

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

CONFIDENTIAL

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

McElvain Oil & Gas Properties, Inc

3. ADDRESS AND TELEPHONE NO.

1050 17th Street, Suite 1800, Denver, CO, 80265 (303) 893-0433 ext 302

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1980' FNL & 660' FEL, Section 9, T25N, R2W, NMPM

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

7 1/2 miles north of Lindrith, New Mexico

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

660'

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

1122'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

7343' GL

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

28835

8. FARM OR LEASE NAME, WELL NO.

Coyote Com 9 No.1

9. API WELL NO.

30-039-26810

10. FIELD AND POOL, OR WILDCAT

Blanco Mesa Verde

11. SEC., T., R., M., OR BLK

Sec 9, T25N, R2W, NMPM

12. COUNTY

Rio Arriba

13. STATE

NM

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED TO THIS WELL

320

19. PROPOSED DEPTH

6175'

20. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START

October 1, 2001

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9.625", J-55	36	600'	320 sks (377.6 cf) - circ. to surface
8.750"	7.000", J-55	20	3815'	475 sks (882.5 cf) - 2 stage - circ to surface.
6.250"	4.500", J-55	10.5	6175'	270 sks (441.0 cf) to 3695'

McElvain Oil and Gas Properties, Inc will spud this well in the San Jose formation. The 12 1/4" hole will be drilled to 600' using a fresh water base mud. Run and cement surface casing with sufficient volume to circulate to surface. WOC 12 hours. Nipple up 11" 2000# BOPE and test to a minimum of 500 psi/15 minutes. Drill a 8 3/4" hole approximately forty five feet into the Lewis using a mud mixed with Mesa Verde and Dakota produced water. Run and cement 7.0" intermediate casing in 2-stages with sufficient volume to circulate to surface. WOC 12 hours. Test BOPE to 1500 psi/15 minutes. Drill a 6 1/4" hole to TD using air/air mist. Run Induction and Density/Neutron logs to intermediate casing shoe. Run a 4 1/2" production liner with liner hanger set at least 120' into intermediate casing. Cement with sufficient volume to circulate to liner top. Release the drilling rig. Move in completion unit. Run cased hole correlation logs. Pressure test casing to 3000 psi/15 minutes. Perforate select Mesa Verde intervals and stimulate using a 2% KCL slick water fluid and 1500# sand per foot of net pay.

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 true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE Agent

DATE August 8, 2001

(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. W. Anderson

TITLE

Asst. Field Manager

DATE

Aug 30, 01

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer 00, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., 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-1
Revised February 21, 1991
Instructions on back
State Lease - 4 Copies
Lease - 3 Copies

CONFIDENTIAL

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-039-26810		2 Pool Code 72319		3 Pool Name BLANCO MESAVERDE	
4 Property Code 28835		5 Property Name COYOTE COM 9			6 Well Number 1
7 OGRID No. 22044		8 Operator Name McELVAIN OIL & GAS PROPERTIES			9 Elevation 7343'

10 Surface Location

UL or lot no. H	Section 9	Township 25N	Range 2W	Lot Idn	Feet from the 1980	North/South line NORTH	Feet from the 660	East/West line EAST	County RIO ARriba
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11 Bottom Hole Location If Different From Surface

