

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. SF - 078139
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. ELLIOTT GAS COM R 1M
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. 3004531375
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NWNE Lot B 795FNL 2360FEL 36.46400 N Lat, 107.46000 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* 16 MILES TO BLOOMFIELD, NEW MEXICO		11. Sec., T., R., M., or Blk. and Survey or Area Sec 34 T30N R9W Mer NMP B
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 795'	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. 1400'	19. Proposed Depth 7061 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5764 GL	22. Approximate date work will start 03/30/2003	17. Spacing Unit dedicated to this well 320.00 N/Z
		20. BLM/BIA Bond No. on file WY2924
		23. Estimated duration 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:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- 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 02/06/2003
Title AUTHORIZED REPRESENTATIVE		
Approved by (Signature) /s/ David J. Mankiewicz	Name (Printed/Typed)	DATE MAR 18 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 #18370 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 3165.2 and appeal pursuant to 43 CFR 3165.4

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

** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL **

NMCCD

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 30-065-313 75		2 Pool Code 71599 & 72319		3 Pool Name BASIN DAKOTA & BLANCO MESAVERDE	
4 Property Code 000453		5 Property Name ELLIOTT GAS COM R			6 Well Number # 1M
7 OGRID No. 000778		8 Operator Name BP AMERICA PRODUCTION COMPANY			9 Elevation 5764

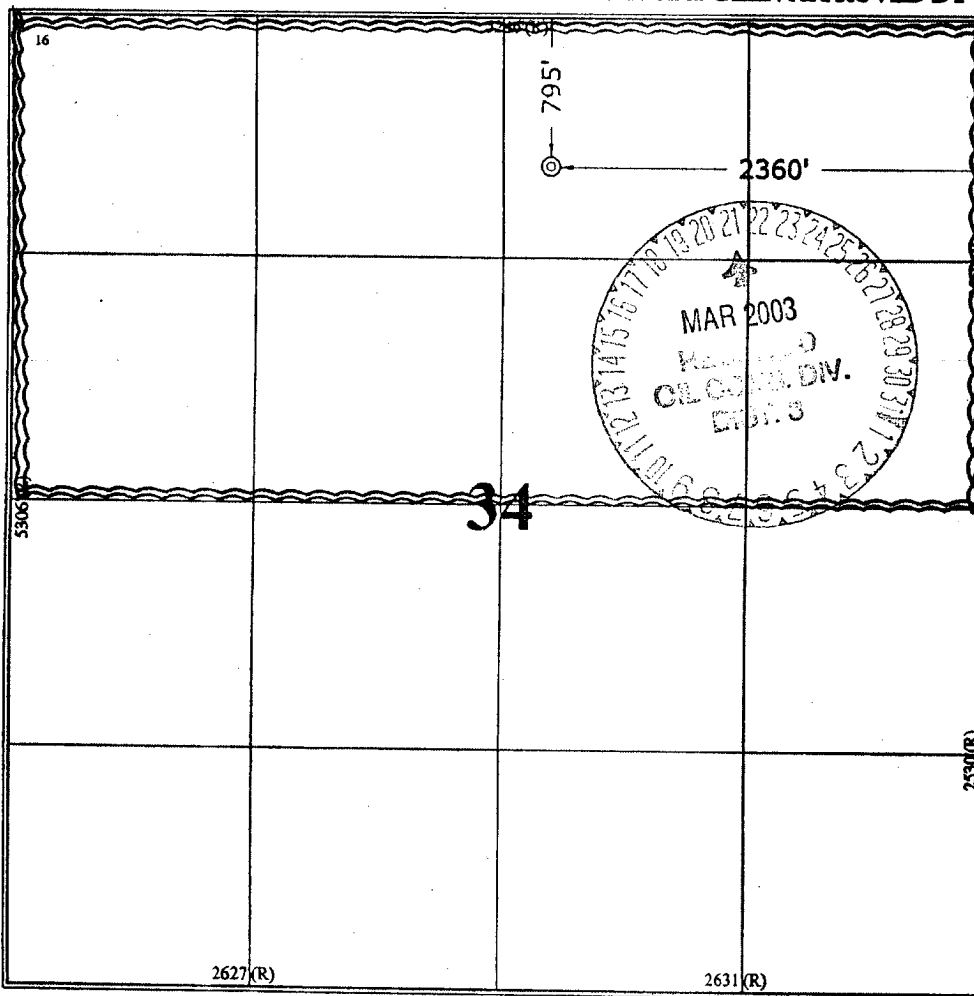
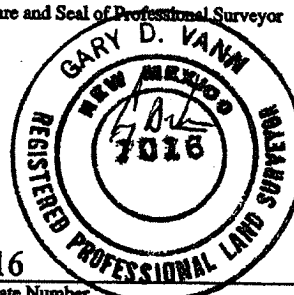
10 Surface Location

