Form 3160-3			•	OCCURITY IN	THE ENDITE			
Ø		JNITED STATES MENT OF THE IN		RE(DEIVE	5. LEASE DESIGNAT	TION AND SE	ERIAL NO.
8	BUREAU	OF LAND MANAG	SEMENT			NMNM-19163		
AF	PLICATION FOR	R PERMIT TO E	RILL OR DI	EEPEN	14 PM	2: IF INDIAN, ALLOT	TEE OR TRII	3E NAME
a TYPE OF WORK	RILL 🗹	DEEPEN		070 Fan	mington,	7. UNIT AGREEMEN	TNAME	236
b. TYPE OF WELL	GAS 🗔		SINGLE	MULTIPL	-	8. FARM OR LEASE	NAME, WEL	
WELL L	WELL OTH	ER	ZONE 🖳	ZONE	النا.	WF Federal	20 #4	
	erating Company					9. API WELL NO.	/	1-10
. ADDRESS AND TELEPH						3004		
	Highway, Farmingto					10. FIELD AND POOR Basin Fruitla	•	
I. LOCATION OF WELL (Re At surface	eport location clearly and in accord	ance with any State requiremen	nts.")			11. SEC., T., R., M., C	OR BLK	
1175' FNL & 1	905' FWL					AND SURVEY OR AREA		
At proposed prod. zone						Sec 20, T30N, R14W NMPM		
A. DISTANCE IN MILES A	ND DIRECTION FROM NEAREST	TOWN OR POST OFFICE*				12. COUNTY	13	3. STATE
	of Kirtland, NM					San Juan	N	lew Mexico
15. DISTANCE FROM PRO LOCATION TO NEAR	ST 7351		16. NO. OF ACRES IN	S IN LEASE 17. NO. OF ACRES ASSIGNED TO THIS WELL 320/160 NWH			DC	
PROPERTY OR LEASE (Also to nearest drig. un	: LINE, F1. iit line, if any)		1840	7U	20. ROTARY OR CABLE TOOLS			/-
	RILLING, COMPLETED, 320	04'	1300'	Rotary				
OR APPLIED FOR, ON 21. ELEVATIONS (Show w 5595' GR				22. APPROX. DATE WORK WILL START			START*	
23.		PROPOSED C	ASING AND CEMI	ENTING PROGE	RAM	.1		
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH			QUANTITY OF CEMEN	T	
8.75"	7" (J-55)	17#	120'	~36 cu.ft.				
6.25"	4.5" (J-55)	10.5#	1300'	~235 cu.ft				
original APD	The original APD for on site and a sitland Coal has be 1775-B.	rcheology report	cs.					
= 1,685.75'	lso a road right- Application width	= 20'. Applicat	tion crosses	W2NE Sec.			pplicat	ion lengt
DRILLING OPER. SUBJECT TO CO "GENERAL REQU	ATIONS AUTHORIZED ARE MPLIANCE WITH ATTACHED JIREMENTS°.	This action is subj procedural review and appeal pursua	ect to technical and pursuant to 43 CFR ant to 43 CFR 3165.4	3165. a		APR 200		
N ABOVE SPACE DESCR	IBE PROPOSED PROGRAM: If pro	oposal is to deepen, give data o	on present productive zon	e and proposed new	productive zone	. If proposal is to drill o	r deepen dim	ctionally, give per
data on subsurface location	s and measured true vertical depth	s. Give blowout preventer prog	ıram, if any.			"Cecilate	A	
			•			2.44		
SIGNED	>~·~	τι	TLE <u>Operation</u>	s manager		DATE 3-14	- Uろ	
(This space for Fed	leral or State office use)						-	
PERMIT NO.								
	al does not warrant or certify that th APPROVAL, IF ANY:	e applicant holds legal or equite	able title to those rights in	i the subject lease wh	ich would entitle			
						APR	15 2	:003

NMOCD

/a/ David J. Mankiewicz

istrict II

D Drawer DD, Artesia, NM 88211-0719
istrict III

XO Rio Bro 2018 Rd., Aztec, NM 87410
istrict IV

O Bug 2008, Santa Fe, NM 87504-2088

L CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

Instructions on back Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		1 Pool Code	Pool Code 077			11 - 3: Pool Name			
30-045-3	Detail Design					ds Pict	ured Cliffs		
* Property Code				'Property Name WF Federal 2					
019219		·F	RICHARI	•	RATING COMP	ANY		* Elevation 5595 *	
					Location				
UL or lot no. Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	EastWes	t line	County
_ C · 20 ·	30 N	14 · W		1175	North	1905	West		San Juan
		11 Bott	om Hole	Location	If Different Fro	om Surface	•		
UL or lot no. Section	Towaship	Range	lot Ida	Feet from the	North/South line	Feet from the	East/Wes	t line	County
11 Dedicated Acres 12 Joint	or lafill 1º C	nasolidetiar	3 Code 15 O	rder No.					<u> </u>
NO ALLOWABLE					TON UNTIL ALL BEEN APPROVED			EN CO	NSOLDATED
Frui	coal	Vell			IPR 2013	Signature Dr. Printed N Title 3-14 Date 18 SUR I hereby covas plotte or under n correct to Signature Signature Signature	WEYOR WEYOR The barrision The bar	CERT CERT	TIFICATION contained herein is knowledge and belief TIFICATION in shown on this plai al surveys made by me he same is true and

