

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: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator BP AMERICA PRODUCTION COMPANY Contact: MARY CORLEY
E-Mail: corleym@bp.com

3a. Address
P.O. BOX 3092
HOUSTON, TX 77253

3b. Phone No. (include area code)
Ph: 281.366.4491
Fx: 281.366.0700

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface NESW Lot K 2065FSL 1670FWL 36.48600 N Lat, 107.45200 W Lon
At proposed prod. zone

14. Distance in miles and direction from nearest town or post office*
16.5 MILES FROM AZTEC, NEW MEXICO

15. Distance from proposed location to nearest property or
lease line, ft. (Also to nearest drig. unit line, if any)
575

16. No. of Acres in Lease
320.00

18. Distance from proposed location to nearest well, drilling,
completed, applied for, on this lease, ft.
1075

19. Proposed Depth
5477 MD

21. Elevations (Show whether DF, KB, RT, GL, etc.)
6086 GL

22. Approximate date work will start
08/15/2004

5. Lease Serial No.
NMSF - 080004

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
FLORANCE R 8C

9. API Well No.

10. Field and Pool, or Exploratory
BLANCO MESAVERDE

11. Sec., T., R., M., or Blk. and Survey or Area

Sec 14 T30N R9W Mer NMP
SME: BLM

12. County or Parish
SAN JUAN

13. State
NM

17. Spacing Unit dedicated to this well

320.00 5/2

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:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
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).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
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
05/26/2004

Title
AUTHORIZED REPRESENTATIVE

Approved by (Signature)

Name (Printed/Typed)

Date

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 #31138 verified by the BLM Well Information System
For BP AMERICA PRODUCTION COMPANY, sent to the Farmington

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

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.2
and appeal pursuant to 43 CFR 3165.4

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

NMOCD

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 30-045-32399		2 Pool Code 12319		3 Pool Name Blanco Mesa Verde		
4 Property Code 000548		5 Property Name Florance R			6 Well Number # 8C	
7 OGRID No. 000178		8 Operator Name BP AMERICA PRODUCTION COMPANY			9 Elevation 6086	

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
K	14	30 N	9 W		2065	SOUTH	1670	WEST	SAN JUAN

11 Bottom Hole Location If Different From Surface

1 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.			

