

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
*Do not use this form for proposals to drill or to re-enter an
Abandoned well. Use Form 3160-3 (APD) for such proposals.*

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.

SF - 078596-A

6. If Indian, Allottee or tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well



Oil Well



Gas Well



Other

2. Name of Operator

BP AMERICA PRODUCTION COMPANY

3a. Address

P.O. BOX 3092 HOUSTON, TX 77253-3092

3b. Phone No. (include area code)

281-366-4081

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Surface: SEC 03 T29N & R08W SWNW 1955' FNL 660' FWL

Bottom Hole: Sec. 3 T29N & 08W SENW 2495' FNL & 1661' FWL

8. Well Name and No.

Florance T 123 S

9. API Well No.

30-045-32365

10. Field and Pool, or Exploratory Area

BASIN FRUITLAND COAL

11. County or Parish, State

SAN JUAN, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OR NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION



Notice of Intent



Subsequent Report



Final Abandonment Notice

TYPE OF ACTION



Acidize



Alter Casing



Casing Repair



Change Plans



Convert to Injection



Deepen



Fracture Treat



New Construction



Plug and Abandon



Plug Back



Production (Start/Resume)



Reclamation



Recomplete



Water Disposal



Water shut-Off



Well Integrity



Other Change to Original
Drilling plan

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

Original APD submitted on 5/19/04 and approved on 9/27/04. The original plan was to drill the well as a straight hole. It is now our intent to directionally drill the well to a bottom hole location of 2495' FNL & 1661' FWL. The surface location remains the same.

Attached in support of our request is amended drilling and completion program, amended cementing report, directional drilling plot and profile & amended Form C-102.

14. I hereby certify that the foregoing is true and correct
Name (Printed/typed)

CHERRY HLAVA

Title **REGULATORY ANALYST**

Signature

Cherry Hlava

Date 10/11/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Jim Lovel

Title

Petr. Eng

Date

10/18/04

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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.

HOLD FOR *Directional Survey*

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 30-045-32365	² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 000552	⁵ Property Name Florance T	⁶ Well Number # 123S
⁷ OGRID No. 000778	⁸ Operator Name BP AMERICA PRODUCTION COMPANY	⁹ Elevation 6304

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
E	3	29 N	8 W		1955	NORTH	660	WEST	SAN JUAN

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
F	3	29 N	8 W		2495'	North	1661'	West	San Juan

¹² Dedicated Acres 324.16	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature <u>Cherry Hlava</u> Printed Name <u>Cherry Hlava</u> Title <u>Regulatory Analyst</u> Date <u>5-19-04</u>
	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. March 17, 2004 Date of Survey Signature and Seal of Professional Surveyor 7016 Certificate Number

API 30-045-32365

BP AMERICA PRODUCTION COMPANY
DRILLING AND COMPLETION PROGRAM

Prospect Name: Florance T123S

Lease:

Well No: 123S

Surface Location: Section 3E, T29N, R08W;
1955' FNL, 660' FWL

BH Location: 2495' FNL; 1661' FWL

County: San Juan

Field: Basin Fruitland Coal

State: New Mexico

Date: October 11, 2004

OBJECTIVE: Drill deviated well to TVD of 3150' kb set 7" casing and perf and frac the Fruitland Coal interval.

METHOD OF DRILLING		APPROXIMATE DEPTHS OF GEOLOGICAL MARKER				
TYPE OF TOOLS	DEPTH OF DRILLING	Estimated GL: 6304		Estimated KB: 6315		
Rotary	0-3150' KB TVD	MARKER		SUBSEA	TVD-RKB	MD
LOG PROGRAM		Ojo Alamo		4401	1914	2029
		Kirtland		4226	2089	2221
		Fruitland		3592	2723	2877
		Fruitland Coal	*#	3507	2808	3044
		Pictured Cliffs	*	3311	3004	3223
TOTAL DEPTH				3167	3150	3381
REMARKS:		# Probable completion interval * Possible Pay				
SPECIAL TESTS		DRILL CUTTING SAMPLES		DRILLING TIME		
TYPE	DEPTH INVERAL	FREQUENCY	DEPTH	FREQUENCY	DEPTH	
None		none	none	Geolograph	3381TVD	
REMARKS:						

