROX. MD Rotary 0 - TD Marker SUBSEA TVD 4,936 1,223 1,247' **LOG PROGRAM** Ojo Alamo Kirtland 4,860 1,299 1,326 **Depth Interval** Type 3,883' 2.276 2,345 Fruitland Single Run Fruitland Coal 3,685 2,474 2,551' 2,975 Pictured Cliffs 3,274 2.885 3,373 2,883 3,276 Lewis Cliff House 4,469 4,567 Cased Hole # 1,690 Menefee 1,292 4.965 **RST-CBL** TD to 7" shoe # 4,867 Identify 4 1/2" cement top Point Lookout # 977' 5,182 5,280 REMARKS: Mancos 641' 5.518 5.616 This recommended that this well penetrate through the entire BRCN interval -1,116' 7,275 7,373 Greenhorn -1,163 7,322 7,420 Graneros (bent,mkr) -1,241 7,498 with TD in the Morrison. Two Wells # 7,400 7,549 -1,292' Paguate # 7,451 7,574 -1,317 7,476 Cubero # 7,596' Due to the proximity of a strong BRCN producer about 1 mile to the east, it L. Cubero # -1.3397,498 # -1,430 7.589 7,687 **Encinal Cyn** is recommended that the borehole be drilled with mud (for pressure control) **Burro Canyon** # -1,477 7,636 starting 150 ft. below the top of the Two Wells and ending at TD. See -1,521 7,778 TOTAL DEPTH: 7.680 attached cross-section. # Probable completion interval * Possible Pay SPECIAL TESTS **DRILL CUTTING SAMPLES DRILLING TIME** TYPE **FREQUENCY DEPTH FREQUENCY** DEPTH 3,473 to TD 0 - TD 30'/10' intervals Geolograph None REMARKS: MUD PROGRAM: Interval **TypeMud** #/gal Vis, sec/qt /30 min Other Specification 200 Spud 8.8 - 9.0 Sufficient to clean hole. 3,473 Water/LSND 8.4 - 9.0 Sweep hole while whilst water drilling, LCM onsite <9 7,778 1000 cfm for hammer Volume sufficient to maintain a stable and clean wellbore 1 CASING PROGRAM: CasingString Depth. Size Grade, Thread Weight **Landing Point** Cement **Casing Size** 200' H-40 ST&C 32# Surface/Conductor 13 1/2" 9-5/8" cmt to surface Intermediate 1 3.473 8-3/4" J/K-55 ST&C 20# 100' below LWIS cmt to surface 7" Production 7.778 6-1/4" 4-1/2" 11.6# DKOT 150' inside Intermediate -TOC survey required CORING PROGRAM: None COMPLETION PROGRAM: Rigless, 2-3 Stage Limited Entry Hydraulic Frac, FMC Unihead **GENERAL REMARKS:** Notify BLM/NMOCD 24 hours prior to Spud, BOP testing, and Casing and Cementing. **BOP Pressure Testing Requirements Formation** Depth Max anticipated surface pressure** Anticipated bottom hole pressure Cliffhouse 4.469 500 0 **Point Lookout** 5,182 600 0 Dakota 7,400 2600 972 Requested BOP Pressure Test Exception = 1500 psi ** Note: Determined using the following formula: ABHP - (.22*TVD) = ASP Form 46 Reviewed by: Logging program reviewed by: PREPARED BY: APPROVED: DATE: APPROVED: DATE: HGJ JMP/GGZ 14-Dec-05 Form 46 7-84bw For Drilling Dept For Production Dept.

Cementing Program

Well Name:

Decker LS #1N

Location:

17-32N-10W:

860' FNL, 1165' FWL

County: State: San Juan New Mexico Well Flac

Formation: KB Elev (est) Blanco Mesaverde/Basin Dakota

GL Elev. (est)

