

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. NM - 0606
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.
3a. Address P.O. BOX 3092 HOUSTON, TX 77253-3092		8. Lease Name and Well No. ATLANTIC A LS 3 M
3b. Phone No. (include area code) Ph: 281.366.4081 Fx: 281.366.0700		9. API Well No. 3004532466
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NESW 1885FSL 1630FWL 36.86667 N Lat, 107.88444 W Lon At proposed prod. zone		10. Field and Pool, or Exploratory BASIN DAKOTA & BLANCO MV
14. Distance in miles and direction from nearest town or post office* 7.7 MILES EAST FROM AZTEC, NM		11. Sec., T., R., M., or Blk. and Survey or Area K Sec 28 T31N R10W Mer NMP
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1630'	16. No. of Acres in Lease 1732.68	12. County or Parish SAN JUAN
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 7500 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6056 GL	22. Approximate date work will start 09/15/2004	17. Spacing Unit dedicated to this well 320.00 317.8 w/p
		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) CHERRY HLAVA	Date 07/15/2004
Title REGULATORY ANALYST		
Approved by (Signature)	Name (Printed/Typed)	Date
Title ACTING AFD		06/02/04
Office PPM		

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 #33062 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 3165.3  
and appeal pursuant to 43 CFR 3165.4

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

WINGED

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

<sup>1</sup> API Number 30-045-32466	<sup>2</sup> Pool Code 71599; 72319	<sup>3</sup> Pool Name Basin Dakota; Blanco Mesaverde
<sup>4</sup> Property Code 001767 281	<sup>5</sup> Property Name Atlantic A LS	<sup>6</sup> Well Number # 3M
<sup>7</sup> OGRID No. 000778	<sup>8</sup> Operator Name BP AMERICA PRODUCTION COMPANY	<sup>9</sup> Elevation 6056

<sup>10</sup> 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 (Lot 11)	28	31 N	10 W		1885	SOUTH	1630	WEST	SAN JUAN

Bottom Hole Location If Different From Surface

<sup>7</sup> UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres 3203178	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.						

