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FORM APPROVED Form 3160-3 2003 MAR 12 PM **2**: 06 OMB No. 1004-0136 (August 1999) UNITED STATES Expires November 30, 2000 DEPARTMENT OF THE INTERIORATION **BUREAU OF LAND MANAGEMENT** NM 20314 6. If Indian, Allottee or Tribe Name APPLICATION FOR PERMIT TO DRILL OR REENTERIAR 2003 7. If Unit or CA Agreement, Name and No. la. Type of Work: X DRILL REENTER 8. Lease Name and Well No Oil Well b. Type of Well: Gas Well Other Single Zone Multiple Zone Roosevelt SWD #1 9. API Well No. 2. Name of Operator 300 Calpine Natural Gas Company 10. Field and Pool, or Exploratory 3A. Address 3b. Phone No. (include area code) c/o Walsh Engineering, 7415 E. Main, Farmington, NM 87402 505.327.4892 4. Location of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T., R., M., or Blk, and Survey or Area 1830' FSL and 780 FEL Section 22, T30N, R14W At proposed prod. Zone 14. Distance in miles and direction from nearest town or post office* County or Parish 2.5 mile west of Farmington, NM NM San Juan 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) 780' 480 acres Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 19. Proposed Depth 20. BLM/BIA Bond No. on file 15' 4000' On File 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* 23. Estimated duration 5657' GL March 22, 2003 2 weeks 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. Bond to cover the operations unless covered by an existing bond on file (see 2. A Drilling Plan. Item 20 above). 3. A Surface Use Plan (if the location is on National Forest System Lands, th Operator certification. SUPO shall be filed with the appropriate Forest Service Office. Such other site specific information and/or plans as may be required by the authorized office. 25. Signature Name (Printed/Typed) Date Paul C. Thomas -Paul C. Thompson, P.E. 3/12/03 Title Agent Approved by (Signature) Name (Printed/Typed) **19** 2003 **V David J. Manklew** Title Office 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.

*(Instructions on reverse)

Conditions of approval, if any, are attached.

This action is subject to rechnical and

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

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

Title 18 U.S.C. Section 1001and 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

Ditrict I Box 1980, Hobbs, NM 88241-1980

District II PO Drawer DD, Artesia, NM 88211-0719

District III 1000 Rio Brazos Ad., Aztec, NM 87410

District IV PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

Form C-102 Revised February 21, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

| | | | | | A DNA NOI | CREAGE D | EDICAT | TION PL | АТ | | |
|-------------------------------|---------------|-----------------|------------------|------------------|-----------------------------|---------------------------------|-------------------|---|---|--|--|
| 30-04 | PI Number | 31448 | 76/la | Pool Cod | 50 E | VD Meson | revie | Pool Name | | | |
| Property Code | | | | Property | Property Name ROOSEVELT SWD | | | | *Well Number | | |
| '0GRID 19480 | | • | | | | erator Name URAL GAS COMPANY | | | | °Elevation 5657 | |
| | | | | | ¹⁰ Surface | Location | | | | | |
| UL or lot no. | Section 22 | Township 30N | Range 14W | Lot Idn | Feet from the | North/South | } | et from the 780 | East/West line | SAN JUAN | |
| | <u> </u> | 11 E | Bottom | Hole L | ocation I | f Differe | ent Fr | om Surf | ace | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South | line Fe | et from the | Eașt/West line | County | |
| ¹² Dedicated Acres | 320 | û Aere | 5 (E, | /2) _ | 13 Joint or Infill | ¹⁴ Consolidation (| Code 15 Ond | er Na. | <u> </u> | | |
| NO ALLOV | NABLE W | ILL BE OR A | ASSIGNE NON-S | D TO TH | HIS COMPLETI UNIT HAS B | ION UNTIL EEN APPROV | ALL INT VED BY | ERESTS H | HAVE BEEN C | CONSOLIDATED | |
| 15 280.00 | | | 5 | 22- | - MAR 26 | 03 | .00.08ZG | I hereby contains to the Signatur Paul Printed A4E Title 3 / 10 Date 18 SURV I hereby shown on notes of my super and corr Survey Signatur | y certify that the dependence is true best of my knowle best of my knowle compared to the best of the | TIFICATION well location lotted from field lade by me or under the same is true of my belief. UARY 19, 2003 ofessional Surveyor | |
| | | | ! | اا 00.085 |) ¹ | | | Cert | SoN C. | EDWARDS 15269 | |

