

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

2003 OCT 14 PM 9:14

070 Farmington, NM

| | | |
|--|--|--|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. SF - 078132 |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well Gas <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 Attn: Mary Corley | | 7. If Unit or CA Agreement, Name and No |
| 3a. Address P.O. Box 3092 Houston, Texas 77253 | 3b. Phone No. (include area code) 281-366-4491 | 8. Lease Name and Well No. A L Elliott B 6M |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 265' FNL & 2605' FEL At proposed prod. Zone | | 9. API Well No. 3004531838 |
| 10. Field and Pool, or Exploratory Basin Dakota & Blanco Mesaverde | | 11. Sec., T., R., M., or Blk. and survey or Area B Sec. 10, T29N, R09W |
| 14. Distance in miles and direction from nearest town or post office* 230 miles from Bloomfield, NM | | 12. County or Parish San Juan |
| 15. Distance from proposed* Location to nearest Property or lease line, ft. (Also to nearest drig. Ujnit line, if any) 265 | | 13. State New Mexico |
| 16. No. of Acres in lease 320 | | 17. Spacing Unit dedicated to this well 320 N/2 |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1600' | | 20. BLM/BIA Bond No. on file WY2924 |
| 19. Proposed Depth 7544' | | 21. Elevations (show whether DF, KDB., RT, GL, etc.) 6319' GL |
| 22. Approximate date work will start* September 20, 2003 | | 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. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 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). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

| | | |
|---|--|----------------------------|
| 25. Signature <i>Mary Corley</i> | Name (Printed/typed) Mary Corley | Date 08/13/2003 |
| Title Senior Regulatory Analyst | | |
| Approved by (Signature) | Name (Printed/Typed) /s/ David J. Markiewicz | Date OCT 20 2003 |
| 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.

*(Instructions on reverse)

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

HOLD C104 FOR NSL

NMOCB

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 30-045-31838 | ² Pool Code 71599 & 72319 | ³ Pool Name BLANCO MESAVEROZ ? BASIN DAKOTA |
| ⁴ Property Code 000460 | ⁵ Property Name A L ELLIOTT B | ⁶ Well Number 6M |
| ⁷ OGRID No. 000778 | ⁸ Operator Name BP AMERICA PRODUCTION COMPANY | ⁹ Elevation 6319 |

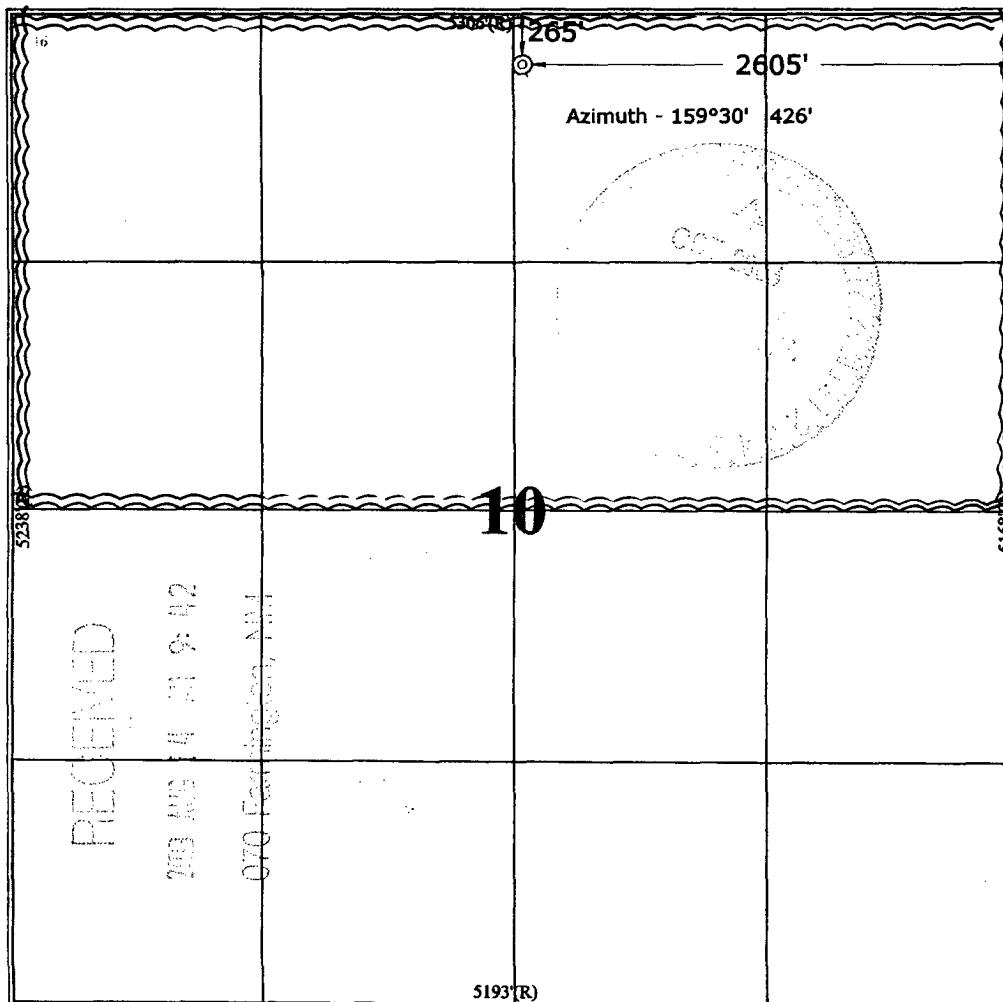
¹⁰ Surface Location

| | | | | | | | | | |
|--------------------|---------------|------------------|--------------|---------|----------------------|---------------------------|-----------------------|------------------------|--------------------|
| UL or Lot No. B | Section 10 | Township 29 N | Range 9 W | Lot Idn | Feet from the 265 | North/South line NORTH | Feet from the 2605 | East/West line EAST | County SAN JUAN |
|--------------------|---------------|------------------|--------------|---------|----------------------|---------------------------|-----------------------|------------------------|--------------------|