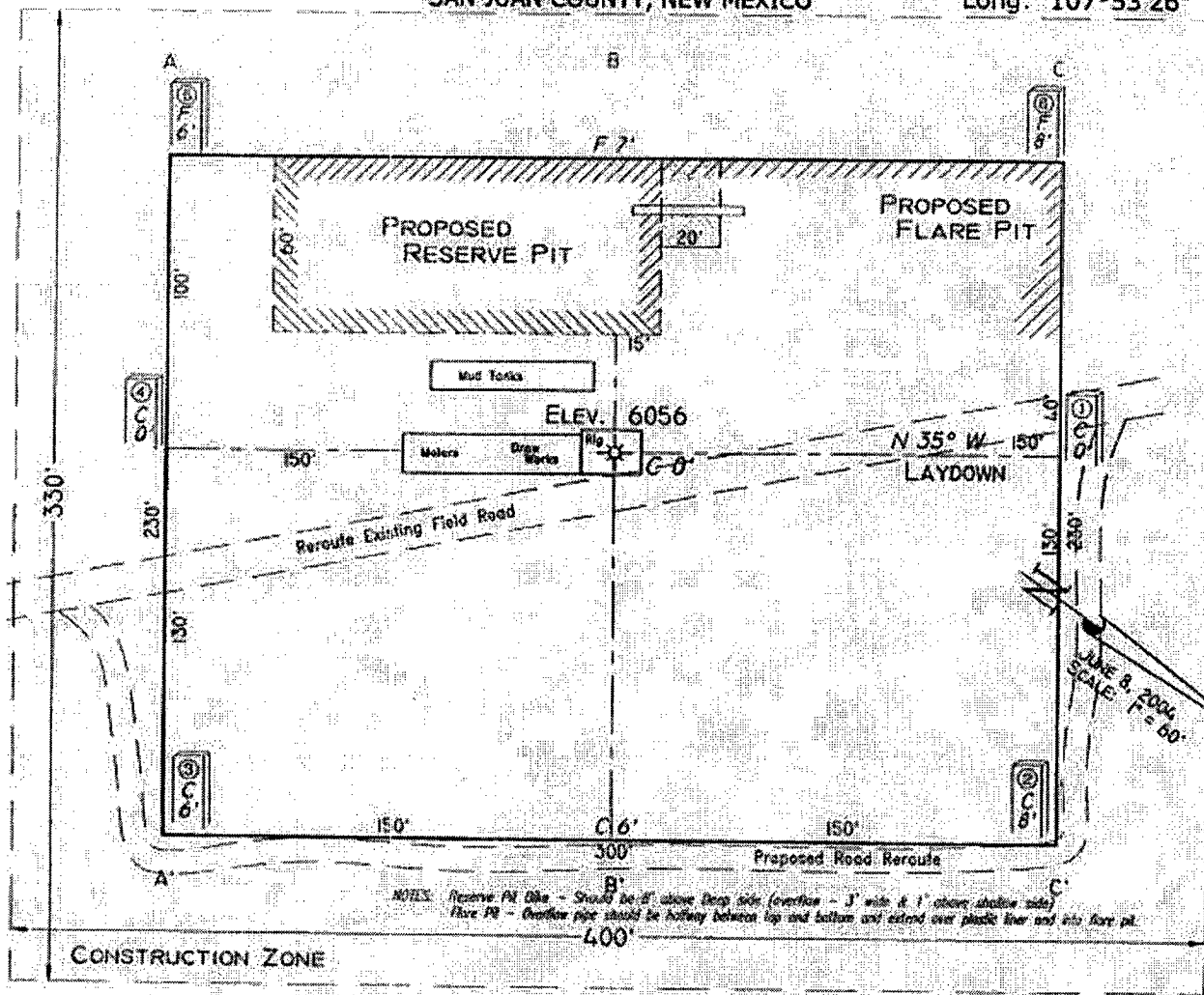
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div><p>16</p><p>2660 (R)</p><p>2560 (R)</p><p>2627 (R)</p><p>2674 (R)</p><p>2608 (R)</p><p>506 (R)</p><p>28</p><p>Lot 4</p><p>Lot 3</p><p>Lot 2</p><p>Lot 1</p><p>Lot 5</p><p>Lot 6</p><p>Lot 7</p><p>Lot 8</p><p>Lot 12</p><p>Lot 11</p><p>Lot 10</p><p>Lot 9</p><p>Lot 13</p><p>Lot 14</p><p>Lot 15</p><p>Lot 16</p><p>- 1630'</p><p>1885'</p></div>	<div><p><sup>17</sup> OPERATOR CERTIFICATION</p><p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p><p><i>Cherry Hlava</i> Signature <i>Cherry Hlava</i> Printed Name Regulatory Analyst Title 7-14-04 Date</p><p><sup>18</sup> SURVEYOR CERTIFICATION</p><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>June 8, 2004 Date of Survey</p><p><i>GARY D. VAN...</i> Signature and Seal of Professional Surveyor</p><p>7016 Certificate Number</p></div>
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(R) - BLM Record

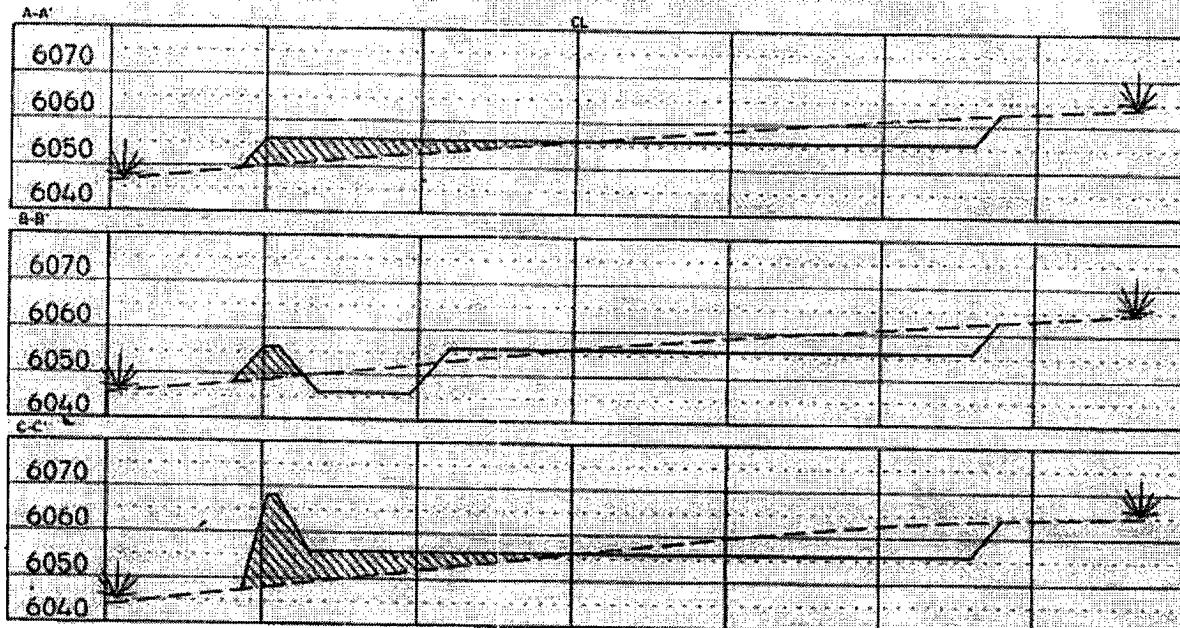
**PAD LAYOUT PLAN & PROFILE**  
**BP AMERICA PRODUCTION COMPANY**  
 Atlantic A LS # 3M  
 1885' F/SL 1630' F/WL  
 SEC. 28, T31N, R10W, N.M.P.M.  
 SAN JUAN COUNTY, NEW MEXICO

