

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. SF - 078902	
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 NAVAJO TRIBE ALLOTTEE	
2. Name of Operator BP AMERICA PRODUCTION COMPANY		7. If Unit or CA Agreement, Name and No.	
Contact: CHERRY HLAVA E-Mail: hlavacl@bp.com		8. Lease Name and Well No. GALLEGOS CANYON UNIT 583	
3a. Address P.O. BOX 3092 HOUSTON, TX 77079		9. API Well No. 30-045-31053	
3b. Phone No. (include area code) Ph: 281.366.4081 Fx: 281.366.0700		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESW Lot N 440FSL 1630FWL At proposed prod. zone		11. Sec., T., R., M., or Blk. and Survey or Area N Sec 4 T27N R12W Mer NMP	
14. Distance in miles and direction from nearest town or post office* 16.9 MILES FROM BLOOMFIELD, NM		12. County or Parish SAN JUAN	13. State NM
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of Acres in Lease 43102.00	17. Spacing Unit dedicated to this well 320.24 w/2	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 1551 MD	20. BLM/BIA Bond No. on file	
21. Elevations (Show whether DF, KB, RT, GL, etc. 5735 GL	22. Approximate date work will start	23. Estimated duration	
This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4		24. Attachments DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".	
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 03/29/2002	
Title SUBMITTING CONTACT			
Approved by (Signature) D.M.	Name (Printed/Typed)	Date 9-30-03	
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 #10359 verified by the BLM Well Information System  
For BP AMERICA PRODUCTION COMPANY, sent to the Farmington

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000**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.*5. Lease Serial No.  
NMSF078902

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

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

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.  
GCU 583

2. Name of Operator

BP AMERICA PRODUCTION CO

Contact:

CHERRY HLAVA

E-Mail: hlavacl@bp.com

9. API Well No.

30-045-31053-00-X1

3a. Address

P. O. BOX 3092  
HOUSTON, TX 77253

3b. Phone No. (include area code)

Ph: 281.366.4081  
Fx: 281.366.070010. Field and Pool, or Exploratory  
BASIN FRUITLAND COAL

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

Sec 4 T27N R12W SESW Lot N 440FSL 1630FWL

11. County or Parish, and State

SAN JUAN COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

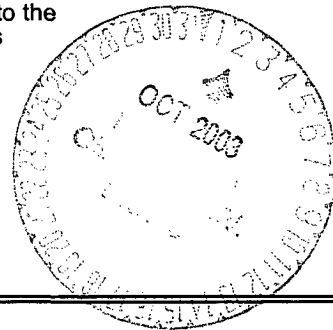
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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 recompleat 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 Notice of Staking was submitted 02/11/2002

BP America Production Company respectfully requests permission to move the well location due to the NAPI crop circles. After communications with Mr. Lopez of NAPI Operations & Maintenance it was determined that the well location needed to be moved 10 additional feet from the west line and 5' closer to the south line. This will place the well a little further from the crop circle and make it possible to drill without harm to the crop area.

Request to amend NLS-4707 was sent to Santa Fe on 7/25/2002.

Please see amended C-102 attached.



14. I hereby certify that the foregoing is true and correct.

Electronic Submission #13068 verified by the BLM Well Information System  
For BP AMERICA PRODUCTION CO, sent to the Farmington  
Committed to AFMSS for processing by Adrienne Garcia on 07/30/2002 (02AXG0436SE)

Name (Printed/Typed) CHERRY HLAVA

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 07/25/2002

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Date

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.

