Form 3160-3 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

5. Lease	Seria	l No
5∵Lease ∛NM	1051	89

APPLICATION FOR PERMIT TO I	ORILL OR I	REENTER	· 1/1.	6. If Indian, Allottee	
Ia. Type of Work: DRILL REEN	ΓER		- To Carlot	1 .	reement, Name and No.
1b. Type of Well: Oil Well Gas Well Other		Single Zone Mult	iple Zone	8. Lease Name and Byrne Fe	
2. Name of Operator D.J. Simmons, Inc.				9. API Well No.	927556
3a. Address	3b. Phone N	lo. (include area code)		10. Field and Pool, or	, , , , , , , , , , , , , , , , , , ,
1009 Ridgeway Place, Suite 200, Farmington N.M. 87401	(505) 326	5-3753		West Lindreth	Gallup Dk LPlanco MV
A. Location of Well (Report location clearly and in accordance with	h any State requ	irements. *)			131k. and Survey or Area
At surface 1623. FNL x 956. FWL					
At proposed prod. zone 1910' FNL x 2250' FWL				E Section 24,	Γ25N, R 3W
14. Distance in miles and direction from nearest town or post office* 7.5 miles northwest of Lindreth, NM				12. County or Parish Rio Arriba	13. State NM
15. Distance from proposed* 955' at surface	16 No. of	Acres in lease	17 Spacin	g Unit dedicated to this	
location to nearest property or lease line, ft. (Also to nearest drig, unit line, if any)		20	ir. spacin	160 NWA	wen .
18. Distance from proposed location* 55' @surface, 1350' @ TD	19. Propos	19. Proposed Depth 2		LJIA/BIA Bond No. on file	
to nearest well, drilling, completed, abandoned PC well applied for, on this lease, ft.	8706' M	D, 8243' TVD	N	M 1577	
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approx	imate date work will sta	ırt*	23. Estimated duration	'n
		09/20/03		60 days	
7206' GL	24. Atta	achments drilling p	lan, surfac	e use plan	•
The following, completed in accordance with the requirements of Onsh	ore Oil and Gas	Order No. 1, shall be at	tached to this	form:	<u> </u>
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System SUPO shall be filed with the appropriate Forest Service Office). 	n Lands, the	Item 20 above). 5. Operator certific 6. Such other site s	ation. specific info	•	existing bond on file (see
		authorized office	er. ====================================		
25. Signature		e (PrintedITyped) pert R. Griffee			Date 08/11/03
Γitle V					
Operations/Engineer					
Approved by (Signuture)	Nan	ne (PrintediTyped)			DEC 1 7 2003
Octing Assistant Field Manage	Offic	ce			
Application approved does not warrant or certify the the applicant holds perations thereon. Conditions of approval, if any, are attached.	legal or equital	ble title to those rights in	the subject l	ease which would entitl	e the applicantto conduct
itle 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make states any false, fictitious or fraudulent statements or representations as			d willfully to	make to any departme	nt or agency of the United
'(Instructions on reverse)		······································			

HOLD C104 FOR Directional Survey

DISTRICT 1 P.O. Box 1980, Hobbs, N.M. 88241-1980

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised Febuary 21, 1994 Instructions on back

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II P.O. Drawer DD, Artesia, N.M. 88211-0719

DISTRICT III 1000 Rio Brazos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION

P.O. Box 2088 Santa Fe, NM 87504-2088

☐ AMENDED REPORT

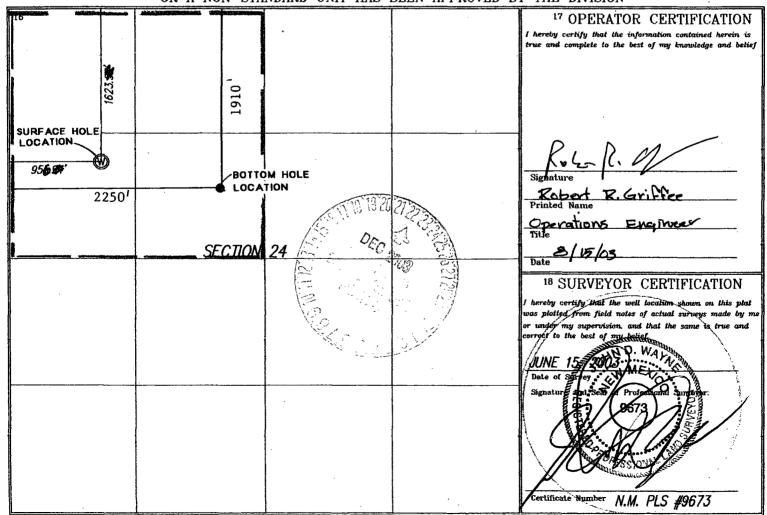
DISTRICT IV PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Nurabe	r _	² Pool C	Code		³ Pool Name	e/		
30-034-7	7556	39189	1	V LINDRETH GAL	LUP/DAKOTA	/		
Property Code			⁶ Prope	rty Name		e A	ell Number	
30996			BYRNE FED 24-00%		BYRNE FED 24+00%			
OGRID No.			⁴ Opera	tor Name			Elevation	
5578			D. J. SIMN	IONS INC.			7206 .3 3	
			10 Surfac	e Location				
UL or lot no. Secti	on Township	Range Lot ld	in Feet from th	e North/South line	Feet from the	East/West line	County	

24 25N **NORTH** 956.9 .3W 1623.5 WEST rio arriba **Bottom Hole** Location If Different From Surface North/South line UL or lot no. Section Township Lot ldn Feet from the Feet from the East/West line Range County E 24 25N 3W 1910 NORTH 2250 WEST RIO ARRIBA 12 Dedicated Acres 15 Joint or Infill ¹⁴ Consolidation Code 55 Order No. 160

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



D.J. SIMMONS, INC.

