UNITED STATES

SUBMIT IN TRIPLICATE. Other instructions on

FORM APPROVED OMB NO. 1004-0136

reverse side) Expires: February 28, 1995 DEPARTMENT OF THE INTERIOR 5. LEASE DESIGNATION AND SERIAL NO BUREAU OF LAND MANAGEMENT 14-20-603-2168*A* 6. IF INDIAN, ALLOTTEE APPLICATION FOR PERMIT TO DRILL OR DEEPEN 1a. TYPE OF WORK DRILL 🕝 7. UNIT AGREEMENT NAME DEEPEN | b. TYPE OF WELL SINGLE MULTIPLE Navajo 28 #3 2. NAME OF OPERATOR Richardson Operating Co. (303) 830-8000 30-045-3*0*675 1700 Lincoln St., Suite 1700, Denver, Co. 80203
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) West^{an}Kutz*PCocExt 1831' FSL & 1725' FEL 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA At proposed prod. zone Same J28-29n-14w NMPM 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 12. COUNTY OR PARISH | 13. STATE San Juan NM air miles SW of Farmington DISTANCE FROM PROPUSED* 16, NO. OF ACRES IN LEASE NO. OF ACRES ASSIGNED TO THIS WELL. LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 915 1,440 18. DISTANCE FROM PROPOSED LOCATIONS 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1896 1.200' Rotary 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 22. APPROX. DATE WORK WILL START Sept. 1, 2001 5,631' ungraded PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH QUANTITY OF CEMENT 8-3/4" K-55 20 120' ≈36 cu. ft. & to surface 4-1/2" 6-1/4" K-55 10.5 1,200 ≈225 cu. ft. & to surface Well moved 66' southwest to location shown above as requested by NAPI. cc: BIA, BLM, Colby, NAPI, OCD (via BLM), Tribe 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 s fions and measured and true vertical depths. Give blowout preventer program, if any Consultant (505) 466-8120 3-25-01 (This space for Federal or State office use) 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

/e/ V.R. Baldersz

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

*See Instructions On Reverse Side

MMOCD

JAN - 8 2003

State of New Mexico Energy, Minerals & Mining Resources Department

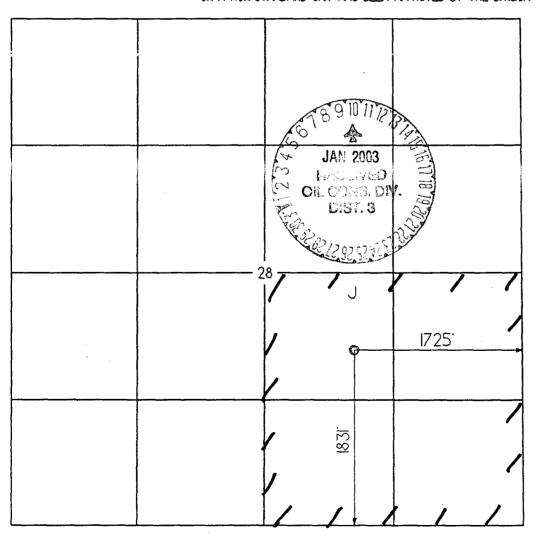
OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe. NM 87505

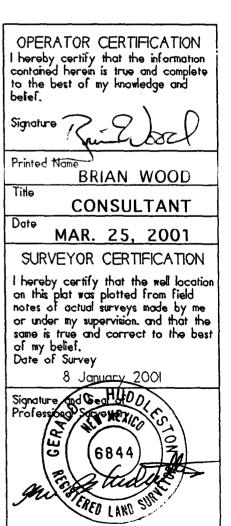
WELL LOCATION AND ACREAGE DEDICATION PLAT

APA Number	Pool Code	Paal Name	
30-045-306	79680	WEST KUTZ PC EXT	
Property Code			Yell Number
25755	· WF NA	OLAVI	28° - 3
OGRID No.	Operat	or Name	Elevation
019219	RICHARDSON OPE	RATING COMPANY	5631
		rfan Laarin	

Feet from> North/South Feet from > UL or Lot Lat Idn East/West County Sec Twp. Rge. 28 SOUTH 1725 1831 **EAST** 29 N. 14 W. SAN JUAN Battom Hole Location II Different From Surface Feet from> North/South | Feet from> UL or Lot Sec Twp. Rge. East/West County Dedication Joint? Consolidation Order No.

> NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION





Richardson Operating Co. Navajo 28 #3 1831' FSL & 1725' FEL Sec. 28, T. 29 N., R. 14 W. San Juan County, New Mexico

Drilling Program

1. ESTIMATED FORMATION TOPS

Formation Name	GL Depth	KB Depth	Subsea Elevation
Kirtland Sh	000'	5'	+5,631'
Fruitland Fm	756'	761'	+4,875'
Pictured Cliffs Ss	1,046'	1,051'	+4,585'
Total Depth (TD)*	1,200'	1,205'	+4,431'
* all elevations reflect th	e ungraded ground lev	rel of 5 631'	

2. NOTABLE ZONES

<u>Gas Zones</u>	Water Zones	<u>Coal Zones</u>
Fruitland Fm (756')	Fruitland Fm (756')	Fruitland Fm (756')
Pictured Cliffs (1,046')		

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 geologist's recommendations.

3. PRESSURE CONTROL

The drilling contract has not yet been awarded, thus the exact BOP model to be used is not yet known. (A typical 2,000 psi model is on PAGE 3.) 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.



Richardson Operating Co.
Navajo 28 #3
1831' FSL & 1725' FEL
Sec. 28, T. 29 N., R. 14 W.
San Juan County, New Mexico

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 kelly cock, floor safety valve, and choke manifold all rated to 2000 psi. Maximum expected pressure is \$350 psi.

480

4. CASING & CEMENT

<u>Hole Size</u>	<u>O.D.</u>	<u>Weight (lb/ft)</u>	<u>Grade</u>	<u>Age</u>	GL Setting Depth
8-3/4"	7"	20	K-55	New	120'
6-1/4"	4-1/2"	10.5	K-55	New	1,170'

Surface casing will be cemented to surface with ≈ 36 cu. ft. (≈ 30 sx) Class B + 2% CaCl₂. 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 mud to the surface. Thirty barrels of fresh water will next be circulated. Lead with ≈ 130 cu. ft. (≈ 63 sx) of Class B with 2% metasilicate (yield = 2.06 cu. ft./sk, slurry weight = 12.5 PPG). Tail with ≈ 95 cu. ft. (≈ 81 sx) of Class B with 2% CaCl₂ (yield = 1.18 cu. ft./sk, slurry weight = 15.6 PPG). Total cement volume is ≈ 225 cu. ft. based on 75% excess and circulating to surface.

Production casing will have 4-1/2" cement guide shoe and self fill float collar. Float will be placed one joint above the shoe. Five centralizers will be spaced on every other joint starting above the shoe. Five turbolizers will be placed on every other joint starting from the top of the well.



BLOW OUT PREVENTOR (B.O.P.