MUD PROGRAM:						
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 - 3381 (1)	Water/LSND	8.6-9.2		<6		

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, #/ft	Weight	Hole Size	Landing Pt, Cmt, Etc.
Surface/Conductor	120	8-5/8"	H-40 , 8 RND	20.0	12.25 12.5"	1
Intermediate	3381	5-1/2"	J-55, 8 RND	15.5	11.875 12"	1

REMARKS:

(1) Circulate Cement to Surface

CORING PROGRAM:

None

COMPLETION PROGRAM:

Rigless, Single 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:

Harald Jordan

10/11/2004

Form 46 12-00 HGJ

BP America Production Company BOP Pressure Testing Requirements

Well Name: Florance T123S

County: San Juan

State: New Mexico

Formation	TVD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	1916		
Kirtland	2091		
Fruitland Coal	2690	400	0
PC			
Lewis Shale			
Cliff House			
Menefee Shale			
Point Lookout			
Mancos			
Dakota			

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

Requested BOP Pressure Test Exception: 850 psi

Cementing Program

FINAL CORRECTION 10/18/04

Well Name: **Florance T123S**
 Location: **Sec 03 - 29N - 08W, 1955' FNL, 660' FWL**
 County: **San Juan**
 State: **New Mexico**

Field: **Basin Fruitland Coal**
 API No.
 Well Flac
 Formation: **Fruitland Coal**
 KB Elev (est) **6315**
 GL Elev. (est) **6304**

Casing Program:

Casing String	Est. Depth (ft.)	Hole Size (in.)	Casing Size (in.)	Thread	TOC (ft.)
Surface	120	12.25	8 5/8	8rd	Surface
Production -	3381	7.875	5 1/2	8rd	Surface

Casing Properties: (No Safety Factor Included)

Casing String	Size (in.)	Weight (lb/ft)	Grade
Surface	8 5/8	20	H-40 X-42
Production -	5 1/2	15.5	J-55

Mud Program

Apx. Interval (ft.)	Mud Type	Mud Weight	Recommended Mud Properties Prio Cementing:
0 - SCP	Water/Spud	8.6-9.2	PV <20 YP <10 Fluid Loss <6
SCP - TD	Water/LSND	8.6-9.2	

Cementing Program:

	Surface	Production
Excess %, Lead	100	40
Excess %, Tail	NA	40
BHST (est deg. F)	75	120
Special Instructions	1,6	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

Surface:

Preflush	20 bbl.	FreshWater	
Slurry 1	90 sx Class C Cement		107 cuft
TOC@Surface	+ 2% CaCl ₂ (accelerator)		
			0.4465 cuft/ft OH

Slurry Properties:	Density (lb/gal)	Yield (ft ³ /sk)	Water (gal/sk)
Slurry 1	15.2	1.27	5.8

Casing Equipment:

- 8-5/8", 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

Production:

Fresh Water 10 bbl CW100

Lead Slurry 1 TOC@Surface	310 sx Class "G" Cement + 3% D79 extender + 2% S1 Calcium Chloride + 1/4 #/sk. Cellophane Flake + 0.1% D46 antifoam	805 cuft
Tail Slurry 2 500 ft fill	120 sx 50/50 Class "G"/Poz + 2% gel (extender) 0.1% D46 antifoam + 1/4 #/sk. Cellophane Flake + 2% CaCl2 (accelerator)	141 cuft 0.2019 cuft/ft OH 0.2009 cuft/ft csg ann