Drilling Plan

Well Name:

Byrne Federal 24-1X

Surface Location:

1623.52 FNL x 955.94 FWL, Section 24, T25N, R3W

Rio Arriba County, NM

Bottom Hole Location:

1910' FNL x 2250' FWL, Section 24

Formation:

Gallup/Dakota

Elevation:

7206' GL, 7220' RKB

Geology:

Formation	Top True Vertical Depth	Top Measured Depth	Probable Content
San Jose Ojo Alamo	Surface 3348	Surface 3348	salt water
Kirtland	3448	3448	gas/water
Fruitland	3504	3504	gas/water
Pictured Cliffs	3624	3624	gas
Chacra	4048	4048	gas
MesaVerde	5258	5258	gas
Menefee	5370	5370	gas .
PointLookout	5768	5768	gas
Mancos	5995	5995	gas/oil
Gallup	6800	6779	gas/oil
Graneros	7888	8243	gas/oil
Dakota	7996	8384	gas/oil
Burro Canyon	8166	8606	gas/water
TD	8243	8706	•

Logging Program:

Schlumberger Platform Express Suite from 4900' to base of Surface

Casing. Platform Express Suite from 6400' to 4900' (air hole). Platform Express Suite from 8706' to 6400'. Mud Logger on from 3400' to TD.

Drilling Fluid Program:

*	Note:	all	depths	are	M	easured	Depths
	1	nte	rval		Fh	uid Tyn	e

Interval	Fluid Type	Weight	Viscosity	Fluid Loss
0' - 250' 250' - 4900'	fresh water spud mud fresh water LSND gel/poly with Soltex for shale cntrl	8.4 – 9.0 ppg 8.5 – 9.0 ppg		no control 10 cc
4900' – 6400'	air or air/mist. Shale treat in mist.			
6400' – 8706'	3% KCL / PHPA polymer	8.6 - 9.2 ppg	30-50 sec	8 to 10

Casing Program:

Note	: all depths are	Measured Depths				
	Interval	Hole Diameter	Csg Size	Wt.	Grade	Thread
	0'-250'	17 1/2"	13 3/8"	48 ppf	H-40	STC
	0' - 4700' 4700' - 4900'	12 1/4" 12 1/4"	9 5/8" 9 5/8"	36 ppf 47 ppf	J-55 J-55	STC STC
	4750' – 6250' 6250' – 6400'	8 1/2" 8 1/2"	7" 7"	20 ppf 26 ppf	J-55 J-55	LTC LTC
	8706' - 6250'	6 1/4"	4 1/2"	11.6 ppg	N-80	LTC

(The heavier weight casing on the bottom of the 9 5/8" and 7" casing strings is to facilitate existing liner hanger inventories only)

Tubing Program: $0 - 8600^{\circ}, 23/8^{\circ}, 4.7 \text{ ppf}, J55, EUE$

BOPE and Wellhead Specifications and Testing:

From surface casing shoe to 5000': 13 3/8" 2000 psi threaded casing head with two 2" outlets. 13 5/8", 2000 psi annular BOP and 2000 psi choke manifold (see figures 1 and 2). Pressure test BOPE to 2000 psi and 13 3/8" surface casing to 600 psi prior to drilling surface casing shoe.

From 4900' to 6400': 9 5/8" 3000 threaded casing head. 11" 3000 psi double gate BOP with rotating head and 3000 psi choke manifold (see figures 3 and 4). Pressure test BOPE to 2000 psi and 9 5/8" casing to 1000 psi prior to drilling shoe.

From 6400' – TD: 11" 3000 psi double gate BOP with rotating head and 3000 psi choke manifold (see figures 3 and 4). Pressure test BOPE to 3000 psi and 7" casing to 1500 psi prior to drilling shoe.

For completion operations: $7" \times 23/8"$, 3000 psi tree assembly. 71/16", 3000 psi double gate BOP system (see figure 5).

General Operation:

- Actuate pipe rams once each day during drilling operations. Actuate blind rams once each trip.
- An upper Kelly cock valve, with handle, will be available on the rig floor to fit each drilling string.
- BOP pit level drill will be conducted weekly for each drilling crew.
- All BOP tests and drills will be recorded in the daily drilling report.
- Blind and pipe rams will be equipped with extension hand wheels.

Cementing Program:

13 3/8" Surface Casing String: Run casing with saw tooth guide shoe on bottom, insert float valve one joint from bottom, and install bowspring centralizers as per Onshore Order #2. Cement with 340 sks class 'G' with ¼ #/sk flocele and 2% CaCl2 (384 cf slurry, 100% excess to circulate to surface).

9 5/8" Intermediate Casing String: Run casing with float shoe on bottom, float collar one joint from bottm and install bowspring centralizers as per Onshore Order #2. Cement with 1275 sks 65/35 poz plus additives followed with 100 sks Class 'G' (1850 cf slurry, 50% excess to circulate to surface).

7" Protection Liner: Run casing with float shoe on bottom, float collar one joint from bottom, and centralizers every other joint from 6400' to 5000'. Cement with 140 sks class 'G' 50/50 poz plus additives followed by 100 sks Class 'G' neat. Precise slurry volumes to be calculated from open hole log caliper plug 25% excess. Top of cement to be at liner top.

4 ½" Production Liner: Run casing with float shoe on bottom, float collar two joints from bottom. Centralize with one centralizer in the middle of the first joint and one centralizer every other collar. Cement with 200 sks of class 'G' 50/50 poz plus additives followed by 100 sks Class 'G' neat. Precise slurry volumes to be calculated from open hole log caliper plus 25% excess. Top of cement to be at liner top.