

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. TYPE OF WORK

DRILL ☒

DEEPEN ☐

2005 JUL 25 PM 2 44

B. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER ☐

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

WW Oil & Gas Inc.

070 FARMINGTON NM

239475

3. ADDRESS AND TELEPHONE NO.

400 Sandstone Ave., Farmington, NM 87401 505-324-1083

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

1980' FWL and 2277' FSL of Section 19

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

11 miles SW from Cuba, New Mexico along St. Hwy. 197

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

480

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160/40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1353'

19. PROPOSED DEPTH

5860

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6873' GR

22. APPROX. DATE WORK WILL START*

August 31, 2005

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	10 3/4"	40.5	400	126 sx.
8 3/4"	7"	23	2750	354 sx.
6 1/4"	4 1/2"	10.5	5860	239 sx.

A 5860 foot Jurassic Entrada test is proposed. Four hundred feet of surface casing will be set through the Pictured Cliffs Fm. to protect the Ojo Alamo aquifer and prevent any problem with gas from the coals in the Fruitland Fm. Then, the Mancos and Gallup will be drilled with air. If no natural fractures are encountered, an oil-based mud will be used to drill into the Entrada with a DST to be conducted after drilling 15 ft. of sand. A 4 1/2" production liner will be run from TD up 250 feet into the 7" csg. and cmtd. for completion, if DST results, samples and log analysis justify such completion. A 10" Shaffer Double Gate BOP will be used for blowout prevention.

Attached Exhibits: (A) Location and Elevation Plat; (B) Ten Point Compliance Program; (C) Blowout Preventor Diagram; (D) Multipoint Requirements of APD; (E) Access to Location; (F) Drill Rig Layout; (G) Completion Program Layout; (H) Location Profile

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

John B. Somers II

TITLE

Consulting
Petroleum Engineer

DATE

7/18/2005

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval 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.

CONDITIONS OF APPROVAL, IF ANY:

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

NMOCD

APPROVED BY

John B. Somers II

TITLE

Acting AFM

DATE

1/23/06

*See Instructions On Reverse Side

District I
PO Box 1960, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Branco Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

Exhibit "A"
State of New Mexico
Energy, Minerals & Natural Resources Department

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

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Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

RECEIVED

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number 30-043-20991		* Pool Code 97506 ✓	* Pool Name WC20N2W19; Entrada
* Property Code 35396	* Property Name RIGHT ANGLE FEDERAL		* Well Number 1
* OGRID No. 239475	* Operator Name WW Oil & Gas Inc.		* Elevation 6873

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	19	20 N	2 W		2277	South	1980	West	Sandoval

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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