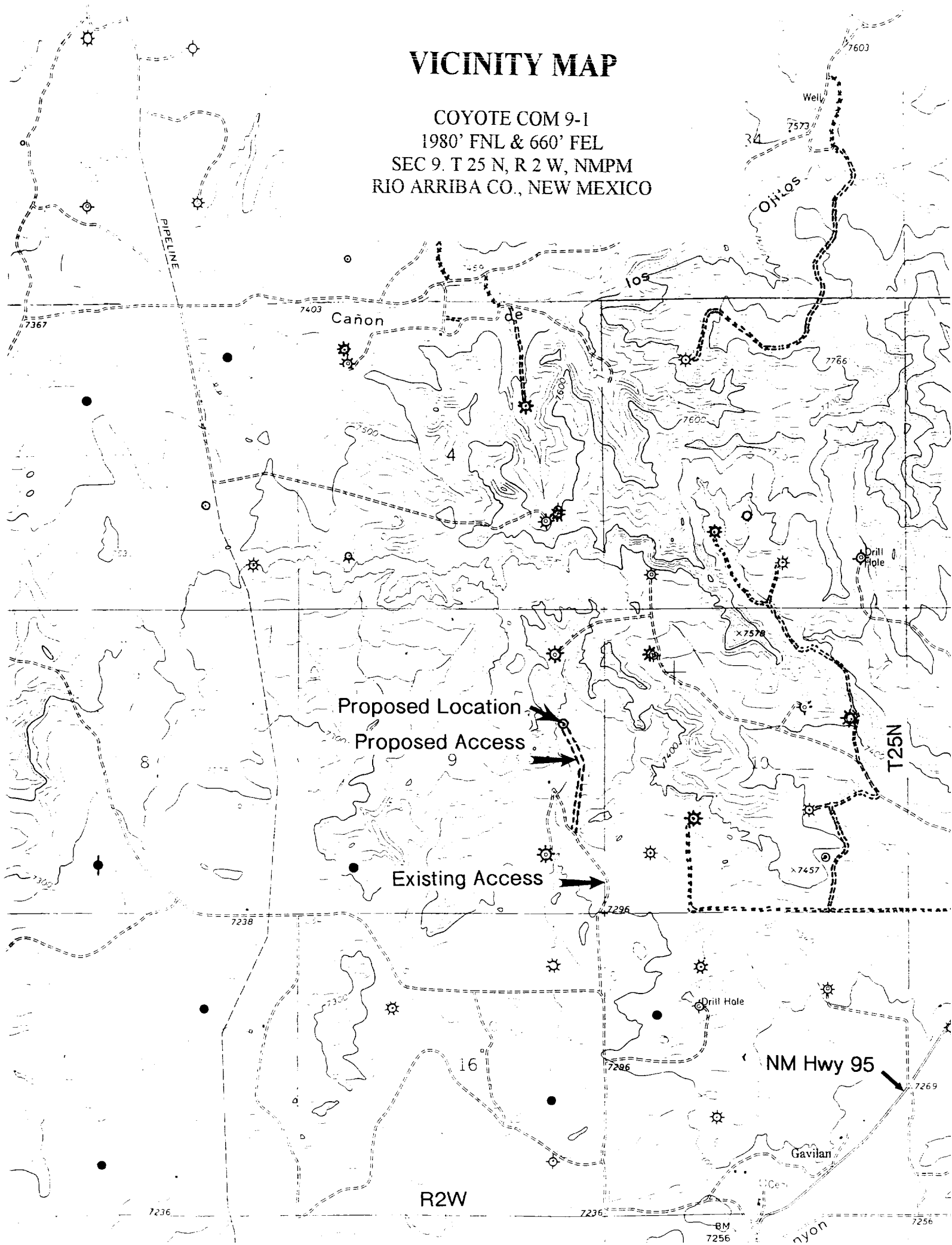
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres 320					13 Joint or Infill Y	14 Consolidation Code C	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature CHARLES NEELEY Printed Name AGENT Title August 08, 2001 Date	
18 SURVEYOR CERTIFICATION I hereby certify that the well location shown 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. JULY 5, 2001 Date of Survey Signature and Seal of Professional Surveyor Certificate No. 6857			

COYOTE COM 9-1
1980' FNL & 660' FEL
SEC 9. T 25 N, R 2 W, NMPM
RIO ARRIBA CO., NEW MEXICO



McElvain Oil & Gas Properties Inc.
Coyote Com 9-1
1980' FNL & 660' FEL
Section 9, T25N, R2W, NMPM
Rio Arriba County, New Mexico

TEN POINT DRILLING PROGRAM

1. **Surface Formation:** San Jose
2. **Surface Elevation:** 7343 ' GL.
3. **Estimated Formation Tops:**

