

**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 **805' FNL & 1573' 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. FARMOR LEASE NAME, WELL NO.
Jic. Apache A #11

9. APWELL NO.
30-039-27404

10. FIELD AND POOL, OR WILDCAT
Blanco PC S & Ot. Chac.

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

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

17. NO. OF ACRES ASSIGNED TO THIS WELL
NE/4 160

20. ROTARY OR CABLE TOOLS
Rotary

22. APPROX. DATE WORK WILL START*
July 1, 2002

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)
3,445'

16. NO. OF ACRES IN LEASE
2,560

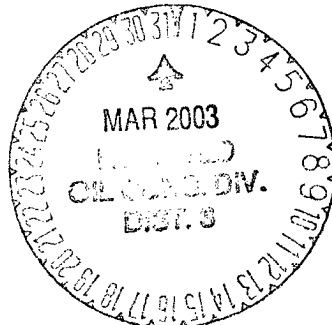
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
139'

19. PROPOSED DEPTH
4,000'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6,773' ungraded

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-5/8"	K-55 7"	23	250'	~70 cu. ft. & to surface
6-3/4"	J-55 4-1/2"	10.5	4,000'	~975 cu. ft. & to surface



02 JUN -4 AM 7:01

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 [Signature] TITLE Consultant (505) 466-8120 DATE 5-26-02

(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 24 2003

***See Instructions On Reverse Side**

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

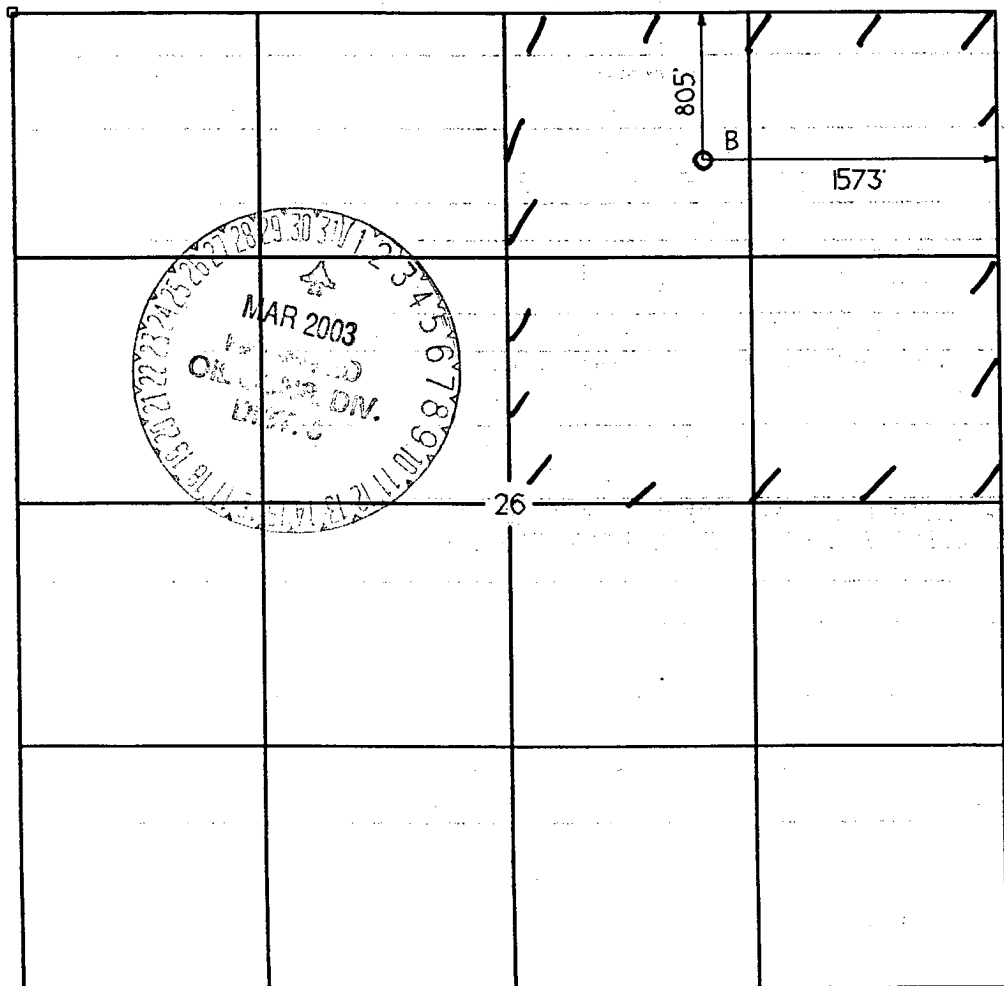
<small>APA Number</small> 30-039-27404	<small>Pool Code</small> 72439 & 82329	<small>Pool Name</small> BLANCO PC SOUTH & OTERO CHACRA
<small>Property Code</small> 19025	<small>Property Name</small> APACHE A	
<small>OGRID No.</small> 149052	<small>Operator Name</small> ELM RIDGE RESOURCES	
		<small>Well Number</small> · II
		<small>Elevation</small> 6773'