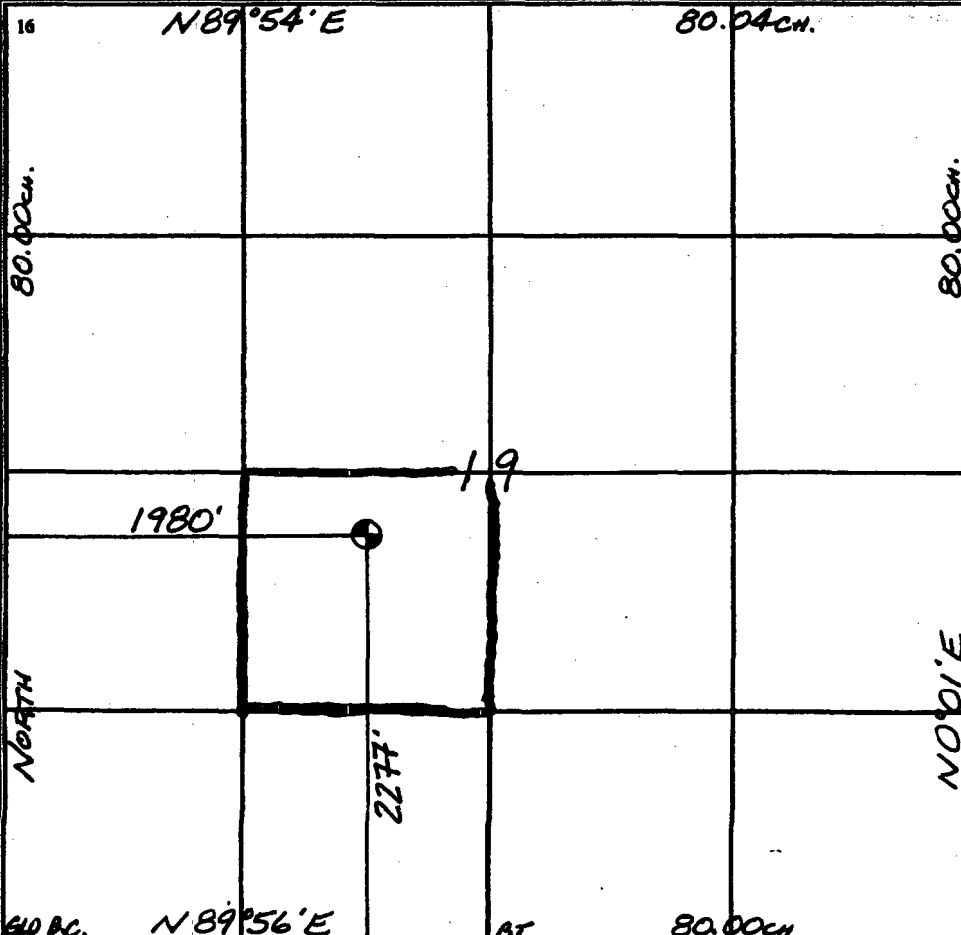
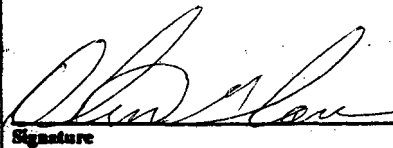
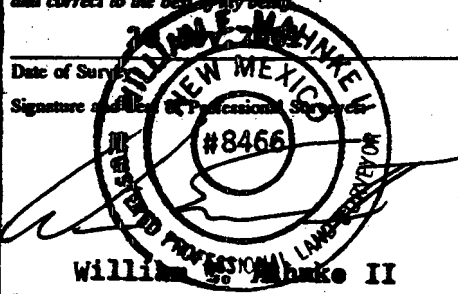
	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature:  Printed Name: Olin Glover Title: Div. 5 SEC. Date: 7-22-05
	18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was 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. Date of Survey: Signature and Seal of Professional Surveyor:  Certificate Number: 8466

EXHIBIT "B"
Ten-Point Compliance Program
of NTL-6 Approval of Operations

Attached to Form 3160-3

WW Oil & Gas Inc.
Right Angle Federal #1
2277' FSL & 1980' FWL
Sec. 19, T20N, R2W, N4PM,
Sandoval County, New Mexico

1. The Geologic Surface Formation

Nacimiento Fm

2. Estimated Tops of Important Geologic Markers

Cliff House SS	700'
Mancos SH	2750'
Dakota SS	4830'
Entrada SS	5800'

3. Estimated Depths of Anticipated Water, Oil, Gas or Minerals

Gallup Sands	3550-3960' (Oil)
Dakota Sands	4830-4950' (Oil or Gas)
Entrada SS	5800-5860' (Oil)

4. The Proposed Casing Program

<u>Hole Size</u>	<u>Interval</u>	<u>Length</u>	<u>Size(OD)</u>	<u>Weight</u>	<u>Grade & Type</u>
12 1/4" 10 3/4"	0-400'	400'	10 3/4"	40.5#	J55 New
8 3/4"	400-2750'	2350'	7"	23#	J55 New
6 1/4"	2750-5860'	3110'	4 1/2"	10.5#	J55 New

Cement Program

circulate cement

Surface - 400' of 10 3/4" 40.5# csg. will be cmtd. w/ 126 sx. of Prem.cmt. containing 2% CaCl₂ (Yield -1.20ft.³/sk.)