<u>Formation</u>	<u>Top - feet</u>	<u>Expected Production</u>
Nacimiento	1665	
Ojo Alamo	3230	
Fruitland	3430	
Pictured Cliffs	3530	GAS
Lewis	3770	
Cliff House	5320	GAS
Menefee	5380	GAS
Pt. Lookout	5695	GAS
Upper Mancos	5920	
TOTAL DEPTH	6175	

4. **Casing and Cementing Program:**

Drill a 12 1/4" Hole to 600'. A string of 9 5/8" 36# J-55 or K-55 ST&C casing will be set and cemented to the surface in a single stage with 320 sacks of Class "B" cement (yield = 1.18 cf/sk) containing 3% CaCl₂ and 1/4 lb/sack cellophane flake. Slurry volume assumes 100% excess over calculated hole volume. If cement does not circulate to surface, cement will be topped off using 1" pipe down the 12 1/4" by 9 5/8" annulus. Minimum clearance between couplings and hole is 1.625". Prior to drilling out the shoe, casing and BOPE will be tested to a minimum of 600 psig. Safety factors utilized in the design of this casing string were: burst = 1.1; collapse = 1.125; and tension = 1.8 or 100,000 lb overpull, whichever is greater.

WOC 12 HOURS. Nipple up 11" 2000# BOPE. Pressure test surface casing and BOPE to 600 psi for 15 minutes. ✓

Drill an 8 3/4" hole to 3815' feet, approximately 45' feet into the Lewis Shale. ✓

Run Induction and Compensated density/Epithermal neutron logs from TD to surface casing shoe. ✓

31319 d/c
1 200' / 6

Drilling Program

McElvain Oil & Gas Properties Inc.

Coyote Com 9-1

Page Two

4. Casing and Cementing Program: Continued

A string of 7" 20#, J-55 Intermediate casing will be set at 3815' with a mechanical DV tool set at 1750', 85' below Nacimiento top. **Stage 1** (3815' TD' - 1750') will be cemented with 175 sacks (371 cf) of Halliburton Light with 10#/sk Gilsonite and .25 #/sk cellophane flake mixed at 12.1 ppg, yield 2.12 cf/sk. Followed by 100 sacks (142 cf) Class B with 10#/sk Gilsonite and .25 #/sk cellophane flake, mixed at 14.4 ppg, yield 1.42 cf/sk. **Circulate and WOC between stages for four (4) hours.** **Stage 2** (1750' - surface) will be cemented with 150 sacks (309 cf) of Class B with 2% metasilicate extender, 5#/sk Gilsonite and .25 #/sk cellophane flake mixed at 14.2 ppg, yield 2.06 cf/sk. Followed by 50 sks (59 cf) Class B with 5#/sk Gilsonite and .25 #/sk cellophane flake, mixed at 15.6 ppg, yield 1.18 cf/sk.

Slurry volumes assume a 50% excess over gauge hole volume for stages 1 and 2. Cement volume is subject to change after review of open hole caliper logs.. Minimum clearance between couplings and hole is 0.547 ". Safety factors utilized in the design of this casing string were: burst = 1.1; collapse = 1.125; and tension = 1.8 or 100,000 lb over pull, whichever is greater

WOC 12 HOURS. Nipple up 11" 2000# BOPE. Pressure test surface casing and BOPE to 600 psi for 15 minutes.

Drill an 6 1/4" hole from 3815' to 6175' TD, approximately 255' feet into the Upper Mancos.

Run Induction and Compensated density/Epithermal neutron logs from TD to surface casing shoe.