Lat: 36°52'03"  
 Long: 107°53'26"



Area of Construction Zone - 150' x 100' or 1.61 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 ten (10) 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 shoulders and drainage. Final pad dimensions are to be verified by Contractor.

WANN SURVEYS  
 P. O. Box 1306  
 Farmington, NM

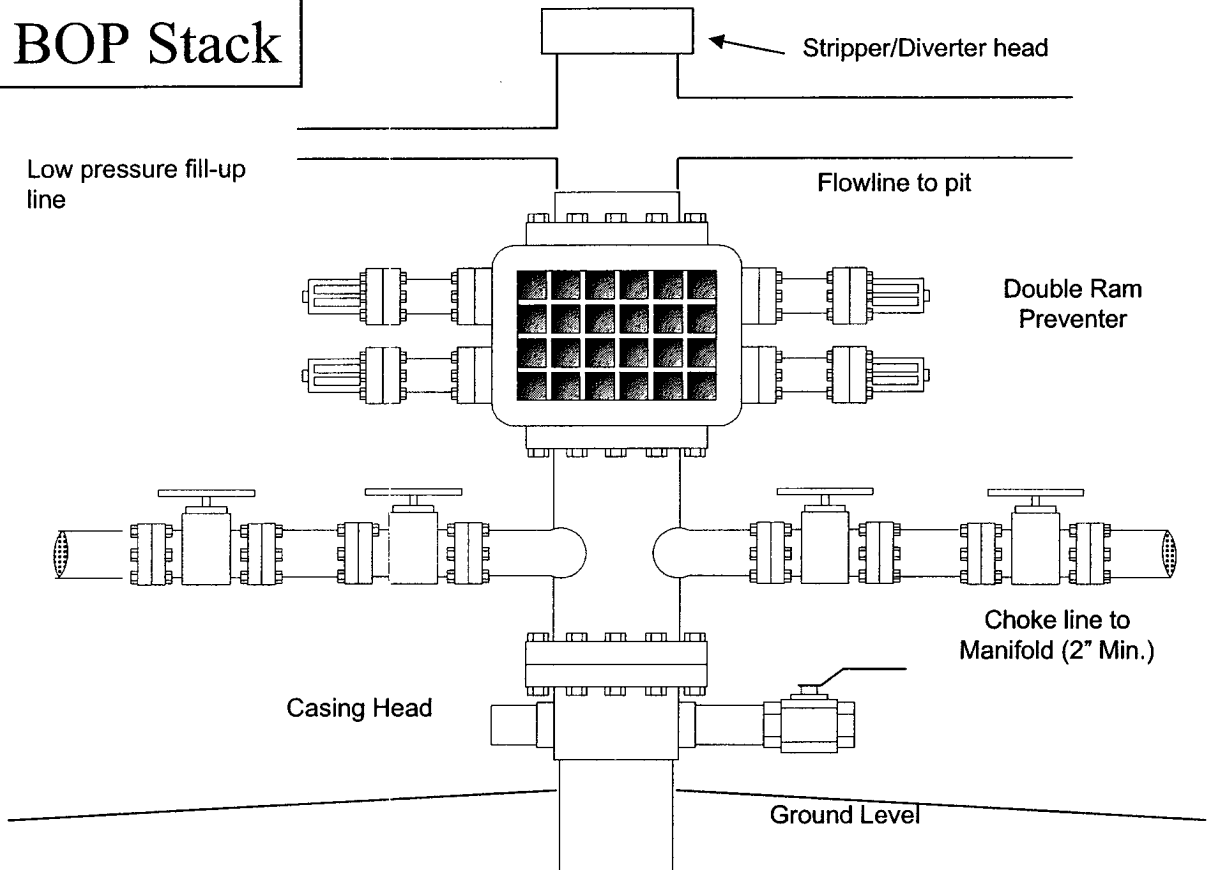
BP AMERICA PRODUCTION COMPANY									
DRILLING AND COMPLETION PROGRAM									
Lease:	Atlantic A LS		Well No. 3M	Atlantic A LS #3M		Field:	Blanco/Basin Dakota		
County, St.:	San Juan, New Mexico		Location:	28-31N-10W:1885' FSL, 1630' FWL					
Minerals:	State		BHLOC:	Vertical					
Rig:	Aztec 184		Surface:	Lat: 36.8674193 deg; Long: -107.8903636 deg					
OBJECTIVE:	Drill 250' below the top of the Two Wells Mbr, set 4-1/2" production casing, Stimulate DKOT & PNLK (MENF).								
METHOD OF DRILLING				APPROXIMATE DEPTHS OF GEOLOGICAL MARKER					
TYPE OF TOOLS		DEPTH OF DRILLING		Actual GL: 6056		Estimated KB: 6,070.0'			
Rotary		0 - TD		Marker	SUBSEA	TVD	APPROX. MD		
LOG PROGRAM				Ojo Alamo	4,647'	1,423'	1,423'		
Type - single run	Depth Interval			Kirtland	4,514'	1,556'	1,556'		
				Fruitland *	3,796'	2,274'	2,274'		
Cased Hole TDT- CBL	TD to 7" shoe			Fruitland Coal *	3,524'	2,546'	2,546'		
	Identify 4 1/2" cement top			Pictured Cliffs *	3,234'	2,836'	2,836'		
				Lewis *	3,056'	3,014'	3,014'		
				Cliff House #	1,704'	4,366'	4,366'		
				Menefee #	1,415'	4,655'	4,655'		
				Point Lookout #	1,007'	5,063'	5,063'		
				Mancos	586'	5,484'	5,484'		
				Greenhorn	-1,042'	7,112'	7,112'		
				Graneros	-1,098'	7,168'	7,168'		
				Two Wells Mbr #	-1,172'	7,242'	7,242'		
				Paguate Mbr #	-1,257'	7,327'	7,327'		
				Cubero Mbr #	-1,293'	7,363'	7,363'		
				L. Cubero Mbr #	-1,322'	7,392'	7,292'		
				Encinal Cyn Mbr#	-1,385'	7,455'	7,455'		
