

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: November 30, 2000

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
NMSF078902

| | | | | | |
|--|--|-------------------------------------|---|--|--|
| 1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____ | | | 6. If Indian, Allottee or Tribe Name 7. Unit or CA Agreement Name and No. | | |
| 2. Name of Operator BP AMERICA PRODUCTION CO Contact: CHERRY HLAVA E-Mail: hlavaci@bp.com | | | 8. Lease Name and Well No. GCU 583 | | |
| 3. Address P. O. BOX 3092 HOUSTON, TX 77253 | | | 9. API Well No. 30-045-31053-00-S1 | | |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements)* Sec 4 T27N R12W Mer NMP At surface SESW Lot N 440FSL 1630FWL At top prod interval reported below At total depth | | | 10. Field and Pool, or Exploratory BASIN FRUITLAND COAL 11. Sec., T., R., M., or Block and Survey or Area Sec 4 T27N R12W Mer NMP 12. County or Parish SAN JUAN 13. State NM | | |
| 14. Date Spudded 01/22/2004 | | 15. Date T.D. Reached 01/24/2004 | | 16. Date Completed <input checked="" type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 02/08/2004 | |
| 18. Total Depth: MD 1558 TVD | | 19. Plug Back T.D.: MD 1550 TVD | | 20. Depth Bridge Plug Set: MD TVD | |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) TLD GR | | | | 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) | |

23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 8.750 | 7.000 J-55 | 23.0 | | 139 | | 124 | | 0 | |
| 6.250 | 4.500 J-55 | 11.0 | | 1552 | | 191 | | 0 | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|-------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2.375 | 1384 | | | | | | | |

25. Producing Intervals

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|-------------------|------|--------|---------------------|-------|-----------|--------------|
| A) FRUITLAND COAL | 1315 | 1331 | 1315 TO 1318 | 3.130 | 8 | |
| B) | | | 1320 TO 1331 | 3.130 | 22 | |
| C) | | | | | | |
| D) | | | | | | |

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

| Depth Interval | Amount and Type of Material |
|----------------|--|
| 1315 TO 1331 | TOTAL SND 75,500 LBS 16/30 BRADY SND. 35,000 LBS 40/70 PMP 60 BPM. 20# GEL. RUN QA/QC ON VISCOSITY |
| 1315 TO 1331 | & PH PROPNET TREAT LAST 22,000 LBS 12/20 RUN 2/1000 L64 500 GAL. 15% NEW GREEN SLURRY. |
| | |
| | |

28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|---------------------------|
| 02/09/2004 | 02/07/2004 | 24 | → | 1.0 | 100.0 | 1.0 | | | ELECTRIC PUMP SUB-SURFACE |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| 3/4 | SI | 110.0 | → | 1 | 100 | 1 | | PGW | |

28a. Production - Interval B

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| | SI | | → | | | | | | |

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #27767 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

NMOCD

FARMINGTON FIELD OFFICE

RY

FEB 18 2004

ACCEPTED FOR RECORD

28b. Production - Interval C

| | | | | | | | | | |
|---------------------|----------------------------|--------------|----------------------|---------|---------|-----------|--------------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |

28c. Production - Interval D

| | | | | | | | | | |
|---------------------|----------------------------|--------------|----------------------|---------|---------|-----------|--------------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top |
|-------------------------|----------|------------|------------------------------|---|---------------------------|
| | | | | | Meas. Depth |
| NACIMIENTO OJO ALAMO | 0 109 | 109 234 | | OJO ALAMO KIRTLAND FRUITLAND PICTURED CLIFFS | 165 216 857 1336 |

32. Additional remarks (include plugging procedure):

BP America requested permission to drill above mentioned well on 3/29/02.
BIA approval was given 09/30/2003.

Please see the attached completion report.

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7 Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #27767 Verified by the BLM Well Information System.
For BP AMERICA PRODUCTION CO, sent to the Farmington
Committed to AFMSS for processing by ADRIENNE GARCIA on 02/18/2004 (04AXG0640SE)

Name (please print) CHERRY HLAVA

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 02/13/2004

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.

**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ****

Gallegos Canyon Unit 583
New Drilling Subsequent Report
02/11/2004

1/24/04 TIH w/LOGGING TOOLS. TAG BTM LOG TO SURFACE. RU & CIRC WELL. RUN CSG AS ON SPUD AND SET REPORT.

1/25/04 RIG RELEASE AS ON SPUD & SET REPORT.

1/29/04 RU & PERF FRUITLAND COAL 2 JSPF w/3.125" GUN 1315' – 1331'. TOTAL OF 30 HOLES.

1/30/04 RU & FRAC FC 1315' – 1331' w/75,500 lbs 16/30 BRADY, 35,000 lbs 40/70 PMP 60 BPM. 20# GEL RUN QA/QC ON VISCOSITY & PH PROPNET TREAT LAST 22,000 lbs. 12/20 RUN 2/1000 L64 500 gal. 15% HCL. NEW GREEN SLURRY.

2/2/04 CSG PRESSURE 60 PSI BH 0 PBS. RUN BLOW LINE TO PIT. TAG SND FILL @1475' TOH ABOVE PERFS. SDFN.

2/3/04 C/O WITH AIR & MIST. C/O @1500' PBTD. SDFN.

2/4/04 SI CSG PRESS 100 PSI. C/O SDFN.

2/5/04 C/O AIR & MIST.

2/6/04 CSG PRESS 110 PSI. TIH LAND TBG @ 1384'. NDBOP. NUWH. PREP TO RUN RODS. SDFN.

2/7/04 UP REBUILT PMP & 3/4" RODS. SEAT & SPACE PMP. LOAD TBG w/2% KCL. PRESS TST 500 PSI. RD MO LOCATION.