A 4 1/2" 10.5#, J-55 production liner will be run from 6175' TD to a minimum overlap of 120 feet inside the 7" intermediate casing. This string will be cemented in a single stage with a minimum of 120 sacks of Halliburton Light with 5 #/sk Gilsonite and .25 #/sk cellophane flake, mixed at 12.4 ppg, yield 1.99. Followed by 150 sacks 50/50 Class B Poz containing 2% Gel, 5#/sk Gilsonite, .25 #/sk cellophane flake, 0.4% FLA, and 0.2% retarder, mixed at 13.7 ppg, yield 1.33 cf/sk. Slurry volume assumes a 70% excess over gauge hole volume. Cement volume is subject to change after review of the open hole caliper log. Minimum clearance between couplings and hole is 0.9125". Safety factors utilized in the design of this casing string were: burst = 1.1; collapse = 1.125; and tension = 1.8 or 100,000 lb overpull, whichever is greater.

Drilling Program
McElvain Oil & Gas Properties Inc.
Coyote Com 9-1

Page Three

Bits: 12 1/4" surface hole - MT class 115 or 116 to ~600 feet.
8 3/4" intermediate hole - TCI class 447 to ~3813'.
6 1/4" production hole - TCI class 447 to ~6175' TD.

Centralizers:

Surface string: 3 - 9 5/8" X 12 1/4": One centralizers run in middle of shoe joint with lock ring and two centralizers spaced evenly between shoe joint and 100'.

Intermediate string: 5-7" X 8 3/4" turbolizers will be spaced such that one is just below the Basal Fruitland Coal, three (3) across the Fruitland and one (1) into the Ojo Alamo.

Production string: 20 - 4 1/2" X 6 1/4" rigid centralizers will be run across all prospective pays.

Float Equipment:

Surface string: Cement nose guide shoe w/insert float, 1 jt above shoe.

Intermediate string: Cement nose guide shoe, float collar and DV tool with 2 cement baskets.

Production string: Cement nose float shoe, 1 jt 4 1/2" csg, float collar.

5. Pressure Control Equipment:

A 2M BOP well control system will be utilized. BOP'S and choke manifold will be installed and pressure tested to a minimum of 600 psig before drilling out from under surface casing and then will be checked daily as to mechanical operating condition. 7" rams will be installed before running intermediate casing and 4 1/2" rams will be installed before running the production liner. A full opening internal blowout preventor or drill pipe safety valve will be on the drill floor at all times and will be capable of fitting all connections.

✓ 170%
Liner
L.O.P

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		7. UNIT AGREEMENT NAME	
2. NAME OF OPERATOR McElvain Oil & Gas Properties, Inc		8. FARM OR LEASE NAME, WELL NO. Coyote Com 9 No.1	
3. ADDRESS AND TELEPHONE NO. 1050 17th Street, Suite 1800, Denver, CO, 80265 (303) 893-0838 ext 302		9. API WELL NO. 30-039-26810	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1980' FNL & 660' FEL, Section 9, T25N, R2W, NMPM At proposed prod. zone		10. FIELD AND POOL, OR WILDCAT Blanco Mesa Verde	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 7 1/2 miles north of Lindrith, New Mexico		11. SEC., T., R., M., OR BLK AND SURVEY OR AREA Sec 9, T25N, R2W, NMPM	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 660'		16. NO. OF ACRES IN LEASE 160	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1122'		17. NO. OF ACRES ASSIGNED TO THIS WELL 320	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 7343' GL		20. ROTARY OR CABLE TOOLS Rotary	
23. PROPOSED CASING AND CEMENTING PROGRAM		22. APPROX. DATE WORK WILL START* October 1, 2001	

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9.625", J-55	36	600'	320 sks (377.6 cf) - circ. to surface
8.750"	7.000", J-55	20	3815'	475 sks (882.5 cf) - 2 stage - circ to surface
6.250"	4.500", J-55	10.5	6175'	270 sks (441.0 cf) to 3695'