				TOTAL DEPTH:	-1,430'	7,500'	7,500'		
	# Probable completion interval				* Possible Pay				
DRILL CUTTING SAMPLES				DRILLING TIME					
FREQUENCY				DEPTH		FREQUENCY		DEPTH	
30'/10' intervals				3100' TD		Geologist		0 - TD	
SPECIAL TESTS									
TYPE									
None									
MUD PROGRAM:									
Approx. Interval	Type Mud	Weight, #/gal	Vis sec/qt	W/L cc's/30 min	Other Specification				
200'	Spud	8.8 - 9.0	Sufficient to clean hole.						
3114' TD	Water/LSND	8.4 - 9.0		<9	Sweep hole while whilst water drilling, LCM onsite				
7500' TD	Air	1	1000 cfm for hammer		Volume sufficient to maintain a stable and clean wellbore				
CASING PROGRAM:									
Casing String	Estimated Depth	Hole Size	Casing Size	Wt, Grade, Thread	Landing Point	Cement			
Surface/Cond	200'	13 1/2"	9-5/8"	32#, H-40 ST&C		cmt to surface			
Intermediate 1	3100'	8-3/4"	7"	20#, J/K-55 ST&C	100' below LWIS	cmt to surface			
Production	7490'	6-1/4"	4-1/2"	11.6#, J-55	DKOT	Cmt to 150' inside Intermediate 1			
						TOC survey required			
CORING PROGRAM:									
None									
COMPLETION PROGRAM:									
Rigless, 2-3 Stage Limited Entry Hydraulic Frac, FMC Unihead									
BOP Pressure Testing Requirements									
Formation	Depth	Anticipated bottom hole pressure		Max anticipated surface pressure**					
Cliffhouse	4,366'	500		0					
Point Lookout	5,063'	600		0					
Dakota	7,242'	2600		1080					
Requested BOP Pressure Test Exception = 1500 psi				** Note: Determined using the following formula: ABHP - (.22*TVD) = ASP					
GENERAL REMARKS:									
Notify BLM/NMOC 24 hours prior to Spud, BOP testing, and Casing and Cementing.									
Form 46 Reviewed by:		Logging program reviewed by:							
PREPARED BY:	APPROVED:	DATE:		APPROVED:		DATE:			
HGJ	MDD	9-Jul-04							
Form 46 7-84bw		For Drilling Dept.		For Production Dept.					

