

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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 - 078387A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <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		7. If Unit or CA Agreement, Name and No.
3a. Address P.O. BOX 3092 HOUSTON, TX 77253-3092		8. Lease Name and Well No. KERNAGHAN B 6S
3b. Phone No. (include area code) Ph: 281.366.4081 Fx: 281.366.0700		9. API Well No. 30 045 32170
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface SWSE 970FSL 1440FEL 36.51900 N Lat, 107.41700 W Lon At proposed prod. zone		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
14. Distance in miles and direction from nearest town or post office* 22 MILES N/E FROM AZTEC, NM		11. Sec., T., R., M., or Blk. and Survey or Area 0 Sec 29 T31N R8W Mer NMP
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 940	16. No. of Acres in Lease 1280.00	12. County or Parish SAN JUAN
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 500'	19. Proposed Depth 3338 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6385 GL	22. Approximate date work will start 04/15/2004	17. Spacing Unit dedicated to this well 320.00 E/2
		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:

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| 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) CHERRY HLAVA	Date 02/05/2004
Title REGULATORY ANALYST		
Approved by (Signature) OM	Name (Printed/Typed)	Date 4-23-04
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 #27606 verified by the BLM Well Information System
For BP AMERICA PRODUCTION COMPANY, sent to the FarmingtonThis action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

NMOC

Additional Operator Remarks:

65

This well is located on an existing P&A pad.

Additional Operator Remarks:

Notice of Staking was submitted on 11/06/03

BP America Production Company respectfully requests permission to drill the subject well to a total depth of approximately 3338 and complete into the Basin Fruitland Coal Pool as per the attached drilling and completion procedure.

SUPPLEMENTAL TO SURFACE USE PLAN

New Facilities:

A 4" diameter buried steel pipeline that is +/- 1960 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 Williams Field Services.

High Productivity Area Well

In reference to Order No. R-8768-F dated July 17, 2003 BP America Production Co. has notified offset operator: Burlington Resources of our intent to drill above mentioned well. Notification was sent 02/05/04 by certified mail.

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 30-045-32170	² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 766	⁵ Property Name Kernaghan B	⁶ Well Number # 6S
⁷ OGRID No. 000778	⁸ Operator Name BP AMERICA PRODUCTION COMPANY	⁹ Elevation 6385

¹⁰ Surface Location

UL or Lot No. O	Section 29	Township 31 N	Range 8 W	Lot Idn	Feet from the 970	North/South line SOUTH	Feet from the 1440	East/West line EAST	County SAN JUAN
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¹¹ 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 320	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

16	522' (R)	522' (R)	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 Hlava Printed Name Cherry Hlava Title Regulatory Analyst Date 1-21-04
5302' (R)	29	5302' (R)	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 October 1, 2003 Signature and Seal of Professional Surveyor GARY D. KAHN NEW MEXICO REGISTERED PROFESSIONAL LAND SURVEYOR 7016 Certificate Number
	1440'	970'	
	540' (R)		