McElvain Oil and Gas Properties, Inc will spud this well in the San Jose formation. The 12 1/4" hole will be drilled to 600' using a fresh water base mud. Run and cement surface casing with sufficient volume to circulate to surface. WOC 12 hours. Nipple up 11" 2000# BOPE and test to a minimum of 600 psi/15 minutes. Drill a 8 3/4" hole approximately forty five feet into the Lewis using a mud mixed with Mesa Verde and Dakota produced water. Run and cement 7.0" intermediate casing in 2-stages with sufficient volume to circulate to surface. WOC 12 hours. Test BOPE to 1500 psi/15 minutes. Drill a 6 1/4" hole to TD using air/air mist. Run Induction and Density/Neutron logs to intermediate casing shoe. Run a 4 1/2" production liner with liner hanger set at least 120' into intermediate casing. Cement with sufficient volume to circulate to liner top. Release the drilling rig. Move in completion unit. Run cased hole correlation logs. Pressure test casing to 3000 psi/15 minutes. Perforate select Mesa Verde intervals and stimulate using a 2% KCL slick water fluid and 1500# sand per foot of net pay.

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 true vertical depths. Give blowout preventer program, if any.

24. SIGNED *Frankie Hickey* TITLE Agent DATE August 8, 2001
(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. W. Anderson* TITLE Asst. Field Manager DATE Aug 30, 01

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer 00, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., 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-
Revised February 21, 1
Instructions on b
Submit to Appropriate District Off
1999-1-4 Coo
1999-1-3 Coo
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-26810		*Pool Code 72319	*Pool Name BLANCO MESAVERDE
*Property Code 28835	*Property Name COYOTE COM 9		*Well Number 1
*GRID No. 22044	*Operator Name McELVAIN OIL & GAS PROPERTIES		*Elevation 7343'

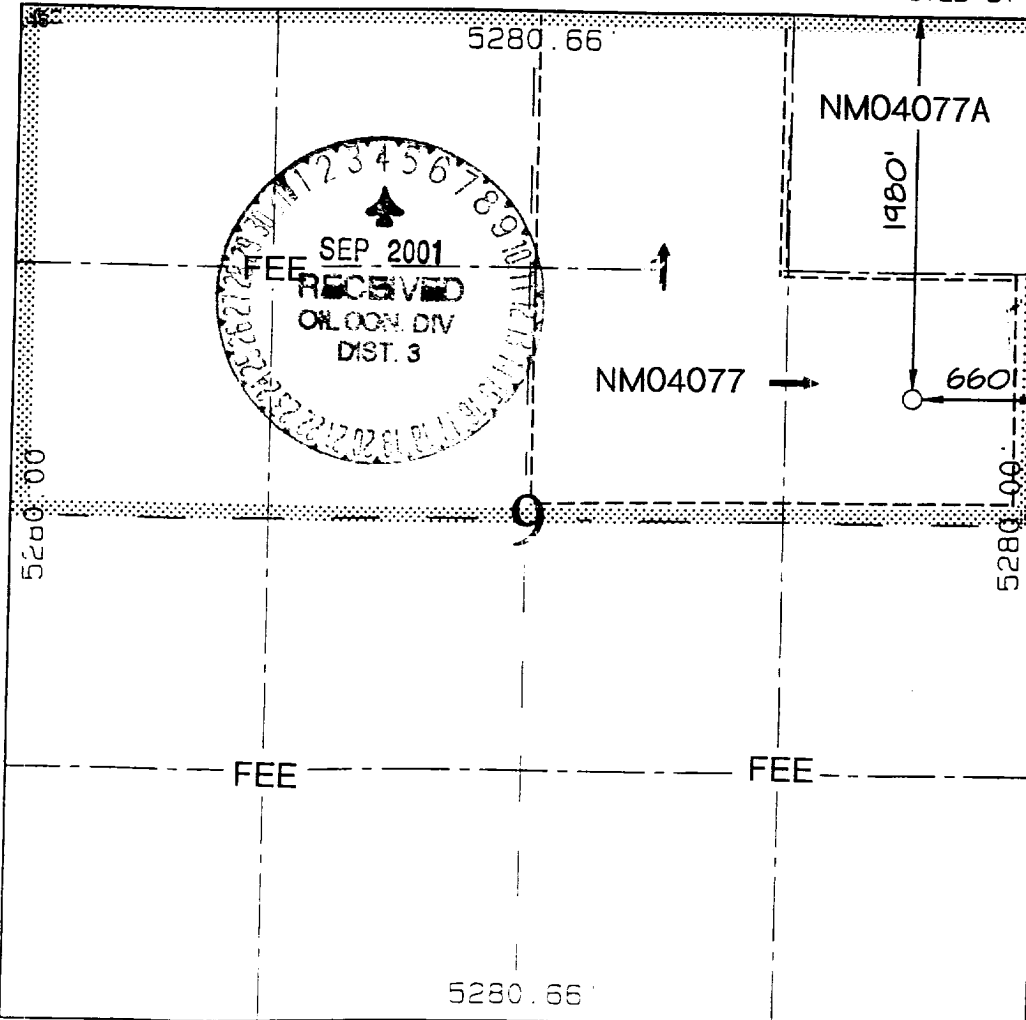
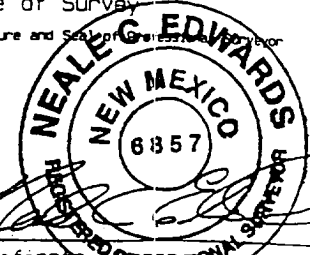
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	9	25N	2W		1980	NORTH	660	EAST	RIO ARriba