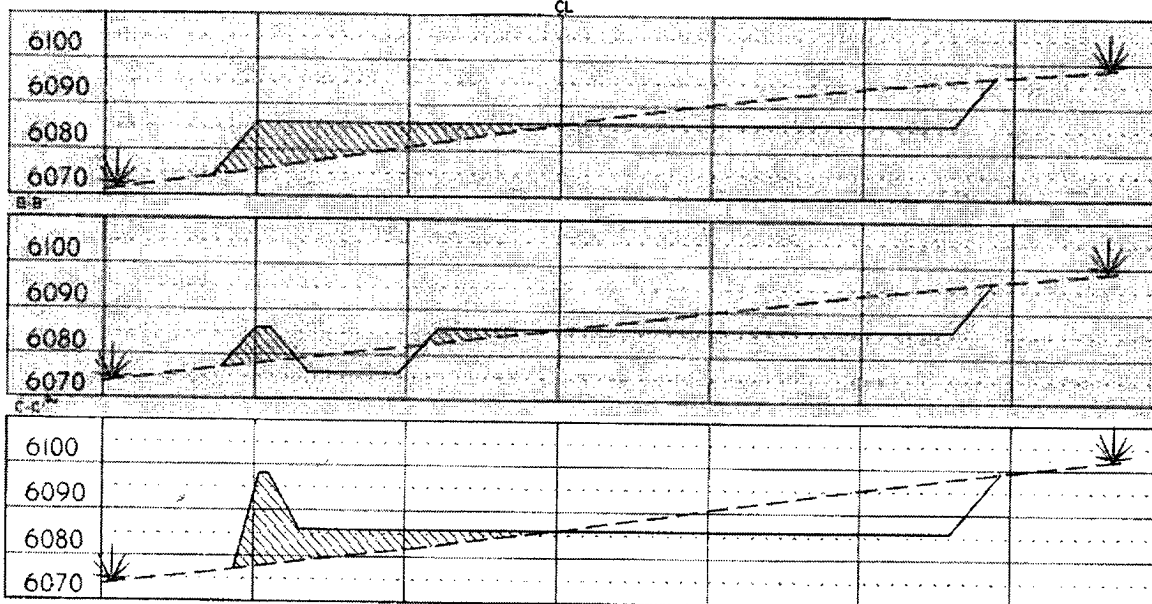
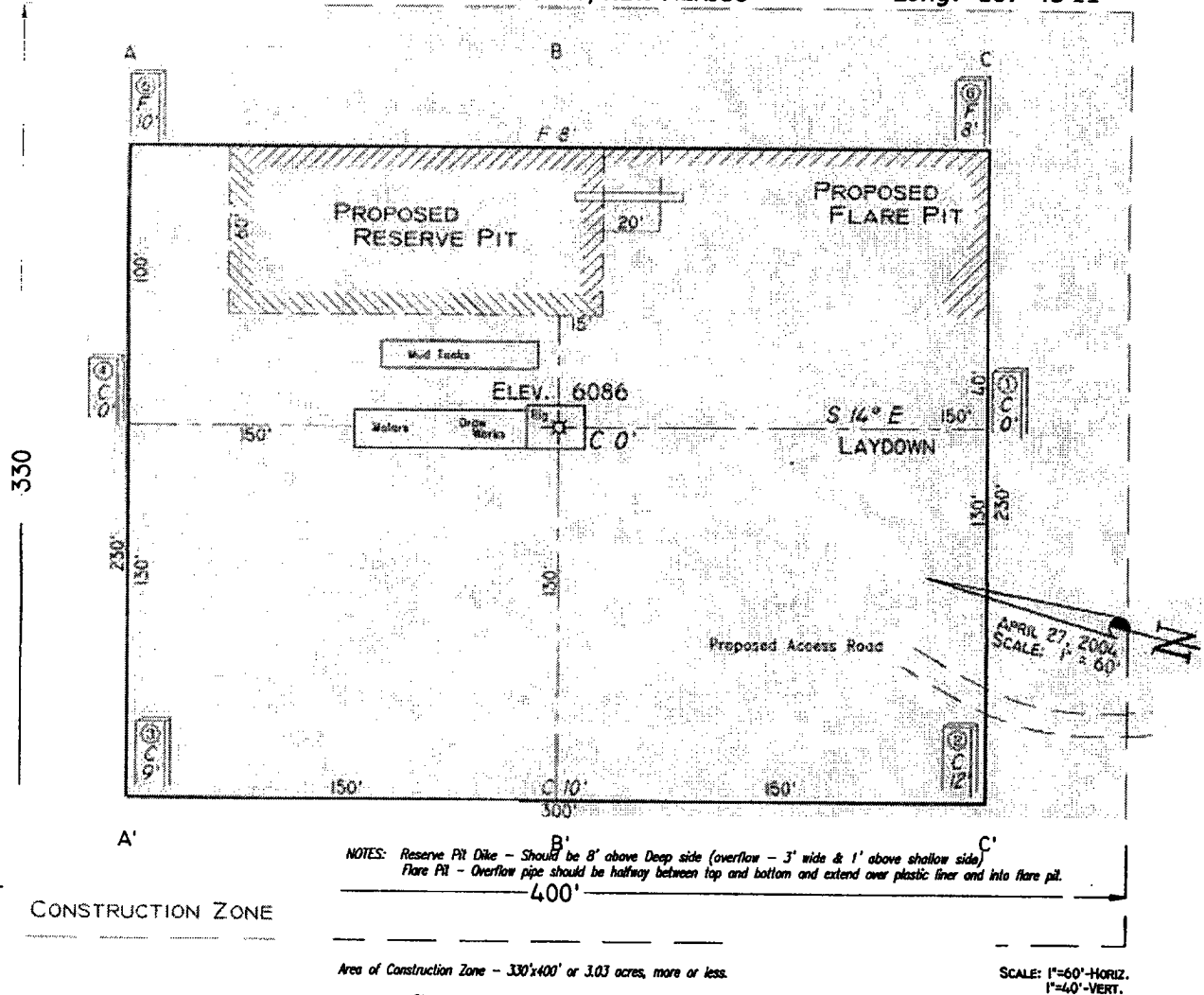
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16		5238(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: Mary Corley Printed Name: Mary Corley Title: Sr. Regulatory Analyst Date: 05.25.2004	
14		1670'		Date of Survey: April 27, 2004	
2065'		Florance R. 8B 30-045-31963 1400' FSL & 2275' FEL		Signature and Seal of Professional Surveyor GARY D. VANN 7016 7016 Certificate Number	
Florance R. 8 30-045-09431 990' FSL & 1650' FWL		Florance R. 8A 30-045-21789 1450' FSL & 1025' FEL			