Surface Location									
UL or Lot	Sec.	Top.	Rge.	Lot Ldn.	Feet from >	North/South	Feet from >	East/West	County
B	26	25 N.	5 W.		805'	NORTH	1573'	EAST	RIO ARRIBA

Bottom Hole Location if Different From Surface									
UL or Lot	Sec.	Top.	Rge.	Lot Ldn.	Feet from >	North/South	Feet from >	East/West	County

<small>Dedication</small> 160	<small>Joint ?</small> .	<small>Consolidation</small> .	<small>Order No.</small> .
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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.	
<small>Signature</small>	<i>Brian Wood</i>
<small>Printed Name</small>	BRIAN WOOD
<small>Title</small>	CONSULTANT
<small>Date</small>	MAY 26, 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.	
<small>Date of Survey</small>	
<small>Signature and Seal of Professional Surveyor</small>	<i>Paul G. Hudleston</i>

Elm Ridge Resources, Inc.
 Jicarilla Apache A #11
 805' FNL & 1573' FEL
 Sec. 26, T. 25 N., R. 5 W.
 Rio Arriba County, New Mexico

Drilling Program

1. ESTIMATED FORMATION TOPS

<u>Formation Name</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Elevation</u>
San Jose	000'	10'	+6,773'
Ojo Alamo Ss	2,198'	2,208'	+4,575'
Kirtland-Fruitland	2,423'	2,433'	+4,350'
Pictured Cliffs Ss	2,873'	2,883'	+3,900'
Lewis Sh	2,923'	2,933'	+3,850'
Chacra Ss	3,723'	3,733'	+3,050'
Total Depth (TD)*	4,000'	4,010'	+2,773'

* all elevations reflect the ungraded ground level of 6,773'

2. NOTABLE ZONES

<u>Oil & Gas Zones</u>	<u>Water Zones</u>	<u>Coal Zones</u>
Ojo Alamo	San Jose	Fruitland
Fruitland	Ojo Alamo	
Pictured Cliffs	Fruitland	
Chacra		

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.) BOP and

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choke manifold system will be installed and tested to 500 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

<u>Hole Size</u>	<u>O. D.</u>	<u>Weight (lb/ft)</u>	<u>Grade</u>	<u>Type</u>	<u>Age</u>	<u>GL Setting Depth</u>
8-5/8"	7"	23	K-55	S T & C	New	250'
6-3/4"	4-1/2"	10.5	J-55	L T & C	New	4,000'

Surface casing will be cemented to the surface with ≈70 cubic feet (≈60 sacks) Class B with 1/4#/sk Flocele + 2% CaCl₂. Yield = 1.18 cubic feet per sack. Weight = 15.2 pounds per gallon. Volume = 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 with ≈975 cubic feet (≈827 sacks) Class B with 1/4#/sk Flocele + 2% CaCl₂. Yield = 1.18 cubic feet per sack. Weight = 15.2 pounds per gallon. Volume = 75% excess. At least ten centralizers will be used.