11 Bottom Hole Location If Different From Surface

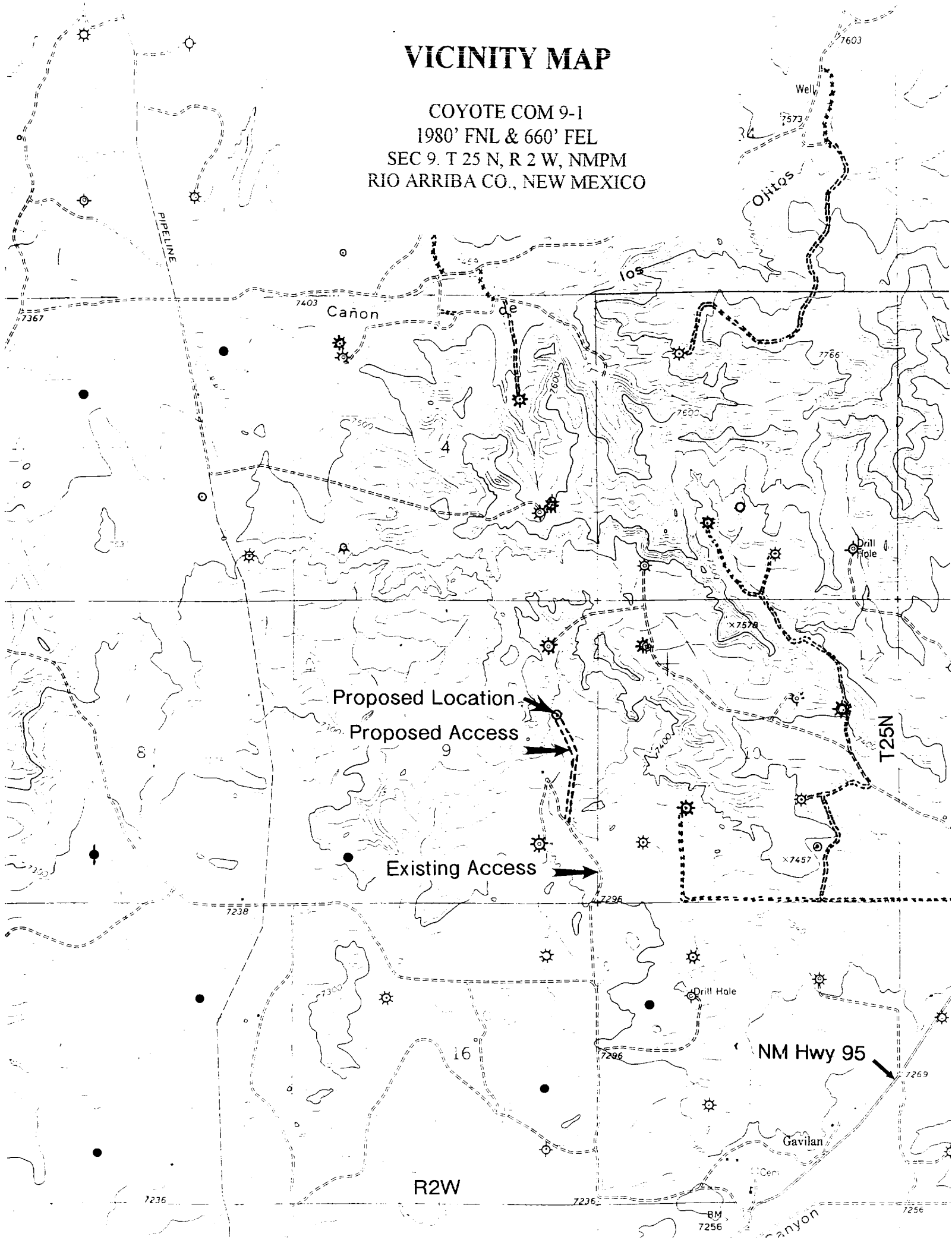
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 320					13 Joint or Infill Y	14 Consolidation Code C	15 Order No.		