# BP America Production Company

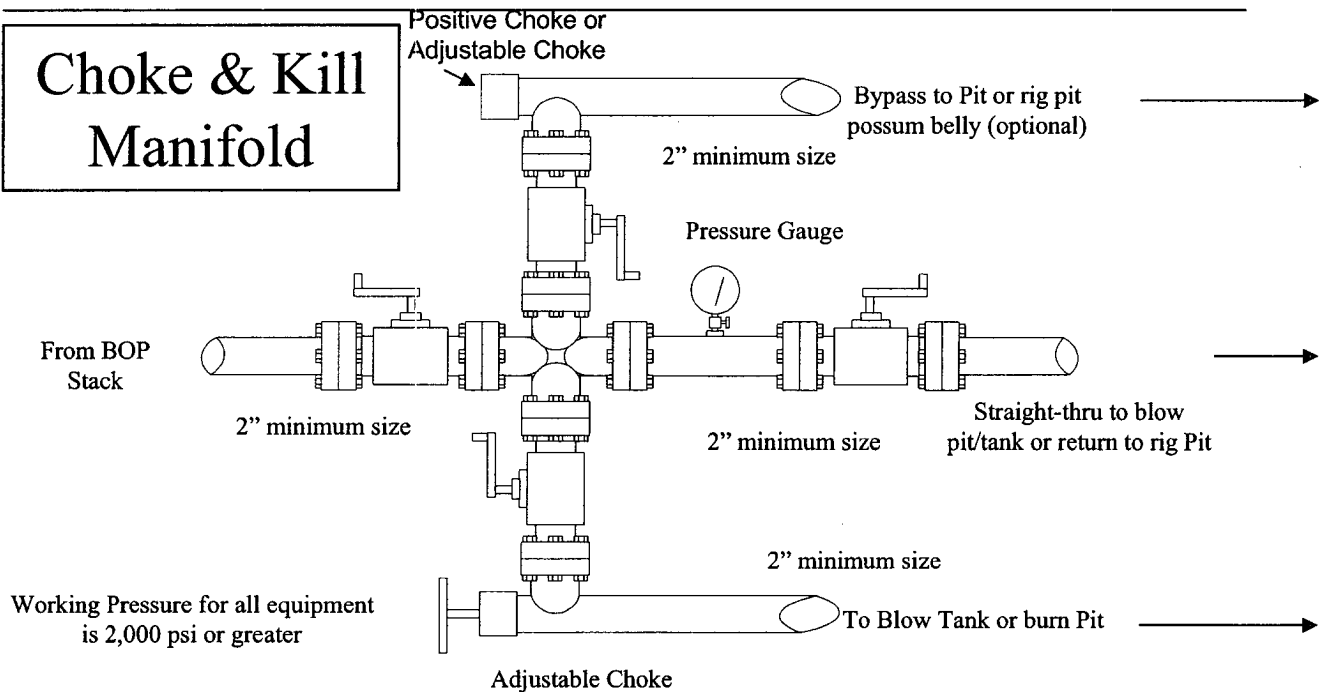
## Well Control Equipment Schematic



### BOP Stack



### Choke & Kill Manifold



Well Name:	Atlantic A LS 3M	Field:	Blanco Mesaverde / Basin Dakota
Location:	28-31N-10W, 1800 FSL, 1630 FWL	API No.	
County:	San Juan	Well Flac	
State:	New Mexico	Formation:	Blanco Mesaverde/Basin Dakota
		KB Elev (est)	6070
		GL Elev. (est)	6056

