

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

5. Lease Designation and Serial No.

~~NMST 078726~~ NMNM 019402

6. If Indian, Allottee or Tribe Name

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

26854

8. Lease Name and Well No.

LARGO FEDERAL #2A

9. API Well No.

30-045-30806

10. Field and Pool, or Exploratory

BLANCO MESAVERDE

11. Sec., T., R., M., or Blk. and Survey or Area

A SEC 13; T-27N; R-8W

12. County or Parish,

SAN JUAN

13. State

New Mexico

17. Spacing Unit dedicated to this well

320 E/D

1a. Type of Work



DRILL



REENTER

1b. Type of Well:

Oil Well



Gas Well



Other



Single Zone



Multiple Zone

2. Name of Operator

PHOENIX HYDROCARBONS OPERATING CORPORATION

3a. Address

P O BOX 3638, MIDLAND, TX 79705

3b. Phone Number

915 682-1186

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

At surface: 1705' FNL & 1045' FEL; H; SEC 13; T-27N; R-8W

At proposed prod. Zone: Same

14. Distance in miles and direction from nearest town or post office\*

20 MILES SOUTH OF BLANCO

15. Distance from proposed\*

N/A

location to nearest  
property or lease line, ft.

(Also to nearest drlg. Unit line, if any)

16. No of Acres in lease

960

18. Distance from proposed\*

N/A

location to nearest  
property or lease line, ft.

19. Proposed Depth

5540'

20. BLM/BIA Bond No. on file

BLM NM2887

21. Elevation (Show whether DF, KDB, RT, GL, etc.)

GL 6567'

22. Approximate date work will start\*

11/9/2001

23. Estimated duration

8 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.

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

Size of Hole	Grade, Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
11"	8-5/8"	24#	230'	100 sks Halliburton Class"B", cir to surf
7-7/8"	4-1/2"	1050#	5540'	1445 sks Halliburton Class"a", w/2%CaC12,cir to surf

SEE ATTACHED APD INFORMATION

25. Signature

*Gregg A. Biano*

Name(Printed/Typed)

GREGG BAIANO

Date

8/20/01

Title ENGINEER

Approved by (Signature)

/s/ David J. Mankiewicz

Name(Printed/Typed)

Date

JUN 24 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)

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

NMOCD

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

MAY 07 2001

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

070 Compton, NM

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> APL Number 30-045-30806	<sup>2</sup> Pool Code 72319	<sup>3</sup> Pool Name BLANCO MESAVERDE
<sup>4</sup> Property Code 26854	<sup>5</sup> Property Name LARGO FEDERAL	<sup>6</sup> Well Number 2A
<sup>7</sup> OGRID No. 188483	<sup>8</sup> Operator Name PHOENIX HYDROCARBONS OPERATING CORP.	<sup>9</sup> Elevation 6567

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	13	27N	8W		1705	NORTH	1045	EAST	SAN JUAN

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<div data-bbox="68 1003 102 1024">16</div>	<div data-bbox="1052 997 1533 1033"><sup>17</sup> OPERATOR CERTIFICATION</div> <div data-bbox="1045 1033 1523 1083">I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</div> <div data-bbox="1045 1171 1533 1268"> </div> <div data-bbox="1045 1239 1362 1289">Signature GREGG BAIANO</div> <div data-bbox="1045 1293 1289 1352">Printed Name ENGINEER</div> <div data-bbox="1045 1356 1330 1415">Title 8/20/01</div> <div data-bbox="1045 1415 1102 1436">Date</div>
	<div data-bbox="1052 1465 1533 1503"><sup>18</sup> SURVEYOR CERTIFICATION</div> <div data-bbox="1045 1503 1533 1608">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.</div> <div data-bbox="1045 1625 1330 1688">Date of Survey April 2, 2001</div> <div data-bbox="1045 1688 1533 1814"> </div> <div data-bbox="1045 1688 1419 1730">Signature and Seal of Professional Surveyor</div> <div data-bbox="1045 1730 1533 1919"> </div> <div data-bbox="1045 1898 1354 1940">Certificate Number 9672</div>

**PHOENIX HYDROCARBONS OPERATING CORP.**  
**OPERATIONS PLAN**  
**Largo Federal 2A**

I. 1705' from North Line  
1045' from East Line  
Section 13-27N-8W San Juan County, N.M.

II. Field: Blanco Mesaverde Elevation 6567' GR  
Geology:

A. Formation Tops:

San Jose	surface	(fresh water)
Nacimiento	899'	(fresh usable water)
Ojo Alamo	2062'	(fresh water)
Kirtland	2266'	
Fruitland	2691'	(coal)
Pictured Cliffs	2902'	(gas)
Lewis	3022'	
Chacra	3823'	(gas)
Cliff House	4575'	(gas)
Menefee	4605'	(coal)
Point Lookout	5160'	(gas)
Mancos	5532'	
TOTAL DEPTH	5540'	

DO NOT ANTICIPATE ANY ABNORMAL PRESSURE OR H2A

B. Logging Program: IES and GR-NDL & CBL

C. Coring Program: None

D. Natural Gauges: Will record all gauges in daily drilling report.

III. Drilling:

A. Mud Program: Mud from surface to TD. Will use native mud.  
Mud weight 8.8-8.9 pp. w/LCM (cedar chips)  
when drilling across Mesaverde.

B. Blow Out Preventer System: A series 900 double gate BOP will be used  
with a 2M choke manifold system.  
(SEE ATTACHED DIAGRAMS 1 & 2)  
The system will include the following items:

- Blind rams
- 1 Kill line (2" min.)
- 1 Choke line valve
- Upper Kelly cock valve w/handle
- Safety valves and subs to fit drill string
- Pressure gauge on choke manifold
- 2" min. choke line
- Fill-up line above uppermost preventer
- Pipe rams
- Choke line valve (2" min.)
- 2 Chokes

#### IV. Materials:

##### A. Casing Program:

<u>Hole Size</u>	<u>Depth</u>	<u>Casing Size</u>	<u>Weight</u>
11"	230'	8-5/8"	24#
7-7/8"	5540'	4-1/2"	10.50#

B. Float Equipment: 8-5/8 surface casing – Larkin Guide Shoe

C. Wellhead Equipment: Casing head rector type "R"  
Nom 8' body x 8-5/8" od.  
Femal

#### V. Cementing:

8-5/8" surface casing – use 58 ft<sup>3</sup> (100 sks) of Halliburton Standard Class B Portland cement with 2% CaC12 and circulate to surface.

4-1/2" production casing – centralizers will be placed across fresh water zones (1 per joint). The cement will be pumped (1445 sks) in two stages with a DV tool set at 3070 ft. Before pumping cement, a 25 bbl mud spaced will be pumped.

1<sup>st</sup> Stage: Pump calculated volume from caliper log plus 25% excess of Class A Portland cement with fluid loss and lost circulation additives. Drop plug, pressure up on multiple stage cementer and circulate upper part of hole for four hours.

2<sup>nd</sup> Stage: Pump calculated volume from caliper log plus 25% excess of light cement and circulate out to clean up hole. Then pump calculated volume from caliper log of Class A Portland cement with 2% CaC12 and LCM. Circulate cement to surface.

**\*A CHRONOLOGICAL LOG WILL BE KEPT.**

This will include recorded pump rate, pump pressure, slurry density and slurry volume.