

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.
NMSF078387A

| | | | | | |
|---|--|------------------------------------|--|--------------------------------------|--|
| 1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other | | | 6. If Indian, Allottee or Tribe Name | | |
| 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 _____ | | | 7. Unit or CA Agreement Name and No. | | |
| 2. Name of Operator BP AMERICA PRODUCTION CO | | | 8. Lease Name and Well No. KERNAGHAN B 8S | | |
| 3. Address 200 ENERGY CT FARMINGTON, NM 87402 | | | 9. API Well No. 30-045-32472-00-S1 | | |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements)* Sec 33 T31N R8W Mer NMP At surface SWNW Lot E 1470FNL 1160FWL 36.51400 N Lat, 107.41100 W Lon At top prod interval reported below At total depth | | | 10. Field and Pool, or Exploratory BASIN FRUITLAND COAL | | |
| 14. Date Spudded 10/21/2004 | | | 15. Date T.D. Reached 10/25/2004 | | |
| 16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 10/28/2004 | | | 17. Elevations (DF, KB, RT, GL)* 6483 GL | | |
| 18. Total Depth: MD 3490 TVD | | 19. Plug Back T.D.: MD 3490 TVD | | 20. Depth Bridge Plug Set: MD TVD | |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) GR CCL | | | 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 |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 13.500 | 9.625 H-40 | 32.0 | | 128 | | 100 | | 0 | |
| 8.750 | 7.000 K-55 | 20.0 | | 3115 | | 393 | | 0 | |
| 6.250 | 5.500 J-55 | 15.5 | 3076 | 3487 | | 0 | | 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 | 3299 | | | | | | | |

25. Producing Intervals

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|-------------------|------|--------|---------------------|------|-----------|--------------|
| A) FRUITLAND COAL | 3166 | 3336 | 3166 TO 3336 | | | |
| B) | | | | | | |
| C) | | | | | | |
| D) | | | | | | |

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

| Depth Interval | Amount and Type of Material |
|----------------|-----------------------------|
| 3166 TO 3336 | NO FRAC |
| | |
| | |

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 |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 10/26/2004 | 10/26/2004 | 24 | → | 1.0 | 174.0 | 1.0 | | | FLows FROM WELL |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| .750 | SI | 60.0 | → | 1 | 174 | 1 | | GSI | |

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 #50869 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

FARMINGTON FIELD OFFICE

NMOCD

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 |
|------------|------|--------|------------------------------|-----------------|--------------------|
| SAN JOSE | 0 | 818 | | OJO ALAMO | 2180 |
| NACIMIENTO | 818 | 2101 | | KIRTLAND | 2254 |
| OJO ALAMO | 2101 | 2293 | | FRUITLAND | 3040 |
| | | | | FRUITLAND COAL | 3168 |
| | | | | PICTURED CLIFFS | 3344 |

32. Additional remarks (include plugging procedure):

10/27/04 Flow testing on ?? ck. TIH & landed 2 3/8" TBG @ 3299?
Rig Down move off location.

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 #50869 Verified by the BLM Well Information System.
For BP AMERICA PRODUCTION CO, sent to the Farmington
Committed to AFMSS for processing by ADRIENNE BRUMLEY on 11/17/2004 (05AXB0286SE)

Name (please print) CHERRY HLAVA

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 11/10/2004

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 ** REVISED ****