¹¹ Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|-------------------------------|-----------------------|-------------------------------|---------------------|----------------------------------|-----------------------------|--------------------------------|-----------------------------|------------------------------|----------------------|
| ¹² UL or lot no. | ¹³ Section | ¹⁴ Township | ¹⁵ Range | ¹⁶ Lot Idn | ¹⁷ Feet from the | ¹⁸ North/South line | ¹⁹ Feet from the | ²⁰ East/West line | ²¹ County |
| 320 | | | | | | | | | |
| ²² Dedicated Acres | | ²³ Joint or Infill | | ²⁴ Consolidation Code | | ²⁵ 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



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

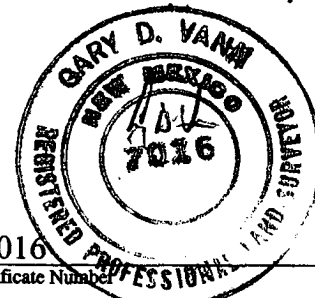
Mary Corley
Signature
Mary Corley
Printed Name
Regulatory Analyst
Title
08.13.2003
Date

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.

July 16, 2003

Date of Survey
Signature and Seal of Professional Surveyor



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

Prospect Name: A. L. Elliott B
Lease: A. L. Elliott B
County: San Juan
State: New Mexico
Date: July 25, 2003

Well No: 6M
Surface Location: 10-29N-9W, 265 FNL, 2605 FEL
Field: Blanco Mesaverde/Basin Dakota

OBJECTIVE: Drill 240' below the top of the Two Wells; set 41/2" production casing, Stimulate CH, MF, PL and DK intervals

| METHOD OF DRILLING | | APPROXIMATE DEPTHS OF GEOLOGICAL MARKER | | | |
|--------------------|--|---|-----------|--------------------|-------|
| TYPE OF TOOLS | DEPTH OF DRILLING | Estimated GL: 6319 | | Estimated KB: 6333 | |
| Rotary | 0 - TD | MARKER | | SUBSEA | MD. |
| LOG PROGRAM | | Ojo Alamo | | 4542' | 1791' |
| | | Kirkland | | 4437' | 1896' |
| TYPE | DEPTH INTERVAL | Fruitland | | 4008' | 2325' |
| | | Fruitland Coal | * | 3579' | 2754' |
| OPEN HOLE | none | Pictured Cliffs | * | 3400' | 2933' |
| | | Lewis Shale | # | 3243' | 3090' |
| CASED HOLE | TDT – TD to 7" shoe Identify 4 ½" cement top | Cliff House | # | 1881' | 4452' |
| | | Menefee Shale | # | 1613' | 4720' |
| GR-CCL-TDT | CBL | Point Lookout | # | 1169' | 5164' |
| | | Mancos | | 803' | 5530' |
| REMARKS: | - Please report any flares (magnitude & duration). | Greenhorn | | -863' | 7196' |
| | | Bentonite Marker | | -922' | 7255' |
| | | Two Wells | # | -971' | 7304' |
| | | Paguate | # | 1071' | 7404' |
| | | Cubero Upper | # | -1111' | 7444' |
| | | Cubero Lower | # | -1142' | 7513' |
| | | TOTAL DEPTH | | -1211' | 7544' |
| | | # Probable completion interval | | * Possible Pay | |
| SPECIAL TESTS | | DRILL CUTTING SAMPLES | | DRILLING TIME | |
| | | FREQUENCY | DEPTH | FREQUENCY | DEPTH |
| TYPE | | | | | |
| None | | none | 3190' -TD | Geolograph | 0-TD |
| 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 - 3190 (1) | Water/LSND | 8.6-9.2 | | <6 | |
| 3190 - 7544 | 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 | 9 5/8" | H-40 ST&C | 32# | 13.5" | 1 |
| Intermediate | 3190 | 7" | J/K-55 ST&C | 20# | 8.75" | 1,2 |
| Production | 7544 | 4 1/2" | J-55 | 11.6# | 6.25" | 3 |

REMARKS:

- (1) Circulate Cement to Surface
- (2) Set casing 100' into Lewis Shale
- (3) Bring cement 100' above 7" shoe

CORING PROGRAM:

None

COMPLETION PROGRAM:

Rigless, 3-4 Stage Limited Entry Hydraulic Frac

GENERAL REMARKS:

Notify BLM/NMOCDD 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 | | July 25, 2003 | |
| | | Version 1.0 | |

Form 46 12-00 MNP

BP America Production Company

BOP Pressure Testing Requirements

Well Name: A. L. Elliott B
County: San Juan

6M
State: New Mexico

| Formation | MD | Anticipated Bottom Hole Pressure | Maximum Anticipated Surface Pressure ** |
|----------------|------|-------------------------------------|--|
| Ojo Alamo | 1791 | | |
| Fruitland Coal | 2754 | | |
| PC | 2933 | | |
| Lewis Shale | 3090 | | |
| Cliff House | 4452 | 500 | 0 |
| Menefee Shale | 4720 | | |
| Point Lookout | 5164 | 600 | 0 |
| Mancos | 5530 | | |
| Dakota | 7304 | 2600 | 1449 |

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

Requested BOP Pressure Test Exception: 1500 psi

SAN JUAN BASIN
Dakota Formation
Pressure Control Equipment

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 H2S 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 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.