

SAP NO: X5-XXXXXX

BP America Production Company
AUTHORIZATION FOR EXPENDITURE

DATE PREPARED: 12/18/2002 FINANCIAL MEMO NO: SJ-02-037-WEWK
OPERATOR: BP America AFE NO: _____
LEASE/UNIT/FACILITY: Crawford SURFACE LOCATION: Sec.24, T29N, R12W
LEASE FLAC IDENTIFIER: _____ BOTTOM HOLE LOC: _____
WELL NAME/NUMBER: Gas Com B 1 PROPOSED TOTAL DEPTH: _____
OPERATION CENTER: San Juan COUNTY/STATE: San Juan, NM
BPA WORKING INTEREST: _____ OPERATING FIELD: Otera Chacra
JOA NUMBER: _____ HORIZON: Chacra
(formation/prospect)
ANTICIPATED START: Feb-03

PROJECT DESCRIPTION/COMMENTS TO PARTNERS:

BP is in the process of exploiting the undeveloped potential of the Chacra horizon through recompletions. The subject Dakota well is in an optimal location for such. However, the Dakota formation in this wellbore has not yet produced to its economic limit. It is therefore proposed to recomplete this well to the Chacra and commingle with the existing Dakota. The project includes a fracture stimulation along with appropriate facility modifications to produce the well.

PROJECT TYPE: Check one

- ☐ Capital Construction
☐ New Drill
☒ Recompletion
☐ Repair
☐ Plug and Abandonment
☐ Maintenance Expense Project
☒ Downhole Commingle
☐ Other

TYPE WELL:

- ☐ OIL WELL ☒ GAS WELL
☐ INJECTOR ☐ WATER DISPOSAL
☒ DEVELOPMENT WELL ☐ EXPLORATORY WELL
☒ SINGLE COMPLETION ☐ DUAL COMPLETION

INVESTMENT CATEGORY: check one

- ☐ DPXF ☐ APXF ☐ MPXF

EXPENSE/CAPITAL/PXA T - Tangible I - Intangible	DESCRIPTION	ESTIMATED COST	
		GROSS PRODUCER	GROSS DRY HOLE
Capital/Intangible	Drilling Intangibles Rig 30000 E-line work 4000 Stimulation 45000 Rentals 18000 Transportation 4000 Misc 15000 116000	\$116,000.00	
Capital/Intangible	Well Equipment Tangibles Materials 7000 Wellhead 2000 Tubing 11000 Sep & Tank 6000 Misc 5000 31000	\$31,000.00	
TOTAL PROJECT COST:		\$147,000.00	\$0.00

PROJECT CONTACTS: NAME TITLE PHONE NUMBER
John Papageorge TECHNICAL CONTACT 281-366-5721
BUSINESS CONTACT

APPROVED BY: DATE

APPROVAL YES NO

NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. Nonoperators should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation. Overhead will be charged in accordance with the Joint Operating Agreement.

COMPANY NAME / NONOPERATOR

BY (print name) DATE

BY (signature)

SPECIAL REQUESTS: (i.e. template preference, additional WBS elements, special recording by Tulsa, etc.)

CCenter: _____
JV #: _____
Lease flac: _____
Well Flac: 92389501

PROJECT CLOSE

API #: 30-045-07983
Date of State of Prod. Ready: _____
TD: _____
PBTD: _____
Useless Footage: 0

BP America Production Company
Compulsory Pooling-January 23, 2003
S/2 of Section 24-T29N-R12W
San Juan County
Exhibit No. 4A

UPDATED 08/05/99