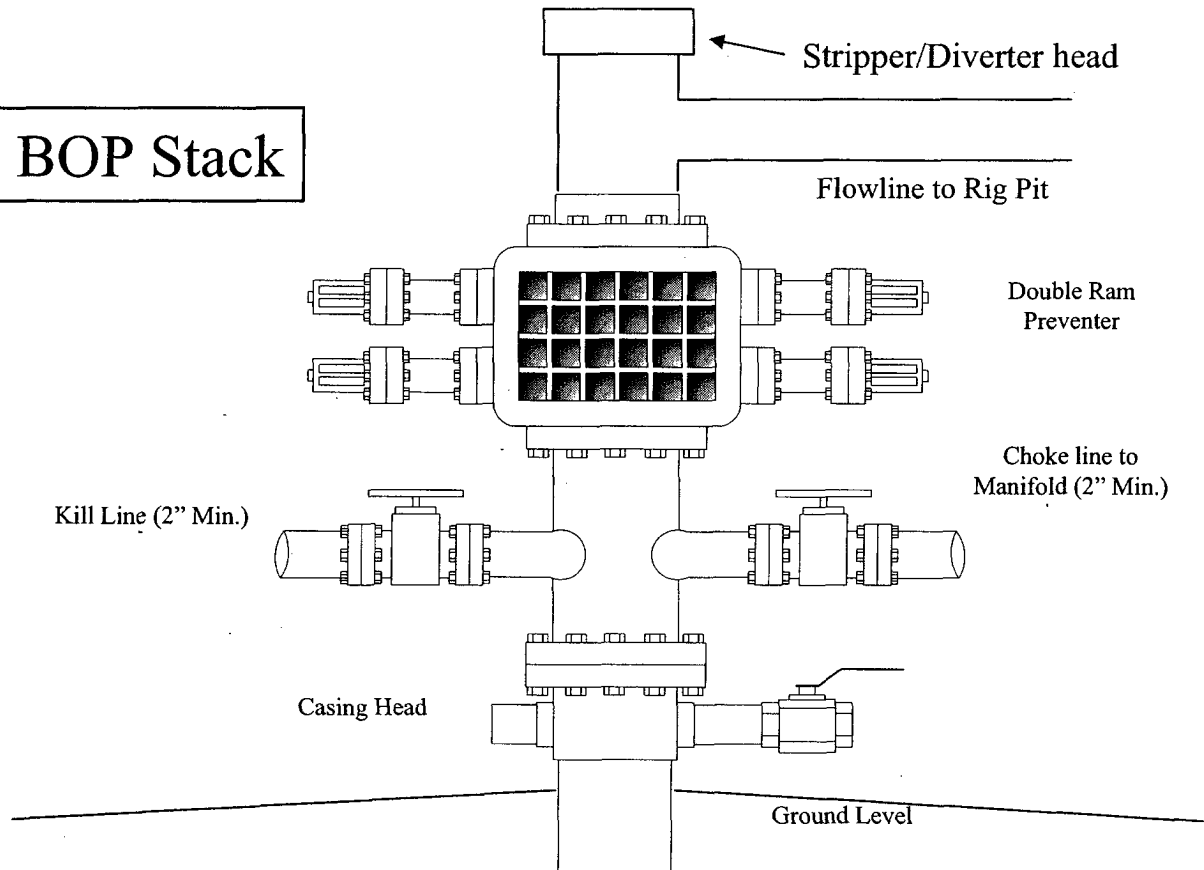
GENERAL REMARKS:

BP American Production Company

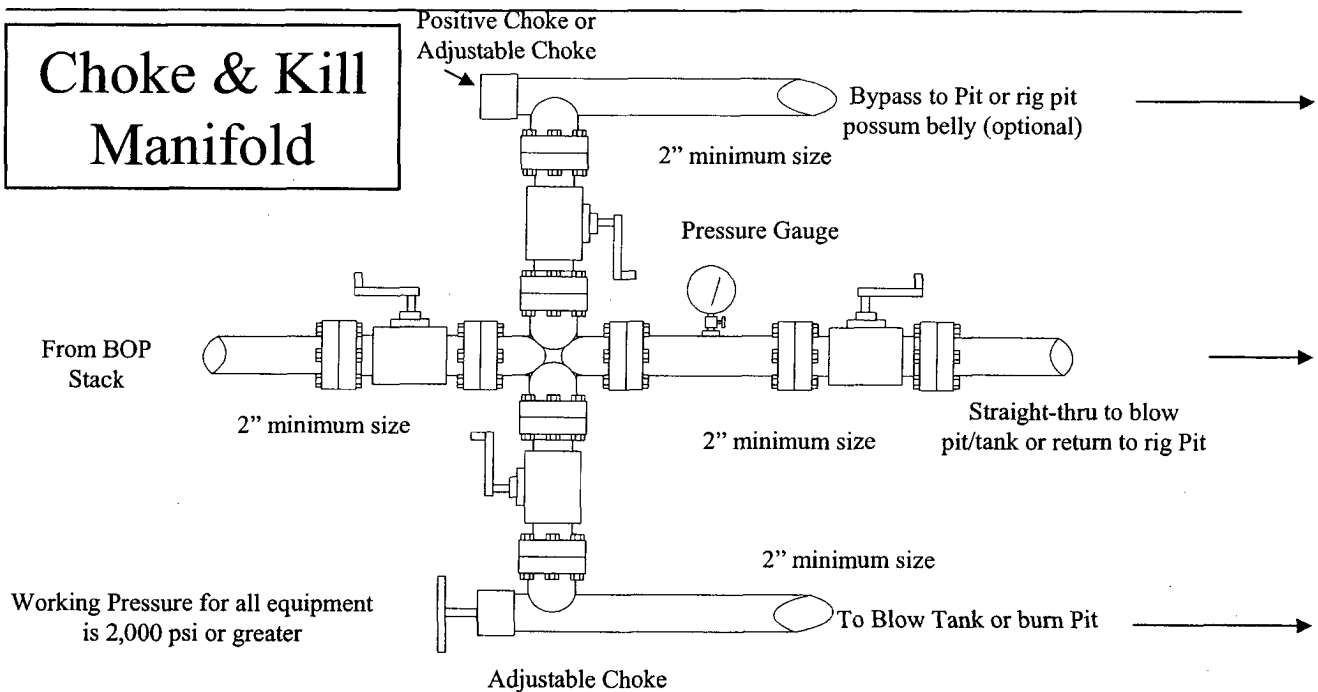
Well Control Equipment Schematic



BOP Stack

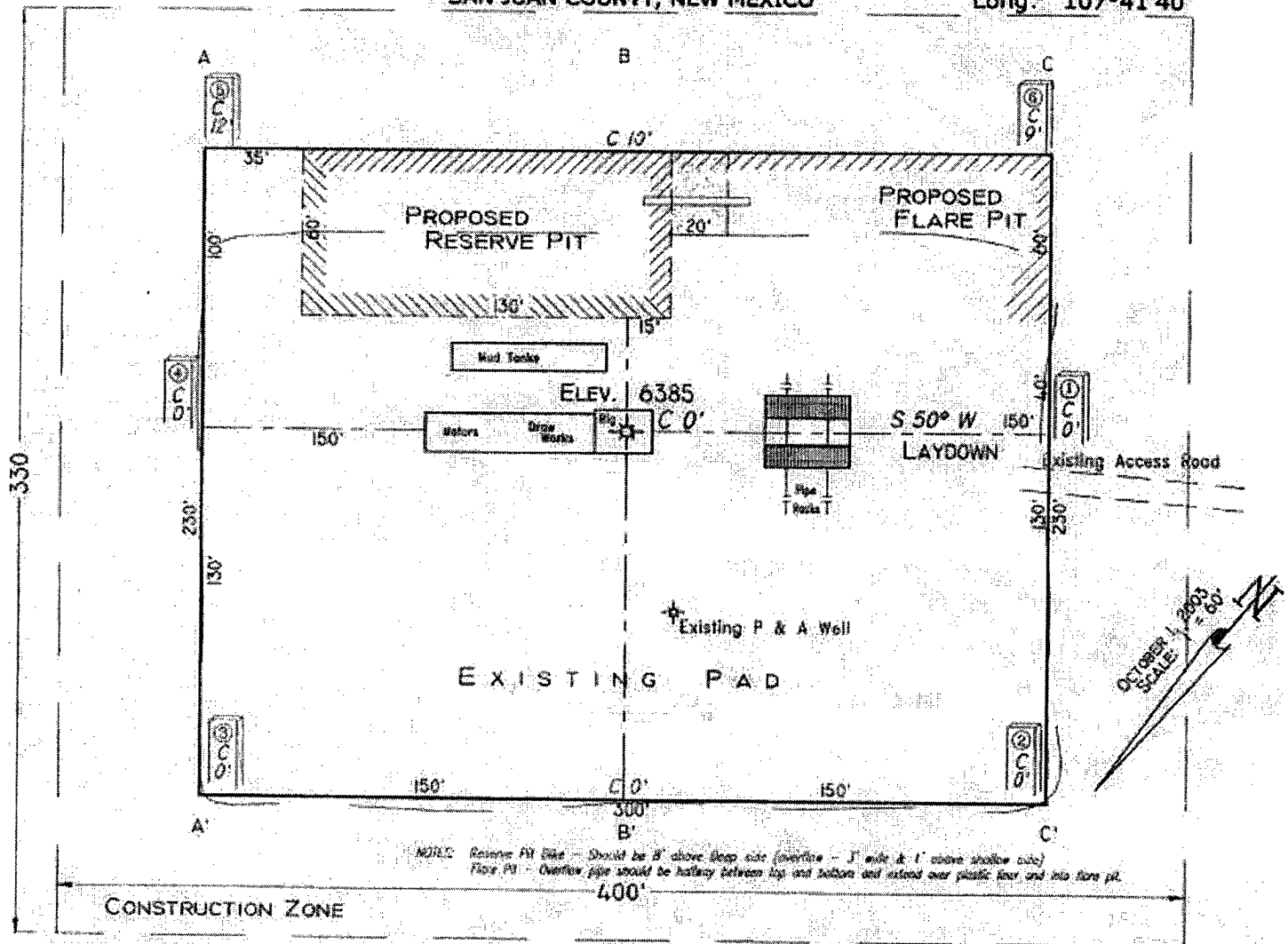


Choke & Kill Manifold



PAD LAYOUT PLAN & PROFILE
BP AMERICA PRODUCTION COMPANY
 Kernaghan B # 6S
 970' F/SL 1440' F/EL
 SEC. 29, T31N, R8W, N.M.P.M.
 SAN JUAN COUNTY, NEW MEXICO

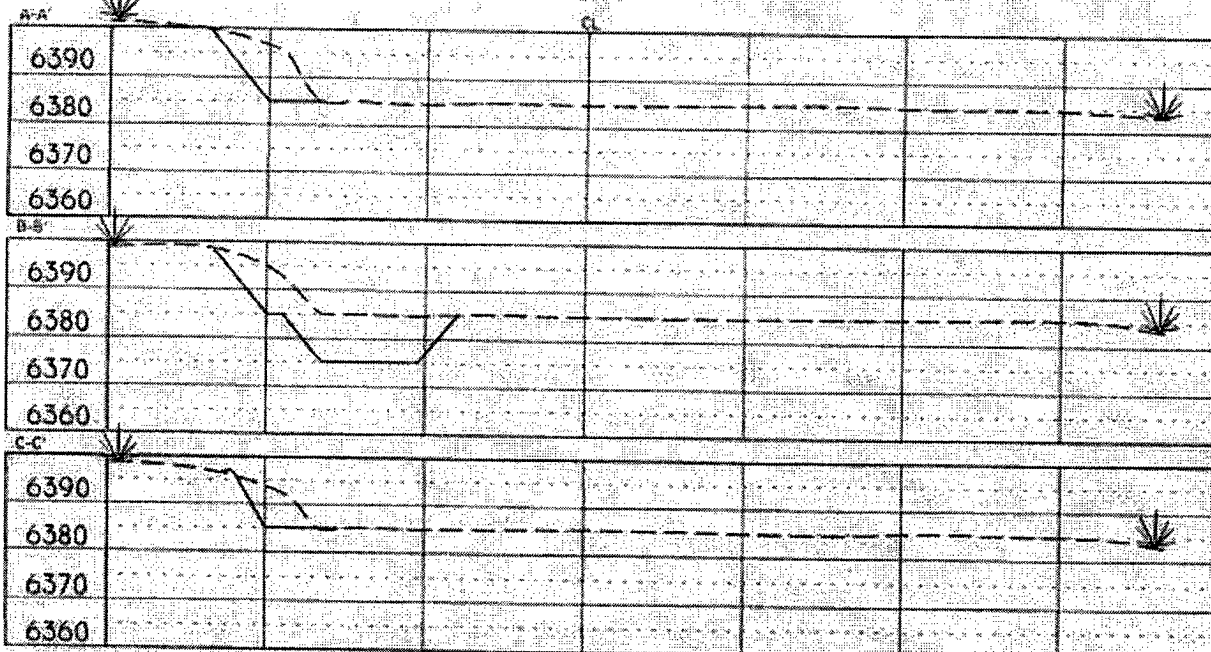
Lat: 36°51'51"
 Long: 107°41'40"



NOTE: Reserve Pit Size - Should be 1' above deep side (overflow - 3' wide & 1' above shallow side)
 Flare Pit - Overflow pipe should be halfway between top and bottom and extend over plastic floor and into flare pit.

Area of Construction Zone - 330' x 400' or 132 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 setbacks and drainages. Final Pad Dimensions are to be verified by Contractor.

VANN SURVEYS
 P. O. Box 1306
 Farmington, NM