CALPINE NATURAL GAS CORP. OPERATIONS PLAN Roosevelt SWD #1R

I. Location: 1830' FSL & 780' FEL

Date: March 12, 2003

Sec 22 T30N R14W San Juan County, NM

Field: Blanco Mesa Verde

Elev: GL 5657'

Surface: Bureau of Land Management

Minerals: Federal NM 20314

II. Geology: Surface formation _ Ojo Alamo

| Α. | Formation Tops | Depths |
|----|-----------------|---------------|
| | Fruitland | 648' |
| | Pictured Cliffs | 1272' |
| | Cliff House | 2799 ' |
| | Point Lookout | 3672 ' |
| | Total Depth | 4000' |

Estimated depths of anticipated water, oil, gas, and other mineral bearing formations which are expected to be encountered:

Water and gas - 648' and 1272'.

- B. Logging Program: None.
- C. No over pressured zones are expected in this well. No H_2S zones will be penetrated in this well. Max. BHP = 1000 psig.

III. Drilling

- A. Contractor:
- B. Mud Program:

The surface hole will be drilled with a fresh water mud.

The production hole will be drilled with a fresh water polymer mud. The weighting material will be drill solids or if conditions dictate, barite. The maximum mud weight expected is 8.5 ppg.

C. Minimum Blowout Control Specifications:

Double ram type or annular type 2000 psi working pressure BOP with a rotating head. See Exhibit #1 for details on the BOP equipment. All ram type preventers and related equipment will be hydraulically tested at nipple-up and after any use under pressure to 1000 psi.

Roosevelt SWD #1R Operations Plan Pg #2

C. Cont.

The 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. The BOP equipment will include a kelly cock, floor safety valve, and choke manifold all rated to 2000 psi.

IV. Materials

A. Casing Program:

| Hole Size | Depth | Casing Size | Wt. & Grade |
|-----------|--------------|-------------|-------------|
| 12-1/4" | 250 ' | 8-5/8" | 32# J-55 |
| 7-7/8" | 4000' | 5-1/2" | 15.5# J-55 |

- B. Float Equipment:
- a) Surface Casing: Notched collar and 3 centralizers.
- b) Production Casing: 5-1/2" cement guide shoe and self fill insert float collar. Place float one joint above the shoe. Five centralizers spaced every other joint above shoe and five turbolizers every other joint across the Pictured Cliffs and Fruitland (1300' 650').

V. Cementing:

Surface casing: 8-5/8" - Use 175 sx (207 cu. ft.) of Cl "B" with 2% CaCl₂ (Yield = 1.18 cu. ft./sk; slurry weight = 15.6 PPG). 100% excess to circulate cement to surface. WOC 12 hours. Pressure test surface casing to 600 psi for 30 min.

Production Casing: 5-1/2" - Before cementing circulate hole with at least 1-1/2 hole volumes of mud. Precede cement with 30 bbls of fresh water. Lead with 285 sx (829 cu.ft) of Cl "B" with 3% metasilicate, 10#/sk. Gilsonite, 1/2#/sk cello flake. (Yield = 2.91 cu.ft./sk; slurry weight = 11.4 PPG). Tail with 300 sx (399 cu.ft.) of Cl "B" 50:50 poz with 5#/sk. Gilsonite, 4#/sk cello flake 2% CaCl₂ (Yield = 1.33 cu. ft./sk; slurry weight = 13.5 PPG) Total cement volume is 1228 cu.ft. (75% excess to circulate cement to surface).

Paul C. Thompson, P.E.