Form 3160-3
(July 1992)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK: DRILL ☑ DEEPEN ☐

b. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ OTHER — SINGLE ZONE ☐ MULTIPLE ZONE ☑

2. NAME OF OPERATOR: Elm Ridge Resources, Inc. (505) 632-3476

3. ADDRESS AND TELEPHONE NO.: P. O. Box 189, Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 725' FNL & 1687' FEL
At proposed prod. zone: Same

5. LEASE DESIGNATION AND SERIAL NO.: BIA #9

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Jicarilla Apache

7. UNIT AGREEMENT NAME: N/A

8. FARM OR LEASE NAME, WELL NO.: Jic. Apache A #12

9. API WELL NO.: 30-039-27403

10. FIELD AND POOL, OR WILDCAT: Lindr. Gall-Dak. W

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: B 26-25n-5w NMPM

12. COUNTY OR PARISH: Rio Arriba | 13. STATE: NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 16 air miles NE of Lybrook

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 3,365'

16. NO. OF ACRES IN LEASE: 2,560

17. NO. OF ACRES ASSIGNED TO THIS WELL: 160 NE/4 ~~40 & 320~~

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: 139'

19. PROPOSED DEPTH: 7,500'

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 6,772' ungraded

22. APPROX. DATE WORK WILL START*: July 10, 2002

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	K-55 8-5/8"	24	350'	≈250 cu. ft. & to surface
7-7/8"	J-55 4-1/2"	11.6	7,500'	≈3,450 cu. ft. & to surface

MAR 2003

02 JUN -7 AM 8:17

cc: BIA, BLM, Elm (D&F), OCD (via BLM), T. Velarde

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 _____ TITLE Consultant (505) 466-8120 DATE 5-27-02

(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:

APPROVED BY /s/ Edwin J. Singleton TITLE FOM DATE MAR 2 4 2003

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

State of New Mexico
Energy, Minerals & Mining Resources Department
OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C - 102

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-039-27403	39189	LINDRITH GALLUP DAKOTA WEST

Property Code	Property Name	Well Number
19025	APACHE A	12

OGRID No.	Operator Name	Elevation
149052	ELM RIDGE RESOURCES	6772'

Surface Location

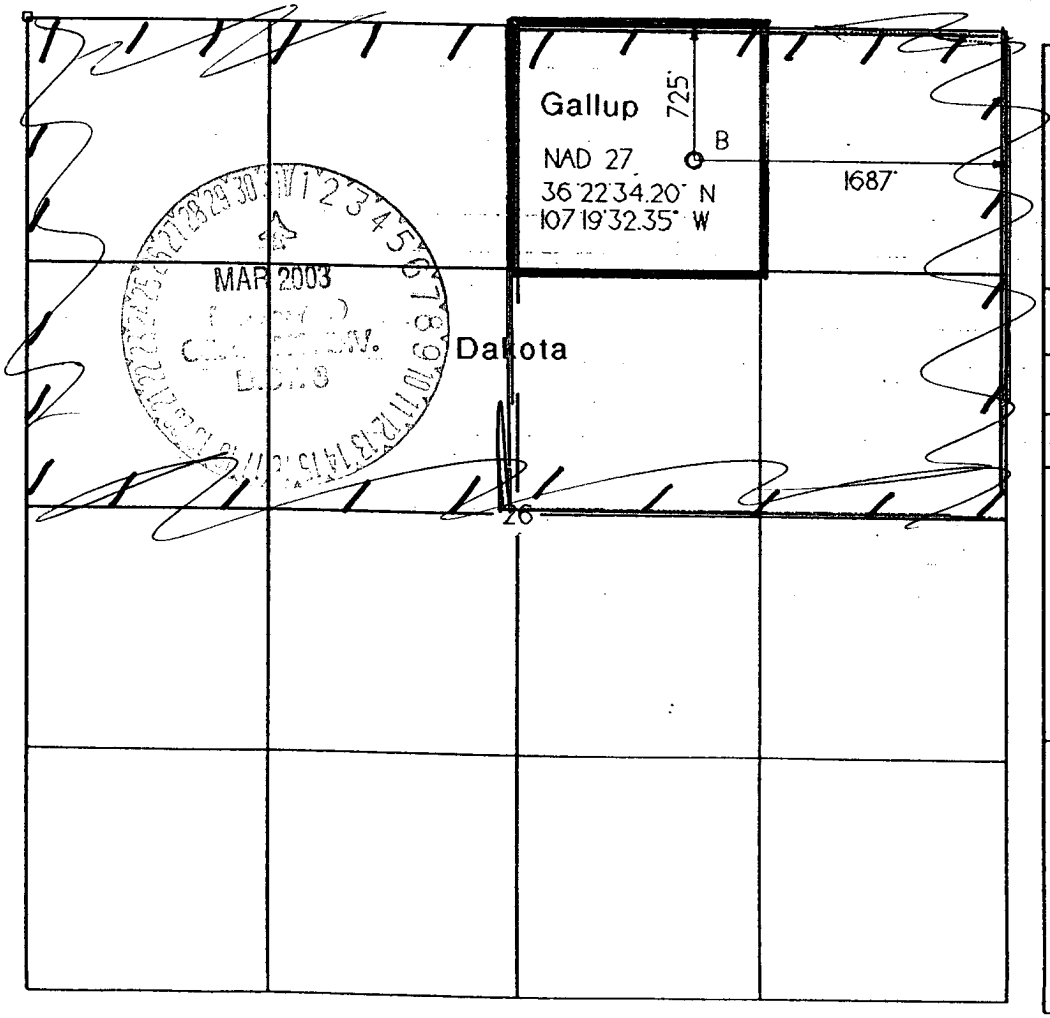
UL or Lot	Sec.	Twp.	Rge.	Lot Idn.	Feet from>	North/South	Feet from>	East/West	County
B	26	25 N.	5 W.		725'	NORTH	1687'	EAST	RIO ARRIBA