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

	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Charles Neeley Printed Name AGENT Title August 08, 2001 Date
	18 SURVEYOR CERTIFICATION I hereby certify that the well location shown 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. JULY 5, 2001 Date of Survey Signature and Seal of Surveyor  Certificate 6857

VICINITY MAP

COYOTE COM 9-1
1980' FNL & 660' FEL
SEC 9. T 25 N, R 2 W, NMPM
RIO ARriba CO., NEW MEXICO



McElvain Oil & Gas Properties Inc.
Coyote Com 9-1
1980' FNL & 660' FEL
Section 9, T25N, R2W, NMPM
Rio Arriba County, New Mexico

TEN POINT DRILLING PROGRAM

1. **Surface Formation:** San Jose
2. **Surface Elevation:** 7343 ' GL.
3. **Estimated Formation Tops:**

<u>Formation</u>	<u>Top - feet</u>	<u>Expected Production</u>
Nacimiento	1665	
Ojo Alamo	3230	
Fruitland	3430	
Pictured Cliffs	3530	GAS
Lewis	3770	
Cliff House	5320	GAS
Menefee	5380	GAS
Pt. Lookout	5695	GAS
Upper Mancos	5920	
TOTAL DEPTH	6175	

4. **Casing and Cementing Program:**

Drill a 12 1/4" Hole to 600'. A string of 9 5/8" 36# J-55 or K-55 ST&C casing will be set and cemented to the surface in a single stage with 320 sacks of Class "B" cement (yield = 1.18 cf/sk) containing 3% CaCl₂ and 1/4 lb/sack cellophane flake. Slurry volume assumes 100% excess over calculated hole volume. If cement does not circulate to surface, cement will be topped off using 1" pipe down the 12 1/4" by 9 5/8" annulus. Minimum clearance between couplings and hole is 1.625". Prior to drilling out the shoe, casing and BOPE will be tested to a minimum of 600 psig. Safety factors utilized in the design of this casing string were: burst = 1.1; collapse = 1.125; and tension = 1.8 or 100,000 lb overpull, whichever is greater.

WOC 12 HOURS. Nipple up 11" 2000# BOPE. Pressure test surface casing and BOPE to 600 psi for 15 minutes. ✓

Drill an 8 3/4" hole to 3815' feet, approximately 45' feet into the Lewis Shale. ✓

Run Induction and Compensated density/Epithermal neutron logs from TD to surface casing shoe. ✓

31319 d/l
300'