Intermediate - 2750' 7" 23# csg. will be cmtd. with 233 sx. of Premium Plus containing Flocele and Gilsonite (Yield 2.35 ft³/sk) and 122 sx. of Premium Plus cmt. containing Flocele and Gilsonite (Yield 1.67 ft³/sk) to cement from 2750' to the surface

Production Liner - 3360' 4 1/2" 10.5# csg. will be cmtd. w/ 160 sx. Premium Plus cmt. containing Flocele and Gilsonite (Yield 2.35 ft³/sk) and 79 sx. of Premium Plus cmt. containing Flocele and Gilsonite (Yield 1.67 ft³/sk) to cement from TD up 250' into the 7" csg.

5. The Operator's Minimum Specifications for Pressure Control

Exhibit C is a schematic diagram of the blowout preventor equipment. The BOP will be hydraulically tested to the full working pressure after nipping up and after any use under pressure. The BOP will be operationally checked each 24 hr. period, and such checks of the BOP will be noted on daily drilling reports.

Accessories to BOP will include floor safety valve, and choke manifold with pressure rating equivalent to the BOP.

6. The Characteristics of the Proposed Circulating Fluids

The surface hole will be drilled with native mud. The 8 3/4" hole from 400' to 2750' will be drilled with a low water loss mud containing KCl to prevent clay swelling. Mud and weight additives will be on location to be added if pressure requires. The Mancos and Gallup will be drilled with air. From the base of the Mancos through the Entrada will be drilled with an oil base mud to prevent filtrate from water based mud from damaging the very fine grained Entrada sandstone and to prevent coning through water filtrate.

7. The Auxiliary Equipment to be used

- (a) A float will be used at the bit
- (b) The mud system will be monitored visually.
- (c) A stabbing valve will be on the floor to be stabbed into the drill pipe when the kelly is not in the string.
- (d) Upper kelly cock valve with handle available.

8. The Testing, Logging and Coring Programs to be followed

- (a) DSTs - A DST is planned of the top 15 feet of the Entrada SS.
- (b) Logging
 - (1) Mud logged from the base of the Nacimiento Fm. to TD
 - (2) Openhole logs as follows - Induction, SP, Litho-Density, Compensated Neutron-Gamma Ray and caliper

9. Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been encountered or reported in wells drilled in the area nor at the shallow depths anticipated in this well. Bottomhole pressure is expected to be 2236 psi., based on the DST of the Entrada in Filon Exploration's Federal 19 No. 1 well in the SE/4 SW/4 of Section 19.

10. Anticipated Starting Date and Duration of the Operations

The anticipated starting date is set for August 31, 2005, or as soon as possible after examination and approval of the drilling requirements. Drilling should be done in approximately 12 days.

EXHIBIT "C"
WW Oil & Gas Inc.
Right Angle Federal #1
2277' FSL & 1980' FWL
Sec. 19, T20N, R2W
Sandoval County, New Mexico