(R) - BLM Record

PAD LAYOUT PLAN & PROFILE
BP AMERICA PRODUCTION COMPANY
 Florance R # 8C
 2065' F/SL 1670' F/WL
 SEC. 14, T30N, R9W, N.M.P.M.
 SAN JUAN COUNTY, NEW MEXICO

Lat: 36°48'34"
 Long: 107°45'11"



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 error needed for slopes and drainage. Final Pit Dimensions are to be verified by Contractor.

VANN SURVEYS
 P. O. Box 1306
 Farmington, NM

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

Prospect Name: Florance R
Lease: Florance R
County: San Juan
State: New Mexico
Date: May 12, 2004

Well No: 8 C
Surface Location: 14-30N-9W, 2065 FSL, 1670 FWL
Field: Blanco Mesaverde

OBJECTIVE: Drill 400' below the top of the Point Lookout Sandstone, set 2 7/8" production longstring, Stimulate CH, MF and PL intervals						
METHOD OF DRILLING				APPROXIMATE DEPTHS OF GEOLOGICAL MARKER		
TYPE OF TOOLS		DEPTH OF DRILLING		Estimated GL: 6086'		Estimated KB: 6097'
Rotary		0 - TD				
LOG PROGRAM						
TYPE		DEPTH INVERAL				
<u>OPEN HOLE</u>						
None						
<u>CASED HOLE</u>		TD to 7" shoe				
GR-CCL						
REMARKS: - Please report any flares (magnitude & duration).				MARKER		
				SUBSEA		
				TVD		
				Ojo Alamo	4432	1665
				Kirtland	4364	1733
				Fruitland	3816	2281
				Fruitland Coal	*	2531
				Pictured Cliffs	*	2845
				Lewis	*	3089
				Cliff House	#	4387
				Menefee	#	4691
				Point Lookout	#	5077
				Mancos	669	5428
				TOTAL DEPTH	620	5477
				# Probable completion interval * Possible Pay		
SPECIAL TESTS				DRILL CUTTING SAMPLES		DRILLING TIME
TYPE				FREQUENCY	DEPTH	FREQUENCY DEPTH
None				None	Production hole	Geolograph 0-TD
REMARKS:						
MUD PROGRAM:						
Approx. Interval		Type Mud	Weight, #/gal	Vis, sec/qt	W/L cc's/30 min	Other Specification
0 - 120		Spud	8.6-9.2			
120 - 2481 (1)		Water/LSND	8.6-9.2	<6		
2481 - 5477		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	8 5/8"	X-42 ST&C	20#	12.25"	1
Intermediate 1	2481	5 1/2"	J -55 ST&C	15.5#	7.875"	1,2
Production	5477	2 7/8"	J-55	6.5#	4.75"	3,4
REMARKS:						
(1) Circulate Cement to Surface						
(2) Set casing 50' above Fruitland Coal						
(3) Bring cement 100' above 5 1/2" shoe						
(4) 100' Overlap						
CORING PROGRAM:						
None						
COMPLETION PROGRAM:						
Rigless, 2-3 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				May 12, 2004		
Form 46 12-00 MNP				Version 2.0		

Additional Operator Remarks:

- Notice of Staking was submitted on 05/11/2004.