**\*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\***

NMOC

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

**Prospect Name:** GCU 583  
**Lease:** GALLEGOS CANYON UNIT  
**County:** San Juan  
**State:** New Mexico  
**Date:** February 22, 2002

**Well No:** 583  
**Surface Location:** 440' FSL & 1630' FWL  
 Sec. 4, 27N-12W  
**Field:** Basin Fruitland Coal

<b>OBJECTIVE:</b> Drill 200' into the Pictured Cliffs, set 4 1/2" casing to TD, perf & stimulate Fruitland Coal interval						
<b>METHOD OF DRILLING</b>				<b>APPROXIMATE DEPTHS OF GEOLOGICAL MARKER</b>		
<b>TYPE OF TOOLS</b>		<b>DEPTH OF DRILLING</b>		Estimated GL: 5735		Estimated KB: 5746
Rotary/Top Drive		0 - TD		<b>MARKER</b>	<b>SUBSEA</b>	<b>MEAS. DEPTH</b>
				Ojo Alamo	5550	196
				Kirtland	5423	323
				Fruitland Coal	# 4419	1327
				Pictured Cliffs	* 4395	1351
				<b>TOTAL DEPTH</b>		4195
<b>LOG PROGRAM</b>				<b># Completion interval</b>		
				<b>* Possible Pay</b>		
<b>TYPE</b>		<b>DEPTH INVERAL</b>				
Open Hole (Platform Express)		TD to base of surface casing				
<b>REMARKS:</b>						
- Please report any flares (magnitude & duration).						
<b>SPECIAL TESTS</b>				<b>DRILL CUTTING SAMPLES</b>		<b>DRILLING TIME</b>
<b>TYPE</b>				<b>FREQUENCY</b>	<b>DEPTH</b>	<b>FREQUENCY</b>
None				None		Geograph 0-TD
<b>REMARKS:</b>						
<b>MUD PROGRAM:</b>						
<b>Approx. Interval</b>		<b>Type Mud</b>	<b>Weight, #/gal</b>	<b>Vis, sec/qt</b>	<b>W/L cc's/30 min</b>	<b>Other Specification</b>
0 - 120-135 3 jts.		Spud	8.6-9.2			
120-135 - TD (1)		Water/LSND	8.6-9.2			
<b>REMARKS:</b>						
(1) The hole will require sweeps to keep unloaded while fresh water drilling. Let hole conditions dictate frequency.						
<b>CASING PROGRAM:</b> (Normally, tubular goods allocation letter specifies casing sizes to be used. Hole sizes will be governed by Contract)						
<b>Casing String</b>	<b>Estimated Depth</b>	<b>Casing Size</b>	<b>Grade</b>	<b>Weight</b>	<b>Hole Size</b>	<b>Landing Point, Cement, Etc.</b>
Surface/Conductor	120-135	7"	J 55 ST&C	23#	8.75"	1
Production	1551	4 1/2"	J 55 ST&C	10.5#	6.25"	1,2
<b>REMARKS:</b>						
(1) Circulate Cement to Surface						
(2) Set casing 200' below top of Pictured Cliffs						
<b>CORING PROGRAM:</b>						
None						
<b>COMPLETION PROGRAM:</b>						
Rigless, Single Stage Hydraulic Frac						
<b>GENERAL REMARKS:</b>						
Notify BLM/NMOCD 24 hours prior to Spud, BOP testing, and Casing and Cementing.						
Form 46 Reviewed by:				Logging program reviewed by: DLJ		
<b>PREPARED BY:</b>		<b>APPROVED:</b>		<b>DATE:</b>		
KAS/JLP						
Form 46						

# BP America Production Company

## BOP Pressure Testing Requirements

Well Name: GCU 583  
County: San Juan

583  
State: New Mexico

Formation	TVD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	196		
Kirtland	323		
Fruitland Coal	1327		
PC	1351		

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

Requested BOP Pressure Test Exception: 750 psi

### SAN JUAN BASIN Fruitland Coal Formation Pressure Control Equipment

#### Background

The objective Fruitland Coal 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. No abnormal temperature, pressure, or Hydrogen Sulfide gas is 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.

All ram type preventers and related control equipment will be hydraulically tested to 250 PSI (low pressure) and 750 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 at the appropriate intervals.