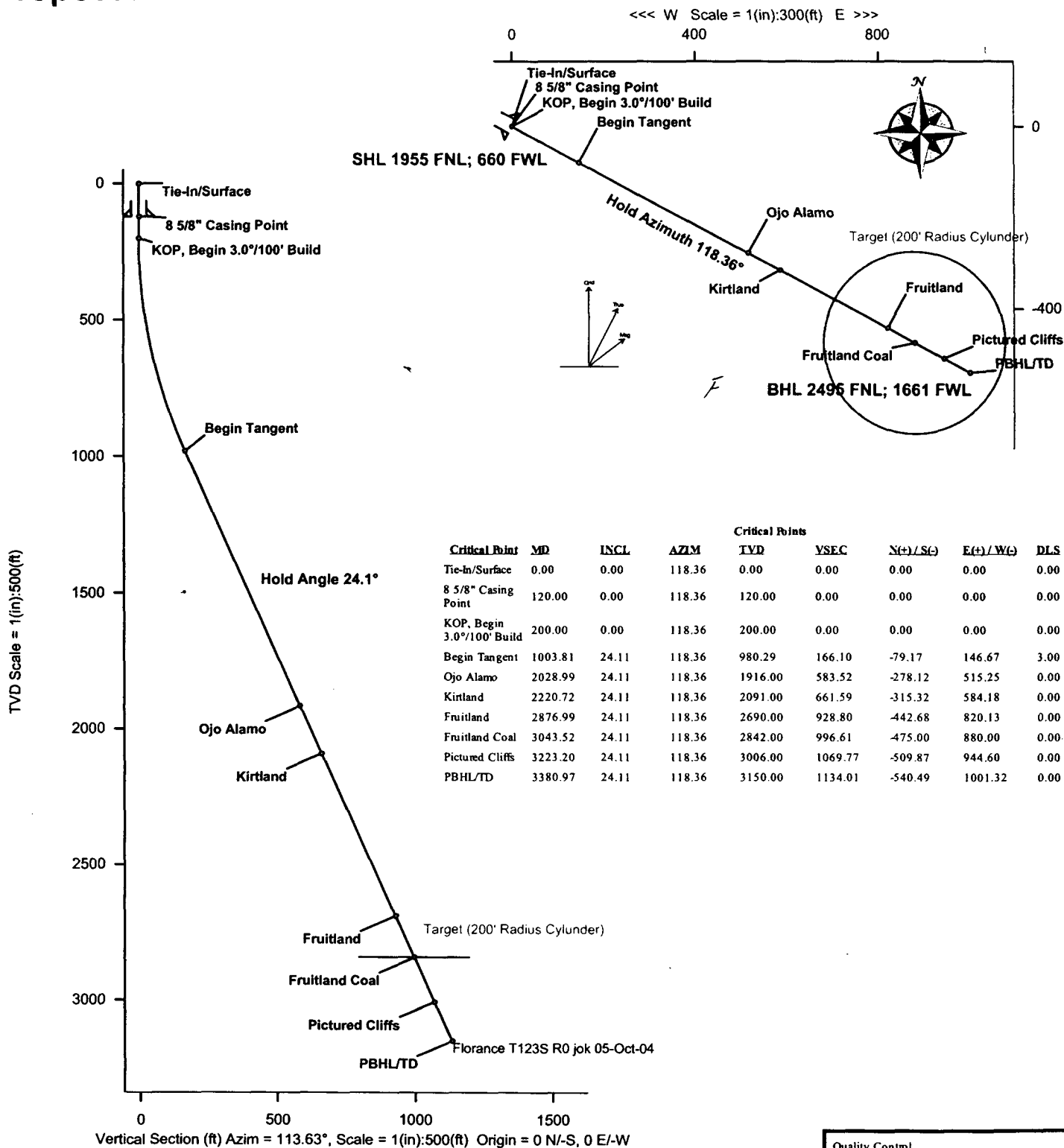
Slurry Properties:	Density (lb/gal)	Yield (ft3/sk)	Water (gal/sk)
Slurry 1	11.4	2.61	17.77
Slurry 2	13.5	1.27	5.72

Casing Equipment:

- 5 1/2", 8R, ST&C
- 1 Float Shoe (autofill with minimal LCM in mud)
- 1 Float Collar (autofill with minimal LCM in mud)
- Centralizers as needed
- 1 Top Rubber Plug
- 1 Thread Lock Compound

Well
Florance T123SField
NM, San Juan CountyStructure
BP 03E-29N-8W

Proposal



Quality Control
 Date Drawn: Wed 02:38 PM October 06, 2004
 Drawn by: John O'Keefe
 Checked by: Richard Sanders
 Client OK:

Florance T123S R0 Proposal

Report Date: October 6, 2004	Survey / DLS Computation Method: Minimum Curvature / Lubinski
Client: BP America Inc.	Vertical Section Azimuth: 113.630°
Field: NM, San Juan County (NAD 83 WZ) 2004	Vertical Section Origin: N 0.000 ft, E 0.000 ft
Structure / Slot: BP 03E-29N-8W (Florance T123S) No Plat / Florance T123S	TVD Reference Datum: RKB
Well: Florance T123S	TVD Reference Elevation: 6317.0 ft relative to MSL
Borehole: Original Hole	Sea Bed / Ground Level Elevation: 6304.000 ft relative to MSL
UWI/API#:	Magnetic Declination:
Survey Name / Date: Florance T123S R0 jok 05-Oct-04 / October 6, 2004	Total Field Strength:
Tort / AHD / DDI / ERD ratio: 24.114° / 1137.88 ft / 4.469 / 0.361	Magnetic Dip:
Grid Coordinate System: NAD83 New Mexico State Planes, Western Zone, US Feet	Declination Date:
Location Lat/Long:	Magnetic Declination Model:
Location Grid N/E Y/X:	North Reference: Grid North
Grid Convergence Angle:	Total Corr Mag North -> Grid North:
Grid Scale Factor:	Local Coordinates Referenced To: Well Head

Comments	Measured Depth (ft)	Inclination (deg)	Azimuth (deg)	TVD (ft)	Vertical Section (ft)	NS (ft)	EW (ft)	Closure (ft)	Closure Azimuth (deg)	DLS (deg/100 ft)	Tool Face (deg)
Tie-In/Surface	0.00	0.00	118.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	118.36M
8 5/8" Casing Point	120.00	0.00	118.36	120.00	0.00	0.00	0.00	0.00	0.00	0.00	118.36M
KOP, Begin 3.0"/100' Build	200.00	0.00	118.36	200.00	0.00	0.00	0.00	0.00	0.00	0.00	118.36M
	300.00	3.00	118.36	299.95	2.61	-1.24	2.30	2.62	118.36	3.00	118.36M
	400.00	6.00	118.36	399.63	10.43	-4.97	9.21	10.46	118.36	3.00	0.00G
	500.00	9.00	118.36	498.77	23.43	-11.17	20.69	23.51	118.36	3.00	0.00G
	600.00	12.00	118.36	597.08	41.59	-19.82	36.73	41.74	118.36	3.00	0.00G
	700.00	15.00	118.36	694.31	64.86	-30.91	57.27	65.08	118.36	3.00	0.00G
	800.00	18.00	118.36	790.18	93.16	-44.40	82.26	93.48	118.36	3.00	0.00G
	900.00	21.00	118.36	884.43	126.42	-60.25	111.63	126.85	118.36	3.00	0.00G
	1000.00	24.00	118.36	976.81	164.55	-78.43	145.30	165.12	118.36	3.00	0.00G
Begin Tangent	1003.81	24.11	118.36	980.29	166.10	-79.17	146.67	166.67	118.36	3.00	0.00G
Ojo Alamo	2028.99	24.11	118.36	1916.00	583.52	-278.12	515.25	585.51	118.36	0.00	0.00G
Kirtland	2220.72	24.11	118.36	2091.00	661.59	-315.32	584.18	663.85	118.36	0.00	0.00G
Fruitland	2876.99	24.11	118.36	2690.00	928.80	-442.68	820.13	931.97	118.36	0.00	0.00G
Fruitland Coal	3043.52	24.11	118.36	2842.00	996.61	-475.00	880.00	1000.01	118.36	0.00	0.00G
Pictured Cliffs	3223.20	24.11	118.36	3006.00	1069.77	-509.87	944.60	1073.42	118.36	0.00	0.00G
PBHL/TD	3380.97	24.11	118.36	3150.00	1134.01	-540.49	1001.32	1137.88	118.36	0.00	0.00G

Survey Type: Raw Proposal

Survey Error Model: SLB ISCWSA version 21 *** 3-D 95.00% Confidence 2.7955 sigma

Surveying Prog:

MD From (ft)

0.00

MD To (ft) EOU Freq Survey Tool Type

3380.97 1/100.00 ft SLB_MWD-STD