BP America Production Company respectfully request permission to drill the subject well to a total depth of approximately 5477' and complete in the Blanco Mesaverde Pool.

As an alternate to the drilling of the surface hole with drilling mud as stated on the attached Form 46, BP request permission to either drill with drilling mud or with air/air mist. Additionally, BP request as a possible alternate to the cementing of the surface casing to be either the cementing program stated on the cementing report or with approximately 94 CU/FT TYPE I-II, 20% FLYASH, 14.5 PPG, 7.41 GAL/SK, 1.61 CF/SK YIELD, 80 DEG BHST READY MIX CMT.

SUPPLEMENTAL TO SURFACE USE PLAN**New facilities:**

A 4 1/2" diameter buried steel pipeline that is + or 1150 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 a gas well 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 to El Paso Field Services, refer to the attached survey plat.

BP America Production Company

BOP Pressure Testing Requirements

Well Name: Florance R
County: San Juan

8 C
State: New Mexico

Formation	Estimated TVD/MD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	1665		
Fruitland Coal	2531		
PC	2845		
Lewis Shale	3089		
Cliff House	4387	500	0
Menefee Shale	4691		
Point Lookout	5077	600	0
Mancos	5428		
Dakota	-	2600	1374

** Note: Determined using the following formula: $ABHP - (.22 * TVD) = ASP$

Requested BOP Pressure Test Exception: 750 psi

SAN JUAN BASIN
Mesaverde Formation
Pressure Control Equipment

Background

Mesaverde
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.