6159 6148

| | | | | | GL Elev. (| esi) | 01 | 40 | | |
|----------------|------------|------------|------------------|-----------|------------|-------|----------------|------------|-------|-------|
| Casing Program | n: | | | | | | | - | | |
| Casing String | Est. Depth | Hole Size | Casing Size | Thread | TOC | | Stage Tool | Cmt Cir. C | Out | |
| | (ft.) | (in.) | (in.) | | (ft.) | | Or TOL (ft.) | (bbl.) | | |
| Surface | 200 | 13.5 | 9.625 | ST&C | Surface | | NA | | | |
| Intermediate | 3473 | 8.75 | 7 | 8 LT&C | Surface | | NA | | | |
| Production - | 7778 | 6.25 | 4.5 | ST&C | 3373 | | NA | | | |
| Casing Propert | ies: | (No Safety | Factor Included) | | | | | | | |
| Casing String | Size | Weight | Grade | Burst | Collapse | | Joint St. | Capacity | Drift | |
| | (in.) | (lb/ft) | | (psi.) | (psi.) | | (1000 lbs.) | (bbl/ft.) | (in.) | |
| Surface | 9.62 | 25 3 | 2 H-40 | 2270 |) | 1400 | . 2 | 54 0.0 | 787 | 8.845 |
| Intermediate | 1 | 7 2 | 0 K-55 | 3740 |) | 2270 | 854 3 | 34 0.0 | 405 | 6.456 |
| Production - | 4 | .5 11. | 6 J-55 | 5350 | כ | 4960 | | 54 0.0 | 155 | 3.875 |
| Mud Program | | | | | | | | | | |
| Apx. Interval | Mud Type | Mud Weigh | t | Recomm | nended Muc | Prope | rties Prio Cer | menting: | | |
| (ft.) | | | | PV | <20 | | | | | |
| • | | | | YP | <10 | | | | | |
| 0 - SCP | Water/Spud | 8.6-9 | .2 | Fluid Los | s: <15 | | | | | |

Cementing Program:

SCP - ICP

ICP - ICP2

ICP2 - TD

| | 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

Water/LSND

Gas/Air Mist

LSND

- 4. Run Blend Test on Cement
- 5. Record Rate, Pressure, and Density on 3.5" disk
- 6. Confirm densitometer with pressurized mud scales

8.6-9.2

8.6 - 9.2

NA

- 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 | o on top of plug. Wash li | nes before displacing produc | tion cement job to minn | nize drillout. | | | |
|-----------------|-----------------|----------------------------|------------------------------|-------------------------|-------------------|--|--|--|
| Surface: | - 1 | | | | | | | |
| | Preflush | 20 bbl. | FreshWater | | | | | |
| | Slurry 1 | 154 sx Class | s C Cement | | 195 cuft | | | |
| | TOC@Surface | + 2% Ca | aCl2 (accelerator) | | | | | |
| | | | | | 0.4887 cuft/ft OH | | | |
| Slurry Properti | ies: | Density | Yield | Water | | | | |
| | | (lb/gal) | (ft3/sk) | (gal/sk) | | | | |
| | Slurry 1 | 15.2 | 1.27 | 5.8 | ı | | | |
| Casing Equipn | ment: | 9-5/8", 8R, ST&C | | | | | | |
| | • | 1 Guide Shoe | | | | | | |
| | | 1 Top Wooden Plug | | | | | | |
| | | 1 Autofill insert float va | alve | | | | | |
| | | Centralizers, as neede | ed | | | | | |
| | 1 | 1 Stop Ring | | | | | | |
| | , | 1 Thread Lock Compo | ound | | | | | |

