## UNITED STATES DEPARTMENT OF THE INTERIOR



**BUREAU OF LAND MANAGEMENT** 

	PLICATION FO	R PERMIT TO D	RILL OR DE	EPEN		6. IF INDIAN, ALLOTTEE OR 1	TRIBE NAME
1a. TYPE OF WORK	RILL 🗹	DEEPEN 🗌				7. UNIT AGREEMENT NAME	· \$3<
b. TYPE OF WELL	`^6		SINCLE FIT	841.0.7	TIPLE [	B. FARM OR LEASE NAME, W	/ELL NO.
WELL V	VELL OTH	ER	SINGLE ZONE	ZONE		Coyote Com	
2. NAME OF OPERATOR		_				9. API WELL NO.	<del></del>
	Gas Properties,	Inc			***	1 -	1610
3. ADDRESS AND TELEPH 1050 17th Stre	ONE NO. Bet, Suite 1800, 1	Denver, CO. 8026	5 (303)893-	0633 ext	456	30-039-20	
4. LOCATION OF WELL (Re	port location clearly and in accord			<del>(%)</del>	<del>*************************************</del>	Blanco Mesa Ve	erde
At surface	•		L.S.	SEF	2001	\$1 SEC., T., R., M., OR BLK	
1980' FNL & 66 At proposed prod. zone	50' FEL, Section	9, T25N, R2W, NM	PM (C)	RSC	Elviso	AND SURVEY OR AREA	/
Ai proposed prod. Zone				ONLO	ON DIV	Sec 9, T25N, R2	W, NMPM
14. DISTANCE IN MILES AN	ID DIRECTION FROM NEAREST	TOWN OR POST OFFICE*	15	3 D#	57.3	D. COUNTY	13. STATE
7 1/2 miles no	orth of Lindrith,	New Mexico	¥			Rio Arriba	NM
15. DISTANCE FROM PRO			16. NO. OF ACRES IN	LEASE	17,NO OBA	CRES ASSIGNED	<u> </u>
LOCATION TO NEARE PROPERTY OR LEASE		0'	160	COLUMN TO THE PARTY OF THE PART	61 St to Mais v	VELL 320	
(Also to nearest drig. un: 18. DISTANCE FROM PRO			19. PROPOSED DEPT	H	20. ROTARY	OR CABLE TOOLS	
TO NEAREST WELL, D	RILLING, COMPLETED.	1122'	6175		Rotar	v /	
OR APPLIED FOR, ON 21. ELEVATIONS (Show wh						22. APPROX. DATE WORK W	ILL START*
7343' GL	icular br , ivi, ore, etc.,					October 1, 2	
23.		DDODOSED CA	SING AND CENE	NTING BBG	CD414		<del></del>
0.75 05 11015	22.22.22.22.22.22.22		ASING AND CEME	INTING PRO		OUANTID OF OFFICE	,
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT				QUANTITY OF CEMENT	1 2001
12 1/4"	9.625", J-55	36	600'			- circ. to surf	
3.750" 5.250"	7.000", J-55 4.500", J-55	10.5	3815' 6175 <u>'</u>		(882.5 CI) (441.0 cf)	- 2 stage - circ	10% line (
circulate to sair/air mist. liner with lir circulate to l logs. Pressure	ed water. Run and surface. WOC 12 he Run Induction and ler hanger set at iner top. Release test casing to 3 slick water flus	ours. Test BOPE d Density/Neutro least 120' into e the drilling r 3000 psi/15 minu	to 1500 psi/: n logs to in- intermediate ig. Move in o tes. Perfora	15 minute termediate casing completion te select	es. Drill a te casing a . Cement with on unit. Ru t Mesa Vero	a 6 1/4" hole to shoe. Run a 4 1/2 ith sufficient vo un cased hole co	TD using 2" productior olume to rrelation
IN ABOVE SPACE DESCRIE data on subsurface locations	BE PROPOSED PROGRAM: If pro and measured true vertical depths	posal is to deepen, give data on s. Give blowout preventer progra	present productive zone am, if any.	and proposed n	ew productive zone.	if proposal is to drill or deepen of	directionally, give pertiner
24.	7. 1. 11/						
SIGNED	Carle Hack	TITI	LE Agent			DATE August 8,	2001
(This space for Fede	ral or State office use)						
PERMIT NO	•		APPROVAL D	ATE			
	does not warrant or certify that the	applicant holds legal or equitab					
APPROVED BY	S. W. ander	Voc TITLE	Ast, Field	Man	ager	DATE Aug 30 C	<i>)</i>

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

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-1 Revised February 21, 19

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

OIL CONSERVATION DIV PO Box 2088

Instructions on ba pt Offi 4 Cool Cop 1

REPOR'