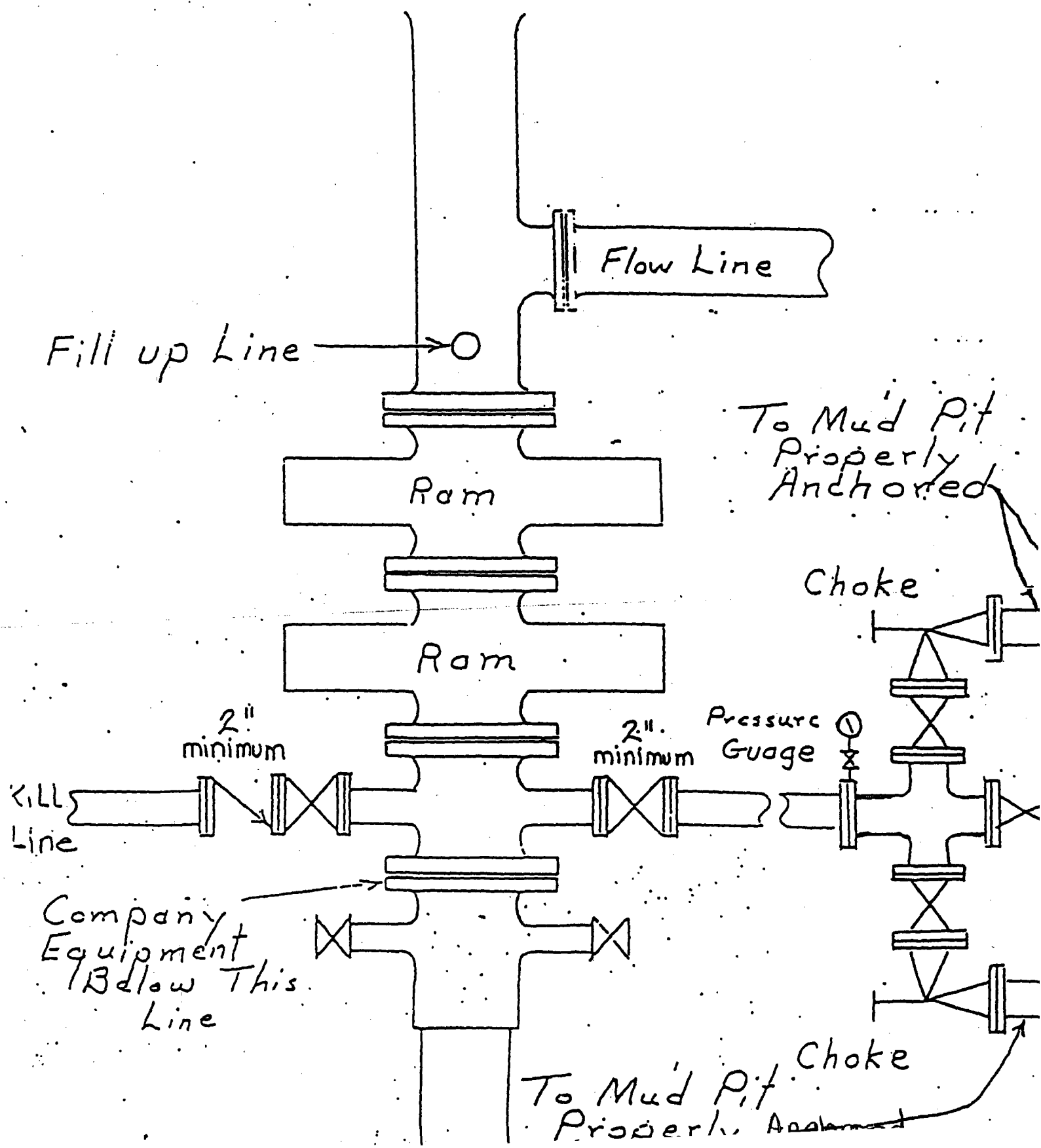


EXHIBIT "F"
 Right Angle Federal #1
 NE/4SW/4 Sec. 19,
 T20N, R2W, NMPM,
 Sandoval Co., New Mexico
 Lease No. NMNM106646