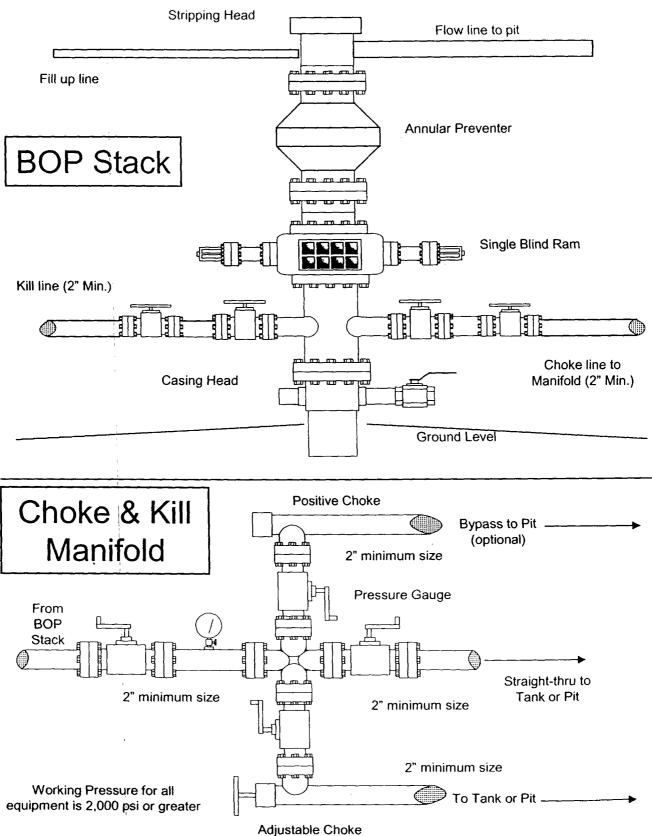
Cementing Program

| Intermediate: | _ | | | | | |
|-------------------|----------------|----------------------------|---|-----------------------|------------|------------------------|
| | Fresh Water | 20 bbl | | fresh water | | |
| | Lead | | 291 | sx Class "G" Ceme | | 764 cuft |
| | Slurry 1 | | | + 3% D79 extende | | |
| | TOC@Surface | | | +1/4 #/sk. Cellopha | ine Flake | |
| | | | | + 5 lb/sk Gilsonite | | |
| | Tail | | 59 | sx 50/50 Class "G" | /Poz | 75 cuft |
| | Slurry 2 | | | + 2% gel (extender |) | |
| | 50 | O ft fill | | +1/4 #/sk. Cellopha | | 0.1503 cuft/ft OH |
| | | | | + 2% CaCl2 (accel | erator) | 0.1746 cuft/ft csg and |
| | | | | + 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 Equipme | nt: | 7", 8R, ST&C | | | | |
| | | 1 Float Shoe (autofill wi | | | | |
| | | 1 Float Collar (autofill w | vith min | imal LCM in mud) | | |
| | | 1 Stop Ring | | | | |
| | | Centralizers as needed | t | | | |
| | | 1 Top Rubber Plug | | | | |
| | | 1 Thread Lock Compou | und | | | |
| Production: | | | | | | |
| | Fresh Water | 10 bbl | | CW100 | | |
| | Lead | | 177 | LiteCrete D961 / D | 124 / D154 | 445 cuft |
| | Slurry 1 | | | + 0.03 gps D47 an | tifoam | |
| | TOC, 400' abov | e 7" shoe | | + 0.5% D112 fluid | | |
| | | | | + 0.11% D65 TIC | | |
| | Tail | | 166 | sx 50/50 Class "G" | 1/Poz | 239 cuft |
| | Slurry 2 | | 100 | | | 200 Can |
| | - | 2 ft fill | | + 5% D20 gel (ext | | |
| | 100 | 2 I(IIII | | + 0.1% D46 antifor | | |
| | | | | + 1/4 #/sk. Celloph | | |
| | | | | + 0.25% D167 Flui | d Loss | |
| | | | | + 5 lb/sk Gilsonite | | |
| | | | | +0.1% d800, retard | der | |
| | | | | +0.15% D65, dispe | ersant | |
| | | | | | | 0.1026 cuft/ft OH |
| Slurry Properties | s: | Density | | Yield | Water | |
| | | (lb/gal) | | (ft3/sk) | (gal/sk) | 0.1169 cuft/ft csg an |
| Slurry 1 | | 9.5 | | 2.52 | 6.38 | |
| Slurry 2 | | 13 | | 1.44 | 6.5 | Top of Mancos |
| • | | | | | | 5616 |
| Casing Equipme | ent: | 4-1/2", 8R, ST&C | | | | |
| 5 , , | | 1 Float Shoe (autofill w | ith mini | imal LCM in mud\ | | |
| | | 1 Float Collar (autofill v | | | | |
| | | 1 Stop Ring | *************************************** | minar EOW III (IIIdd) | | |
| | | | ام | | | |
| | | Centralizers, as neede | u | | | |
| | | 1 Top Rubber Plug | | | | |
| | | 1 Thread Lock Compor | und | | | |

BP American Production Company

Well Control Equipment Schematic







Field: SAN JUAN, New Mexico

Site: SEC 17-T32N-10W

Well: Decker LS,#1N
Wellpath: OH
Plan: Plan #1



| SECTION DETAILS | | | | | | | | | | |
|-----------------|---------|-------|-------|---------|--------|--------|------|--------|--------|-----------|
| Sec | MD | inc | Azi | TVD | +N/-S | +E/-W | DLeg | TFace | VSec | Target |
| 1 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 2 | 300.00 | 0.00 | 0.00 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 3 | 848.20 | 16.45 | 77.15 | 840.70 | 17.38 | 76.18 | 3.00 | 77.15 | 78.14 | |
| 4 | 2551.17 | 16.45 | 77.15 | 2474.00 | 124.60 | 546.23 | 0.00 | 0.00 | 560.27 | |
| 5 | 3473.75 | 7.22 | 77.15 | 3376.00 | 166.63 | 730.48 | 1.00 | 180.00 | 749.25 | 7"CSG PT. |
| 6 | 3714.42 | 0.00 | 0.00 | 3616.03 | 170.00 | 745.25 | 3.00 | 180.00 | 764.39 | |
| 7 | 7778.39 | 0.00 | 0.00 | 7680.00 | 170.00 | 745.25 | 0.00 | 0.00 | 764.39 | PBHL |