Casing String	Est. Depth (ft.)	Hole Size (in.)	Casing Size (in.)	Thread	TOC (ft.)	Stage Tool Or TOL (ft.)	Cmt Cir. Out (bbl.)
Surface	<del>120</del> 200	13.5	9.625	ST&C	Surface	NA	
Intermediate	3100	8.75	7	ST&C	Surface	NA	
Production -	7490	6.25	4.5	ST&C	3000	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	2270	1400	254	0.0787	8.845
Intermediate		7	20 K-55	3740	2270	254	0.0405	6.456
Production -		4.5	11.6 J-55	5350	4960	154	0.0155	3.875

Apx. Interval (ft.)	Mud Type	Mud Weight	<u>Recommended Mud Properties Prio Cementing:</u>
			PV <20
			YP <10
			Fluid Los: <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	

	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.

**\*Do not wash up on top of plug. Wash lines before displacing production cement job to minimize drillout.**

Preflush	20 bbl.	FreshWater	
Slurry 1	<del>100</del> 160	100 sx Class C Cement	203 <del>117</del> cuft
TOC@Surface	+ 2% CaCl <sub>2</sub> (accelerator)		0.4887 cuft/ft OH

	Density (lb/gal)	Yield (ft <sup>3</sup> /sk)	Water (gal/sk)
Slurry 1	15.2	1.27	5.8

# Cementing Program

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

## Intermediate:

Fresh Water	20 bbl	fresh water	
Lead Slurry 1 TOC@Surface		260 sx Class "G" Cement + 3% D79 extender + 1/4 #/sk. Cellophane Flake + 5 lb/sk Gilsonite	673 cuft
Tail Slurry 2 500 ft fill		60 sx 50/50 Class "G"/Poz + 2% gel (extender) + 1/4 #/sk. Cellophane Flake + 2% CaCl <sub>2</sub> (accelerator) + 5 lb/sk Gilsonite	75 cuft  0.1503 cuft/ft OH 0.1746 cuft/ft csg ann
Slurry Properties:	Density (lb/gal)	Yield (ft <sup>3</sup> /sk)	Water (gal/sk)
Slurry 1	11.4	2.63	15.8
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  
 Centralizers one in middle of first joint, then every third collar  
 1 Top Rubber Plug  
 1 Thread Lock Compound

## Production:

Fresh Water	10 bbl	CW100	
Lead Slurry 1 TOC, 400' above 7" shoe		200 LiteCrete D961 / D124 / D154 + 0.03 gps D47 antifoam + 0.5% D112 fluid loss + 0.11% D65 TIC	480 cuft
Tail Slurry 2 1506 ft fill		160 sx 50/50 Class "G"/Poz + 5% D20 gel (extender) + 0.1% D46 antifoam + 1/4 #/sk. Cellophane Flake + 0.25% D167 Fluid Loss + 5 lb/sk Gilsonite	216 cuft

## Cementing Program

+0.1% d800, retarder  
+0.15% D65, dispersant

Slurry Properties:	Density	Yield	Water	0.1026 cuft/ft OH
	(lb/gal)	(ft <sup>3</sup> /sk)	(gal/sk)	0.1169 cuft/ft csg ann
Slurry 1	9.5	2.52	6.38	
Slurry 2	13	1.44	6.5	Top of Mancos 5484

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



**SAN JUAN BASIN  
Dakota Formation  
Pressure Control Equipment**

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**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 H<sub>2</sub>S 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**

- 1. All permeable zones containing fresh water and other usable water containing 10,000 PPM or less total dissolved solids will be isolated and protected from contamination by cement circulated in place for the protection of permeable zones per the NTL-FRA 90-1 Section III A.**
  - 2. The hole size will be no smaller than 1 ½" larger diameter than the casing O.D. across all water zones.**
  - 3. An adequate spacer will be pumped ahead of the cement slurry to help prevent mud contamination of the cement.**
  - 4. An adequate number of casing centralizers will be run through usable water zones to ensure that the casing is centralized through these zones. The adequate number of centralizers to use will be determined by API SPEC 10D.**
  - 5. Centralizers will impart a swirling action around the casing and will be used just below and into the base of the lowest usable water zone.**
  - 6. A chronological log will be kept recording the pump and slurry information and will be sent to the BLM with the subsequent sundry.**
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