Drilling Program

McElvain Oil & Gas Properties Inc.
Coyote Com 9-1

Page Two

4. Casing and Cementing Program: Continued

A string of 7" 20#, J-55 Intermediate casing will be set at 3815' with a mechanical DV tool set at 1750', 85' below Nacimiento top. **Stage 1** (3815' TD' - 1750') will be cemented with 175 sacks (371 cf) of Halliburton Light with 10#/sk Gilsonite and .25 #/sk cellophane flake mixed at 12.1 ppg, yield 2.12 cf/sk. Followed by 100 sacks (142 cf) Class B with 10#/sk Gilsonite and .25 #/sk cellophane flake, mixed at 14.4 ppg, yield 1.42 cf/sk. **Circulate and WOC between stages for four (4) hours.** **Stage 2** (1750' - surface) will be cemented with 150 sacks (309 cf) of Class B with 2% metasilicate extender, 5#/sk Gilsonite and .25 #/sk cellophane flake mixed at 14.2 ppg, yield 2.06 cf/sk. Followed by 50 sks (59 cf) Class B with 5#/sk Gilsonite and .25 #/sk cellophane flake, mixed at 15.6 ppg, yield 1.18 cf/sk.

Slurry volumes assume a 50% excess over gauge hole volume for stages 1 and 2. Cement volume is subject to change after review of open hole caliper logs.. Minimum clearance between couplings and hole is 0.547 ". Safety factors utilized in the design of this casing string were: burst = 1.1; collapse = 1.125; and tension = 1.8 or 100,000 lb over pull, whichever is greater

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Run Induction and Compensated density/Epithermal neutron logs from TD to surface casing shoe.

A 4 1/2" 10.5#, J-55 production liner will be run from 6175' TD to a minimum overlap of 120 feet inside the 7" intermediate casing. This string will be cemented in a single stage with a minimum of 120 sacks of Halliburton Light with 5 #/sk Gilsonite and .25 #/sk cellophane flake, mixed at 12.4 ppg, yield 1.99. Followed by 150 sacks 50/50 Class B Poz containing 2% Gel, 5#/sk Gilsonite, .25 #/sk cellophane flake, 0.4% FLA, and 0.2% retarder, mixed at 13.7 ppg, yield 1.33 cf/sk. Slurry volume assumes a 70% excess over gauge hole volume. Cement volume is subject to change after review of the open hole caliper log. Minimum clearance between couplings and hole is 0.9125". Safety factors utilized in the design of this casing string were: burst = 1.1; collapse = 1.125; and tension = 1.8 or 100,000 lb overpull, whichever is greater.

Drilling Program
McElvain Oil & Gas Properties Inc.
Coyote Com 9-1

Page Three

Bits: 12 1/4" surface hole - MT class 115 or 116 to ~600 feet.
8 3/4" intermediate hole - TCI class 447 to ~3813'.
6 1/4" production hole - TCI class 447 to ~6175' TD.

Centralizers:

Surface string: 3 - 9 5/8" X 12 1/4": One centralizers run in middle of shoe joint with lock ring and two centralizers spaced evenly between shoe joint and 100'.

Intermediate string: 5-7" X 8 3/4" turbolizers will be spaced such that one is just below the Basal Fruitland Coal, three (3) across the Fruitland and one (1) into the Ojo Alamo.

Production string: 20 - 4 1/2" X 6 1/4" rigid centralizers will be run across all prospective pays.

Float Equipment:

Surface string: Cement nose guide shoe w/insert float, 1 jt above shoe.

Intermediate string: Cement nose guide shoe, float collar and DV tool with 2 cement baskets.

Production string: Cement nose float shoe, 1 jt 4 1/2" csg, float collar.

5. Pressure Control Equipment:

A 2M BOP well control system will be utilized. BOP'S and choke manifold will be installed and pressure tested to a minimum of 600 psig before drilling out from under surface casing and then will be checked daily as to mechanical operating condition. 7" rams will be installed before running intermediate casing and 4 1/2" rams will be installed before running the production liner. A full opening internal blowout preventor or drill pipe safety valve will be on the drill floor at all times and will be capable of fitting all connections.

✓ 170%
L.O.P.
L.O.P.