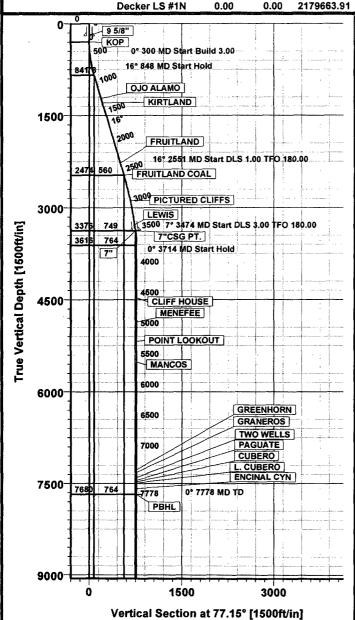
TARGET DETAILS

| Name | TVD | +N/-S | +E/-W | Northing | Easting | Shape |
|----------|---------|--------|--------|------------|------------|-------|
| TICSG DT | 3376.00 | 166 63 | 730 48 | 2170830.53 | 2701416 95 | Point |

PBHL 7680.00 170.00 745.00 2179833.89 2701431.47 Circle (Radius: 100)

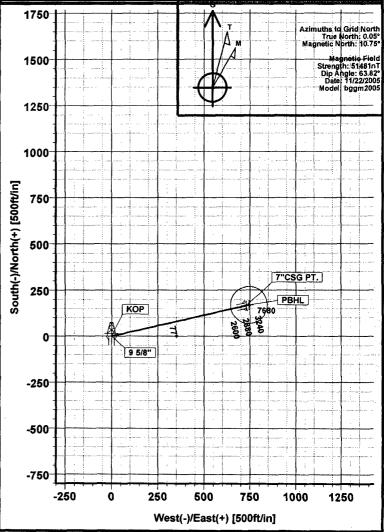
WELL DETAILS

| Name | +N/-S | +E/-W | Northing | Easting | Latitude | Longitude | Slot |
|---------------|-------|-------|------------|------------|------------------|---------------|------|
| Decker LS #1N | 0.00 | 0.00 | 2179663.91 | 2700686.53 | 36°59'23.588N 10 | 07°54'36.250W | N/A |



SITE DETAILS SEC 17-T32N-10W SAN JUAN NM

Ground Level: 6145.00
Positional Uncertainty: 0.00
Convergence: -0.05



Additional Operator Remarks Decker LS 1N APD

BP America Production Company respectfully requests permission to drill the subject well to a total depth of approximately 7778'. Complete in the Basin Dakota Pool, isolate the Dakota; complete into the Blanco Mesaverde, establish a production rate; drill out the bridge plug and commingle production downhole.

Application for Downhole Commingling authority (NMOCD order R-11363) will be submitted to all appropriate for approval after Permit to Drill has been approved.

If terrain allows it is our intent to pre-set the 9 5/8" casing on the above mentioned well by drilling a surface hole of 12 1/4" (instead of 13.5") with air/air mist in lieu of drilling mud and the surface casing be cemented with 94.5 cu/ft type I-II, 20% FLYASH, 14.5 PPG, 7.41 gal/sk, 1.61 cf/sk Yield, 80 DEG BHST ready mix cement. If the area will not allow for pre-set the approved cement program will be followed.

SUPPLEMENTAL TO SURFACE USE PLAN

New Facilities:

A 4.5" diameter buried steel pipeline that is +/- 100 feet in length will be constructed. The pipe wall thickness is .156 and the pipe wall strength is 42,000#. It will be adjacent to the access road and tie the well into an existing gas meter operated by BP America Production Company. The pipeline will not be used to transport gas to drill the well. After the well is spud the pipeline will be authorized by a right-of-way issued by El Paso Field Services.

APD/ROW

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 single 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", 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.