Blanco Mesaverde

Equipment Specification

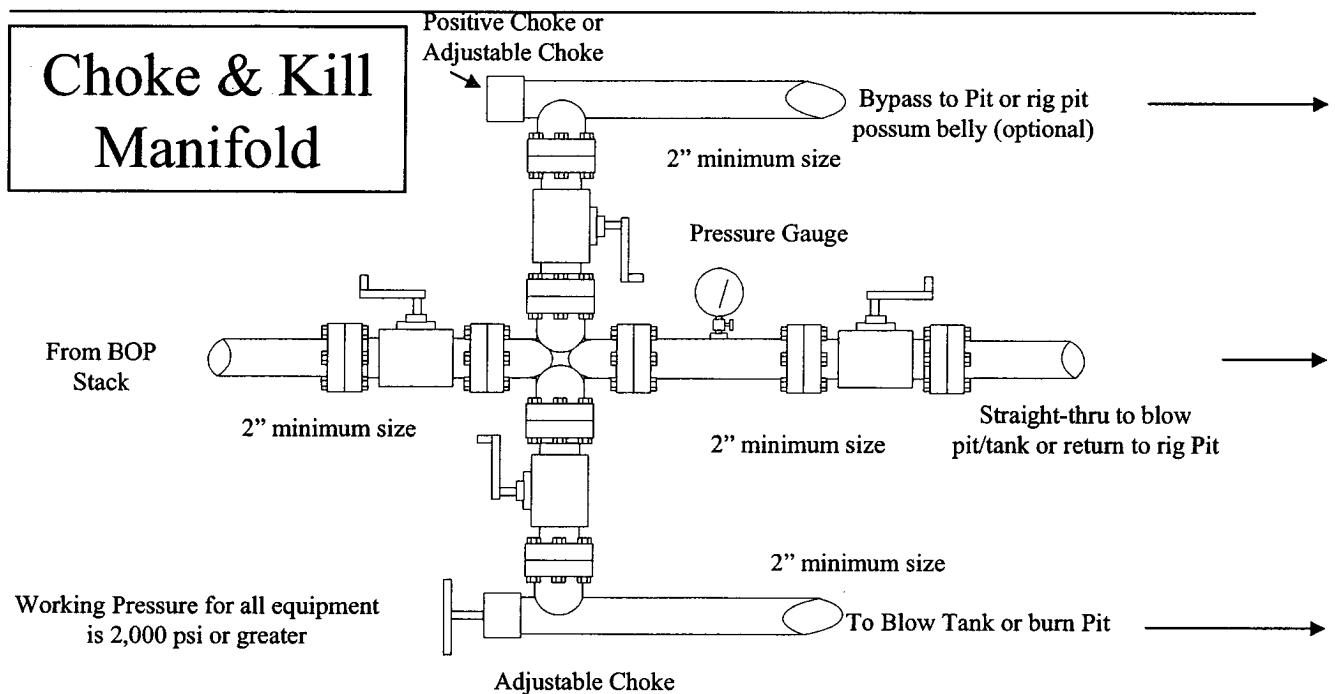
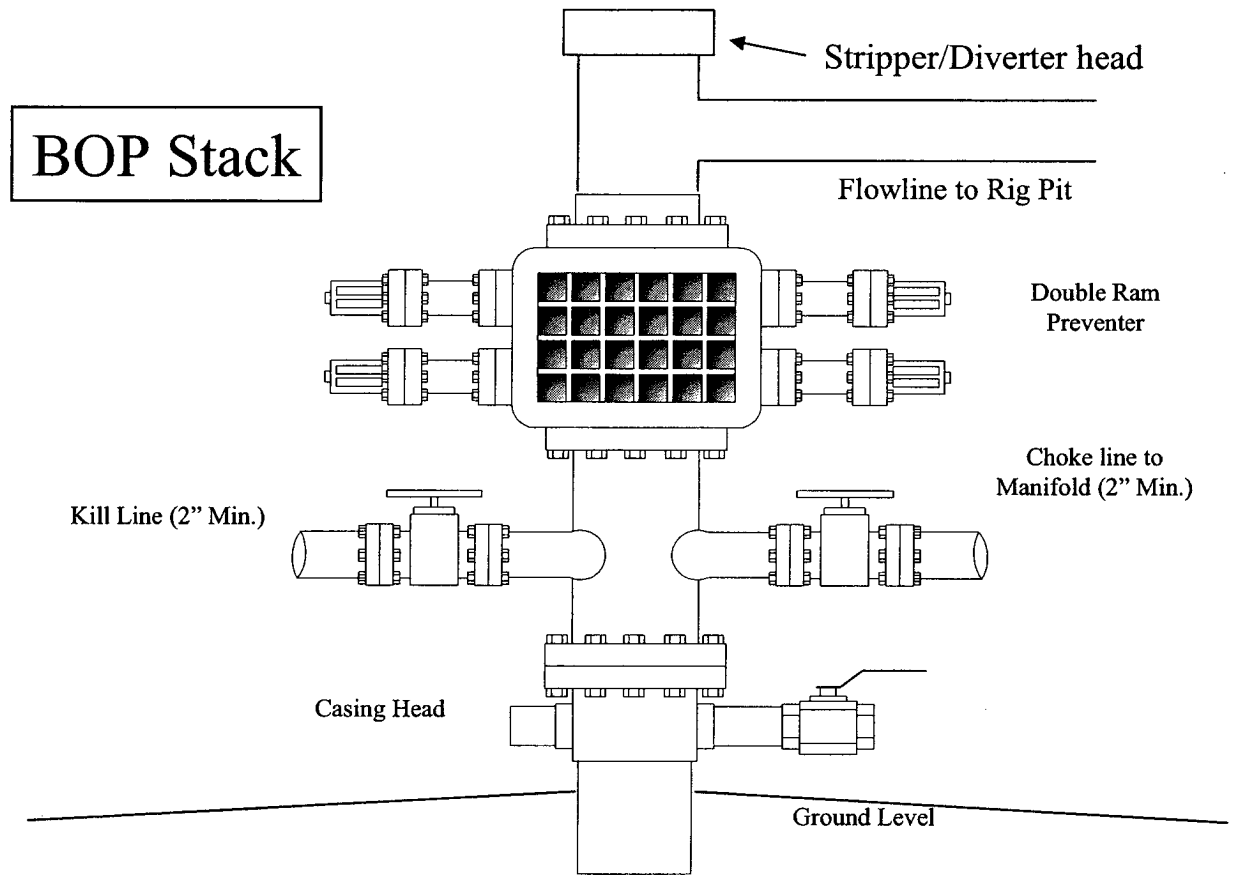
Interval

BOP Equipment

Below conductor casing to total depth 11" nominal or 7 1/16", 3000 psi
double ram preventer with rotating head.