UL or Lot No. B	Section 34	Township 30 N	Range 9 W	Lot Idn	Feet from the 795	North/South line NORTH	Feet from the 2360	East/West line EAST	County SAN JUAN
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Bottom Hole Location If Different From Surface

7 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.			

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

<div>16</div> 		<div>17 OPERATOR CERTIFICATION</div> <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 <i>Mary Corley</i> Printed Name Sr. Regulatory Analyst Title 02.04.2003 Date</p>	
		<div>18 SURVEYOR CERTIFICATION</div> <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>January 17, 2003 Date of Survey Signature and Seal of Professional Surveyor  7016 Certificate Number</p>	

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

Prospect Name: Elliott GC R
Lease: Elliott
County: San Juan
State: New Mexico
Date: January 20, 2003

Well No: 1M
Surface Location: 34-30N-9W, 795 FNL, 2360 FEL
Field: Blanco Mesaverde/Basin Dakota

OBJECTIVE: Drill 70' below the base of the Lower Cubero, set 4 1/2" production casing, Stimulate CH, MF, PL and DK intervals																															
METHOD OF DRILLING TYPE OF TOOLS DEPTH OF DRILLING Rotary 0 - TD				APPROXIMATE DEPTHS OF GEOLOGICAL MARKER Estimated GL: 6091 Estimated KB: 6105																											
LOG PROGRAM TYPE DEPTH INVERAL <u>OPEN HOLE</u> none <u>CASED HOLE</u> GR-CCL-TDT TDT - TD to 7" shoe CBL Identify 4 1/2" cement top				MARKER		SUBSEA		TVD.																							
				Ojo Alamo Kirkland Fruitland Fruitland Coal Pictured Cliffs Lewis Shale Cliff House Menefee Shale Point Lookout Mancos Greenhorn Bentonite Marker Two Wells Paguete Cubero Upper Cubero Lower TOTAL DEPTH		4574' 4402' 3891' 3652' 3316' 3156' 1809' 1505' 1092' 734' -904' -957' -1000' 1113' -1148' -1193' -1264'		1224' 1397' 1907' 2147' 2482' 2642' 3989' 4293' 4706' 5064' 6702' 6755' 6798' 6911' 6946' 6991' 7061'																							
REMARKS: - Please report any flares (magnitude & duration).				# Probable completion interval * Possible Pay																											
SPECIAL TESTS TYPE None REMARKS:				DRILL CUTTING SAMPLES FREQUENCY DEPTH none Production hole		DRILLING TIME FREQUENCY DEPTH Geolograph 0-TD																									
MUD PROGRAM: <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Approx. Interval</th> <th>Type Mud</th> <th>Weight, #/ga</th> <th>Vis, sec/qt</th> <th>W/L cc's/30 min</th> <th>Other Specification</th> </tr> </thead> <tbody> <tr> <td>0 - 120</td> <td>Spud</td> <td>8.6-9.2</td> <td></td> <td></td> <td></td> </tr> <tr> <td>120 - 2742 (1)</td> <td>Water/LSND</td> <td>8.6-9.2</td> <td></td> <td><6</td> <td></td> </tr> <tr> <td>2742 - 7061</td> <td>Gas/Air/N2/Mist</td> <td colspan="4">Volume sufficient to maintain a stable and clean wellbore</td> </tr> </tbody> </table>								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 - 2742 (1)	Water/LSND	8.6-9.2		<6		2742 - 7061	Gas/Air/N2/Mist	Volume sufficient to maintain a stable and clean wellbore			
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0 - 120	Spud	8.6-9.2																													
120 - 2742 (1)	Water/LSND	8.6-9.2		<6																											
2742 - 7061	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 ST&C	32#	12.25"	1																									
Intermediate 1	2742	7"	J/K-55 ST&C	20#	8.75"	1,2																									
Production	7061	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																											
PREPARED BY:		APPROVED:		DATE:																											
HGJ/MNP/JMP				January 20, 2003 Version 1.0																											
Form 46 12-00 MNP																															