Bottom Hole Location If Different From Surface

UL or Lot	Sec.	Twp.	Rge.	Lot Idn.	Feet from>	North/South	Feet from>	East/West	County

Dedication	Joint ?	Consolidation	Order No.
40 & ~~320~~			

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



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: Brian Wood

Printed Name: BRIAN WOOD

Title: CONSULTANT

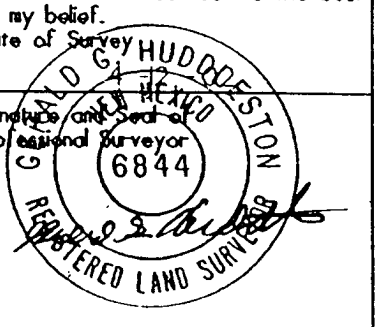
Date: MAY 27, 2002

SURVEYOR CERTIFICATION

I hereby certify that the well location 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



Elm Ridge Resources, Inc.
Jicarilla Apache A #12
725' FNL & 1687' FEL
Sec. 26, T. 25 N., R. 5 W.
Rio Arriba County, New Mexico

Drilling Program

1. ESTIMATED FORMATION TOPS

Formation Name	GL Depth	KB Depth	Elevation
San Jose	000'	10'	+6,772'
Ojo Alamo Ss	2,197'	2,207'	+4,575'
Kirtland-Fruitland	2,422'	2,432'	+4,350'
Pictured Cliffs Ss	2,872'	2,882'	+3,900'
Lewis Sh	2,922'	2,932'	+3,850'
Chacra Ss	3,722'	3,732'	+3,050'
Mancos Sh	5,272'	5,282'	+1,500'
Gallup Ss	6,272'	6,282'	+500'
Sanostee Ss	6,722'	6,732'	+50'
Green Horn	7,022'	7,032'	-250'
Graneros	7,122'	7,132'	-350'
Dakota Ss	7,247'	7,257'	-475'
Total Depth (TD)*	7,500'	7,510'	-728'

* all elevations reflect the ungraded ground level of 6,772'

2. NOTABLE ZONES

Oil & Gas Zones	Water Zones	Coal Zone
Ojo Alamo	San Jose	Fruitland
Fruitland	Ojo Alamo	
Pictured Cliffs	Fruitland	
Chacra		
Mesa Verde		
Gallup		
Sanostee		
Dakota		

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 3,000 psi model is on PAGE 3. The ≥3,000 psi BOP and choke manifold system will be installed and tested to 2,000 psi before drilling surface casing plug. It will remain in use until the well is completed or abandoned. A safety valve and sub with a full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when kelly is not in use.

All BOP mechanical and pressure tests will be recorded on the driller's log. BOPs will be inspected and opened and closed at least daily to assure good mechanical working order. Inspections will be recorded on the daily drilling report. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place.

4. CASING & CEMENT

Hole Size	O. D.	Weight (lb/ft)	Grade	Type	Age	GL Setting Depth
12-1/4"	8-5/8"	24	K-55	S T & C	New	350'
7-7/8"	4-1/2"	11.6	J-55	L T & C	New	7,500'

Surface casing will be cemented to the surface with ≈250 cubic feet (≈250 sacks) Class B with 1/4#/sk Flocele + 2% $CaCl_2$. Volume is based on 100% excess. Centralizers will be installed on the middle of the shoe joint and every other centralizer thereafter. Thread lock the guide shoe and bottom of float collar only. Use API casing dope.

Production casing will be cemented to the surface in 2 stages with a stage tool set at ≈5,000'. First stage volume will be ≈1,450 cubic feet consisting of ≈355 sacks Halliburton Lite with 1/4 pound per sack Flocele followed by ≈655 sacks Class B with 2% $CaCl_2$. Second stage volume will be ≈2,000 cubic feet consisting of ≈1,085 sacks of Halliburton Lite with 2% $CaCl_2$ followed by ≈50 sacks Class B with 2% $CaCl_2$ to cover the Mesa Verde, Pictured Cliffs, and Ojo Alamo. Volume is based on 75% excess, but a caliper log will be used to determine actual volumes needed. Centralizers will be installed on the middle of the shoe joint and on every joint thereafter for a total of ≈32 centralizers. Thread lock the guide shoe, bottom of float collar, and bottom of stage tool only. Use API casing dope.

5. MUD PROGRAM

Depth	Type	ppg	Viscosity	Fluid Loss	pH
0' - 350'	Fresh water gel chem	9.0	50	NC	9
350' - TD'	Fresh water gel chem	9.0	38-50	6.0	9

Sufficient material to maintain mud properties, control lost circulation, and contain a blowout will be available at the well site while drilling. Mud will be checked hourly by rig personnel. Material to soak up possible oil or fuel spills will be on site.

6. CORING, TESTING, & LOGGING

No cores or drill stem tests are planned. DIL/GR logs will be run from TD to surface. CNL/FDC logs may be run over selected segments. Samples will be collected every 10' from 200' above the Point Lookout to the base of the Point Lookout and through the Gallup and Dakota. Samples will be collected every 30' elsewhere.