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.

BP American Production Company
Well Control Equipment Schematic



Cementing Program

Well Name: Florance R8C
Location: 14-30N-09W, 2065 FSL, 1670 FWL
County: San Juan
State: New Mexico

Field: Blanco Mesaverde
API No.
Well Flac
Formation: MesaVerde
KB Elev (est) 6097
GL Elev. (est) 6086

Casing Program:

Casing String	Est. Depth (ft.)	Hole Size (in.)	Casing Size (in.)	Thread	TOC (ft.)	Stage Tool Or TOL (ft.)
Surface	120	12 1/4	8 5/8	ST&C	Surface	NA
Intermediate	2481	7 7/8	5 1/2	ST&C	Surface	NA
Production -	5477	4 3/4	2 7/8	2381	NA	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	8 5/8	24	X42	2950	1370	244	0.06368	7.972
Intermediate	5 1/2	15.5	J55	4810	4040	202	0.0238	5.067
Production -	2 7/8	6.5	J-55	7264	7676	72	0.00579	2.375

Mud Program

Apx. Interval (ft.)	Mud Type	Mud Weight	Recommended Mud Properties Prio Cementing:
0 - SCP	Water/Spud	8.6-9.2	Fluid Loss <6
SCP - ICP	Water/LSND	8.6-9.2	
ICP - TD	Gas/Air Mist	NA	

Cementing Program:

	Surface	Intermediate	Production
Excess %, Lead	100	100	40
Excess %, Tail	NA	0	40
BHST (est deg. F)	72	110	159
Time Between Stages, (hr)	NA	NA	NA
Special Instructions	1,6	1,6	2,6

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.

Surface:

Preflush	20 bbl.	FreshWater	
Slurry 1	80 sx Class C Cement		95 cuft
TOC@Surface	+ 2% CaCl2 (accelerator)		
			0.3961 cuft/ft OH
			100 % excess
Slurry Properties:	Density (lb/gal)	Yield (ft ³ /sk)	Water (gal/sk)
Slurry 1	15.2	1.27	5.8

Intermediate:

Cementing Program

Fresh Water 20 bbl fresh water

Lead	260 sx Class "G" Cement	669 cuft
Slurry 1	+ 3% D79 extender	
TOC@Surface	+1/4 #/sk. Cellophane Flake	
	+ 0.1% D46 antifoam'	
Tail	70 sx 50/50 Class "G"/Poz	87 cuft
Slurry 2	+ 2% gel (extender)	
	0.1% D46 antifoam	
500 ft fill	+1/4 #/sk. Cellophane Flake	0.1733 cuft/ft OH
	+ 2% S1 Calcium Chloride	0.2009 cuft/ft csg ann
		80 % excess

Slurry Properties:	Density (lb/gal)	Yield (ft3/sk)	Water (gal/sk)
Slurry 1	11.7	2.61	17.77
Slurry 2	13.5	1.27	5.72

Production:

Fresh Water 10 bbl CW100

Slurry	140 LiteCrete D961 / D124 / D154	352 cuft
	+ 0.03 gps D47 antifoam	
	+ 0.5% D112 fluid loss	
TOC 200 ft in 5 1/2"	+ 0.11% D65 TIC	

Slurry Properties:	Density (lb/gal)	Yield (ft3/sk)	Water (gal/sk)	
Slurry	9.5	2.52	6.38	0.078 cuft/ft OH
				40 % excess
				0.0886 cuft/ft csg ann