BP America Production Company

BOP Pressure Testing Requirements

Well Name: Elliott GC R
County: San Juan

1 M
State: New Mexico

Formation	TVD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	1224		
Fruitland Coal	2147		
PC	2482		
Lewis Shale	2542		
Cliff House	3989	500	0
Menefee Shale	4293		
Point Lookout	4706	600	0
Mancos	5064		
Dakota	6798	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

Cementing Program

Well Name: Elliot GC R 1M
 Location: 34-30N-11W, 795 FNL, 2360 FEL
 County: San Juan
 State: New Mexico

Field: Blanco Mesaverde / Basin Dakota
 API No.
 Well Flac
 Formation: Dakota MesaVerde
 KB Elev (est) 6105
 GL Elev. (est) 6091

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	12.25	9.625	ST&C	Surface	NA	
Intermediate	2742	8.75	7	LT&C	Surface	NA	
Production -	7061	6.25	4.5	?	2642	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	70 sx Class C Cement		75 cuft
TOC@Surface	+ 2% CaCl2 (accelerator)		
	0.25 #/sk Collophane Flake (lost circulation additive)		0.3132 cuft/ft OH
	0.1% D40 antifoam		

Slurry Properties:	Density (lb/gal)	Yield (lt/sk)	Water (gal/sk)
Slurry 1	15.8	1.16	4.95

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

Cementing Program

Intermediate:

Fresh Water	20 bbl	fresh water	
Lead Slurry 1 TOC@Surface		230 sx Class "G" Cement + 3% D79 extender + 2% S1 Calcium Chloride + 1/4 #/sk. Cellophane Flake + 0.1% D46 antifoam'	579 cuft
Tail Slurry 2		60 sx 50/50 Class "G"/Poz + 2% gel (extender) 0.1% D46 antifoam + 1/4 #/sk. Cellophane Flake + 2% CaCl2 (accelerator)	75 cuft
	500 ft fill		0.1503 cuft/ft OH 0.1746 cuft/ft csg ann
Slurry Properties:	Density (lb/gal)	Yield (ft ³ /sk)	Water (gal/sk)
Slurry 1	11.4	2.61	17.77
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 14 Centralizers (one in middle of first joint, then every third collar) 2 Fluidmaster vane centralizers @ base of Ojo 1 Top Rubber Plug 1 Thread Lock Compound		

Production:

Fresh Water	10 bbl	CW100	
Lead Slurry 1 TOC, 100' above 7" shoe		170 LiteCrete D961 / D124 / D154 + 0.03 gps D47 antifoam + 0.5% D112 fluid loss + 0.11% D65 TIC	405 cuft
Tail Slurry 2		150 sx 50/50 Class "G"/Poz + 5% D20 gel (extender) + 0.1% D46 antifoam + 1/4 #/sk. Cellophane Flake + 0.25% D167 Fluid Loss	215 cuft
	1497 ft fill		+ 5 #/sk D24 gilsonite + 0.15% D65 TIC + 0.1% D800 retarder
			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
Slurry 2	13	1.44	6.5
			Top of Mancos 5064
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		