Richardson Operating Company WF Federal 20 #4 1175' FNL & 1905' FWL Section 20, T30N, R14W, NMPM San Juan County, New Mexico

DRILLING PROGRAM

1. ESTIMATED FORMATION TOPS:

Formation Programme 1	GL Depth	KB Depth	Subsea Elevation
Kirtland Sh	000'	5'	+5,595'
Fruitland Fm	627'	632'	+4,968'
Pictured Cliffs Ss	1092'	1097'	+4,503'
Total Depth (TD)*	1,300'	1,305'	+4,295'
A A 11 1 2 0 0 4 4	1 1 11 1 67	4501	

^{*}All elevations reflect the ungraded ground level of 5,470'

2. NOTABLE ZONES:

Gas Zones	Water Zones	Coal Zones

Fruitland Fm (627') Fruitland Fm (627') Fruitland Fm (627')

Pictured Cliffs (1092')

Water zones will be protected with casing, cement, and weighted mud. Fresh water encountered during drilling will be recorded by depth, cased, and cemented. Oil and gas shows will be tested for commercial potential based on the well site representatives recommendations.

3. PRESSURE CONTROL:

The drilling contract has not yet been awarded, thus the exact BOP model to be used is unknown. (A typical 2,000 psi model has been attached to the end of the drilling program.) Double ram or annular system with a rotating head will be used. All ram preventers and related equipment will be hydraulically tested at nipple up and after any use under pressure to 1000 psi.

Blind rams will be hydraulically activated and checked for operational readiness each time pipe is pulled out of the hole. All checks of the BOP stack and equipment will be noted on the daily drilling report. BOP equipment will include a floor safety valve and choke manifold rated to 2000 psi. Maximum expected pressure is 520 psi.

Reference originally submitted ADD for BDP & choke diagrams.

Drilling Program Richardson Operating Company

Page Two

4. CASING AND CEMENTING PROGRAM:

Hole Size	<u>O.D.</u>	Weight (lb/ft)	Grade	<u>Age</u>	GL Setting Depth
8 3/4"	7"	20	J-55	New	120'
6 1/4"	4 1/2"	10.5	J-55	New	1,300'

Surface casing will be cemented to surface with \sim 36 cu.ft. (\sim 30 sx) Class B + 2% CaCl. Volume is based on 100% excess, yield of 1.18 cu.ft./sk, and slurry weight of 15.6 ppg. WOC = 12 hours. Pressure test surface casing to 600 psi for 30 minutes.

Production casing hole will first be cleaned of rock chips by circulating at least 150% of hole volume with drilling fluid to surface. Thirty barrels of fresh water will then be circulated. Lead with ~135 cu.ft. (~65 sx) Class B with 2% metasilicate (yield = 2.06 cu.ft./sk, slurry weight = 12.5 ppg). Tail in with ~100 cu.ft. (~85 sx) Class B with 2% CaCl (yield = 1.18 cu.ft./sk, weight = 15.6 ppg). Total cement volume is ~235 cu.ft. based on 75% excess and circulating to surface.

Production casing will have 4 ½" cement guide shoe and self fill float collar. Float will be placed one joint above the shoe. Five centralizers will be spaced every other joint starting above the shoe. Five turbolizers will be placed every other joint starting from the top of the well.

5. MUD PROGRAM:

Surface casing hole will be drilled with fresh water. Production casing hole will be drilled with a fresh water polymer mud. Weighting material will be drill solids or, if needed, barite. Maximum expected mud weight will be 8.7 ppg. Sufficient material to maintain mud properties, control lost circulation, and contain a blowout will be available at the well while drilling.

6. CORING, TESTING, & LOGGING:

No cores or DSTs are planned. A cased hole CNL/GR will be ran from TD to surface.

7. **DOWNHOLE CONDITIONS:**

No abnormal pressures, temperatures, nor hydrogen sulfide are expected. Maximum pressure will be approximately 520 psi.

8. OTHER INFORMATION:

The anticipated spud date is April 1, 2003. It should take 5 days to drill and 1 week to complete the well.