Drill Rig Layout

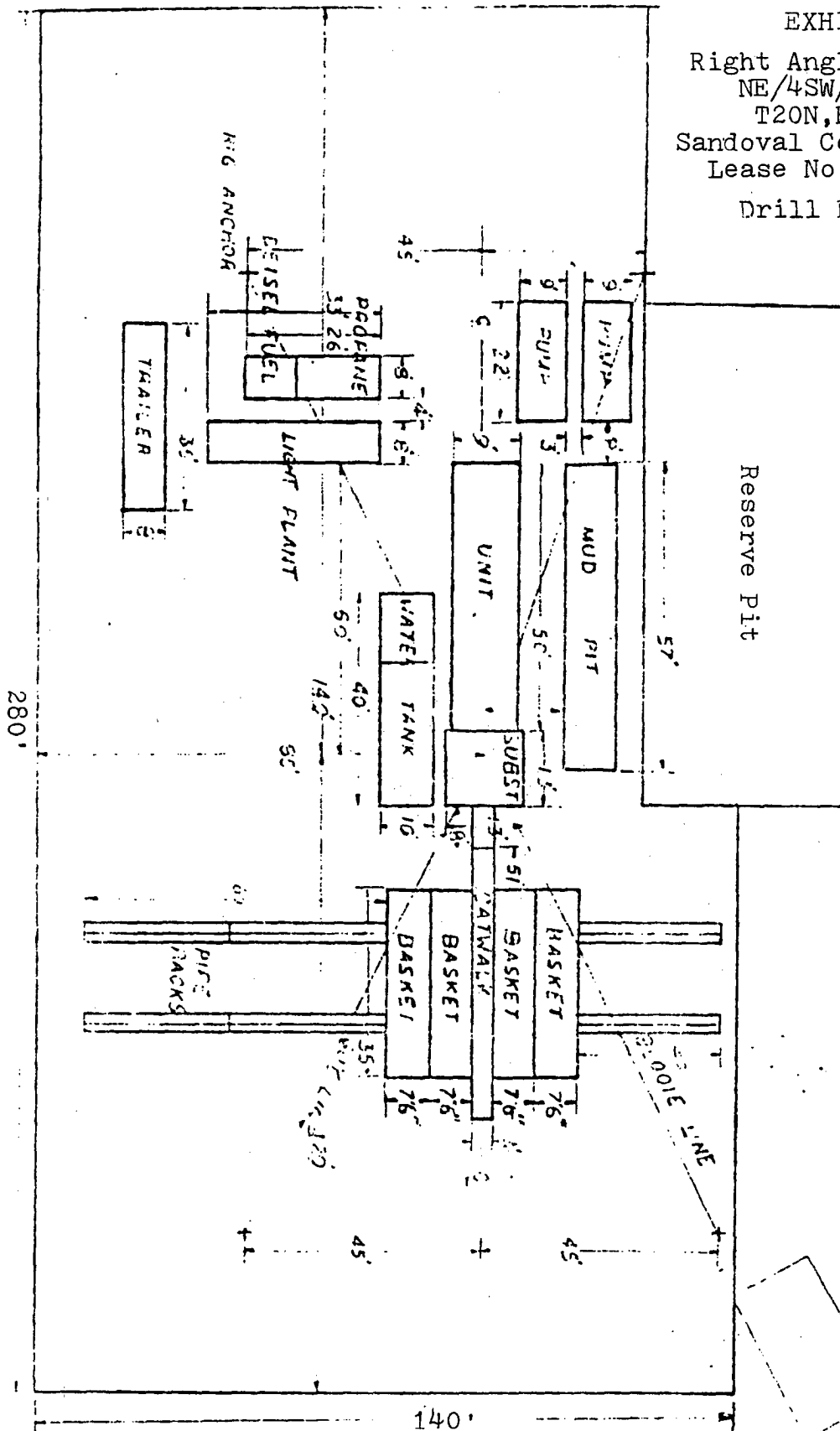
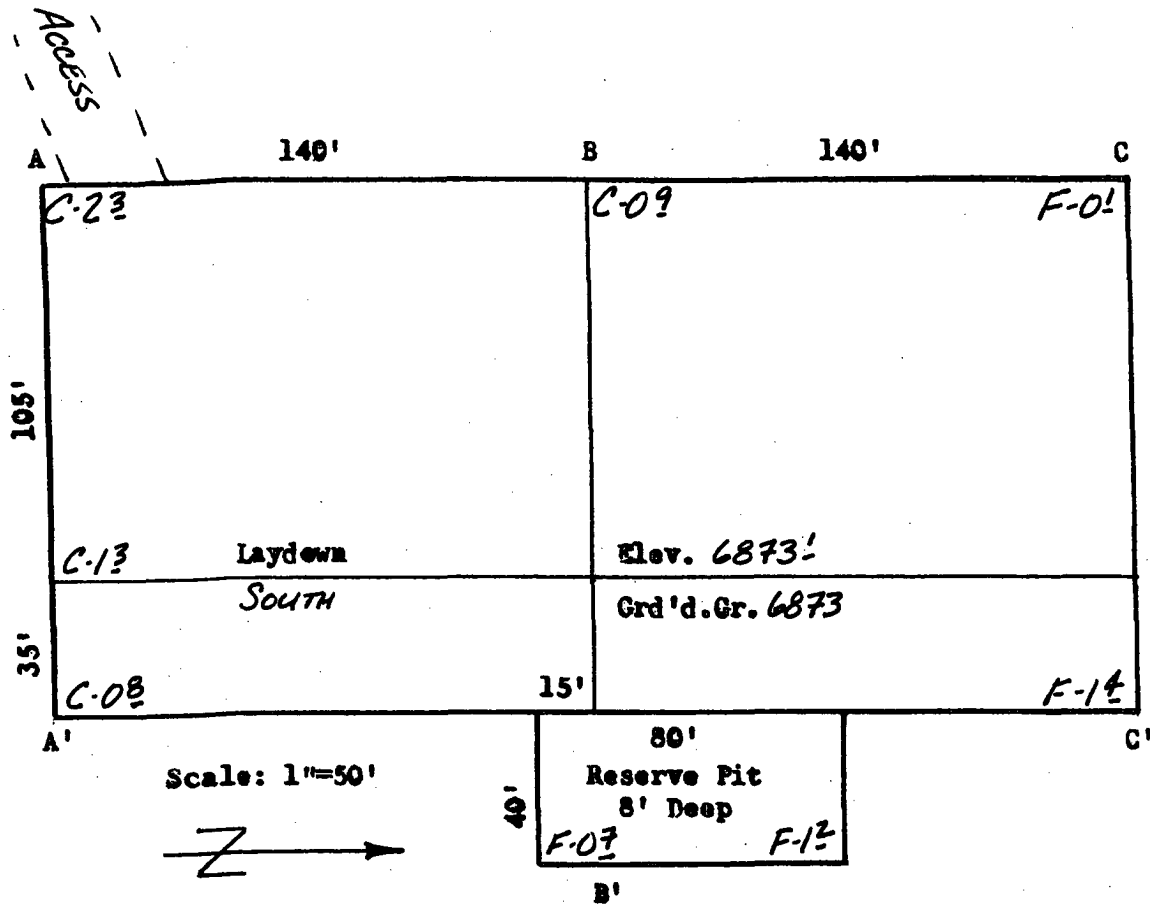


EXHIBIT "H"
 WW Oil & Gas Inc.
 RIGHT ANGLE FEDERAL #1
 2277' FSL & 1980' FWL
 Sec. 19, T20N, R2W, NMPM
 Sandoval Co., NM



A-A'	Vert.: 1"=30'	Horiz.: 1"=50'	C/L
6880	-----	-----	-----
6870	-----	-----	-----
	-----	-----	-----

B-B'	Vert.: 1"=30'	Horiz.: 1"=50'	C/L
6880	-----	-----	-----
6870	-----	-----	-----
	-----	-----	-----

C-C'	Vert.: 1"=30'	Horiz.: 1"=50'	C/L
6880	-----	-----	-----
6870	-----	-----	-----
	-----	-----	-----