UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB No. 1004-0136 Expires November 30, 2000

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6.	If	Ind	ian,	Allo	ttee	or	Tribe	Name

APPLICATION FOR PERIMIT TO DE	7M7 SED _// A	M 10 1	NAVAJO	
1a. Type of Work: DRILL REENTE		CAL NU	7. If Unit or CA Agreement N/A	31906
/ Ib. Type of Well: Oil Well Gas Well Other	Single Zone Multip	ole Zone	8. Lease Name and Well No NV NAVAJO 3	
2. Name of Operator RICHARDSON OPERATING CO.			9. API Well No. 30-045- 3パタ	12
3a. Address 3100 LaPLATA HIGHWAY FARMINGTON, NM 87401	3b. Phone No. (include area code) (505) 564-3100		10. Field and Pool, or Explo BAS. FRUIT. COAL	
4. Location of Well (Report location clearly and in accordance with	any State requirements.*)		11. Sec., T., R., M., or Blk. a	and Survey or Area
At surface 1000' FSL & 1115' FWL At proposed prod. zone SAME		1	η35-29n-14w N l	ИРМ
14. Distance in miles and direction from nearest town or post office* 6 AIR MILES SW OF FARMINGTON			12. County or Parish SAN JUAN	13. State
15. Distance from proposed* location to nearest	16. No. of Acres in lease	17. Spacing	Unit dedicated to this well	
property or lease line, ft. (Also to nearest drig. unit line, if any) 1,000'	2,560	FRUIT:	320 AC. (W2) PC:	160 AC. (SW4)
18. Distance from proposed location* to nearest well, drilling, completed,	19. Proposed Depth		A Bond No. on file	
applied for, on this lease, ft.	1,700'	#1582	293308 (BLM - N	ATIONWIDE)
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will sta		23. Estimated duration	
5,807' GL	UPON APPROVAL		2 WEEKS	
	24. Attachments			
The following, completed in accordance with the requirements of Onshe	ore Oil and Gas Order No.1, shall be att	tached to this i	form:	
 Well plat certified by a registered surveyor. A Drilling Plan. 	4. Bond to cover th Item 20 above).	ne operations	unless covered by an existing	ng bond on file (see
 A Surface Use Plan (if the location is on National Forest System La SUPO shall be filed with the appropriate Forest Service Office). 	nds, the 5. Operator certific 6. Such other site s authorized office	specific inform	nation and/or plans as may be	e required by the
Comments			201	75 26 27 20
This action is subject to technical and procedural review pursuant to 43 CFR 3165.8 and appeal pursuant to 43 CFR 3165.4		DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED FEB 2003		
			E	y. W

cc: BIA, BLM (&OCD), Richardson, Tribe 25. Signature Name (Printed/Typed) Date **BRIAN WOOD** 9-2-02 Title CONSULTANT PHONE: 505 466-8120 FAX: 505 466-9682 Approved by (Signature) Name (Printed/Typed) FEB 24 2003 /s/ David J. Markiewicz Title Office

Application approval does not warrant or certify the 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.

State of New Mexico Energy Minerals & Mining Resources Department

OIL CONSERVATION DIVISION 2040 South Pacheco

Santa Fe. NM 87505

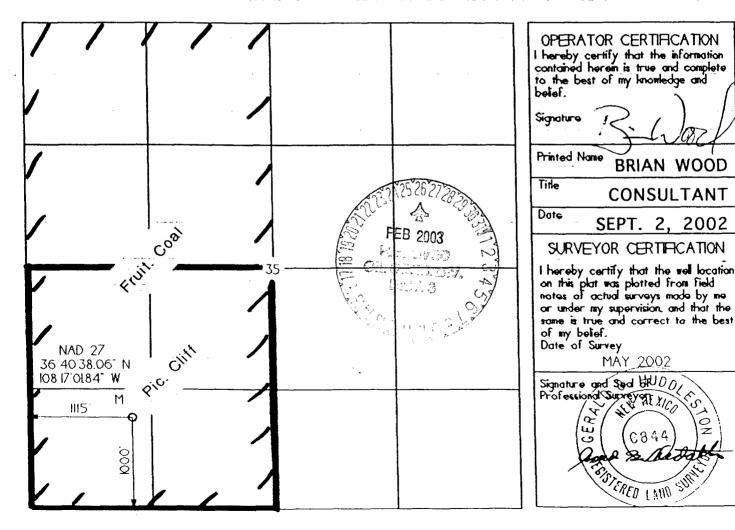
2002 SEP -4 AM 10: HAMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLATINGTON APA Number Pool Code 30-045-3/192 BASIN FRUIT. COAL & WEST KUTZ PC 71629 & 79680 Property Code Property Name Well Number 31906 3 NV NAVAJO 35 OCRD No. Operator Name Bevation 019219 5807 - RICHARDSON OPERATING COMPANY Surface Location

UL or Lot Lot lan | Feet from > | North/South | Feet from > Egat/West County Tup. Rge. 35 M 29 N 14 W 1115 Ю00. SOUTH WEST SAN JUAN

Botton Hole Location & Different From Surface Rgs. UL or Lot Feet from> North/South Feet from> County East/West Dedication Joint ? Order No. Camplidation

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. NV Navajo 35 #3 1000' FSL & 1115' FWL Sec. 35, T. 29 N., R. 14 W. San Juan County, New Mexico

Drilling Program

1. ESTIMATED FORMATION TOPS

Formation Name	GL Depth	KB Depth	<u>Elevation</u>
Kirtland Sh	000'	5'	+5,807'
Fruitland Fm	957'	962'	+4,850'
Pictured Cliffs Ss	1,257'	1,262'	+4,550'
Total Depth (TD)*	1,700'	1,705'	+4,107'

^{*} all elevations reflect the ungraded ground level of 5,807'

2. NOTABLE ZONES

Gas Zones	Water Zones	Coal Zones
Fruitland Fm	Fruitland Fm	Fruitland Fm
Pictured Cliffs		

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.

Blind rams will be hydraulically activated and checked for operational readiness



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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 \$\approx400 psi\$.

4. CASING & CEMENT

Hole Size	<u>O. D.</u>	Weight (lb/ft)	<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	1,700'

Surface casing will be cemented to surface with \approx 36 cubic feet (\approx 30 sacks) Class B + 2% CaCl₂. Volume is based on 100% excess, yield of 1.18 cubic feet per sack, and slurry weight of 15.6 pounds per gallon. W. O. C. = 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 \approx 195 cubic feet (\approx 95 sacks) of Class B with 2% metasilicate (yield = 2.06 cubic feet per sack, slurry weight = 12.5 pounds per gallon). Tail with \approx 115 cubic feet (\approx 95 sacks) of Class B with 2% CaCl₂ (yield = 1.18 cubic feet per sack, slurry weight = 15.6 pounds per gallon). Total cement volume is \approx 310 cubic feet 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.