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

PO Box 2088. Santa Fe. NM 87504-2088

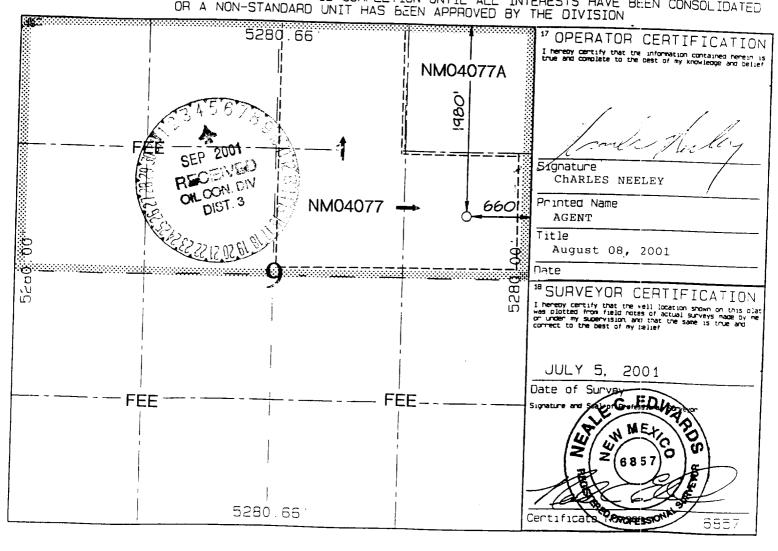
District IV

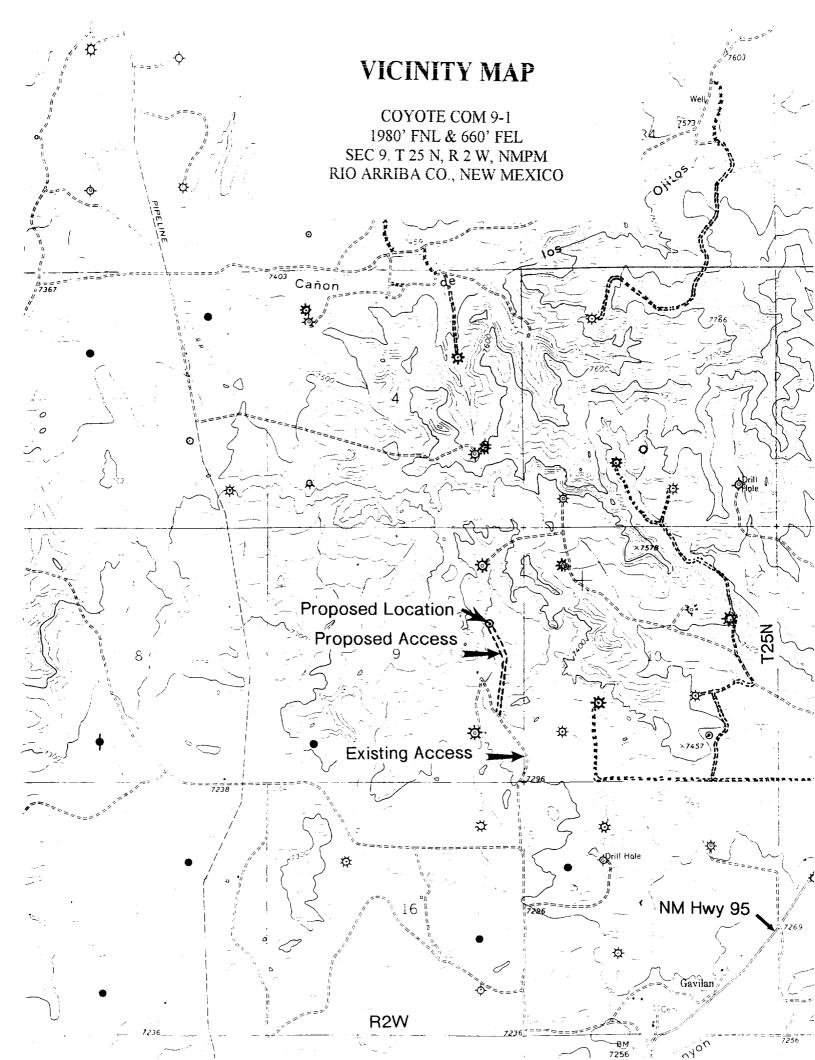
Santa Fe. NM 87504

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Nu	Jumber				ACHEAGE DED	TLATION PI	_A I		
$\overline{}$	-26810	,	*Pool Coo 72319	72319 BLANCO MESAVERDE					
Property Code				People			A A E LI I		
_28835			Property Name COYOTE COM 9					"Wel	11 Number
'OGRID No.				*Opera	itor Name				1
22044		1	MCELVA	IN OIL 8	S GAS PROPER		*Elevation 7343		
				10 Surfact	e Location		<del>1</del>	<del></del>	
UL or lot no. Section	100 Township	Range	Lot Idn	Feet from the	B North/South line	Feet from the	T-2		
Н 9	25N	2M		1980	NORTH	660	East/Hest	- 1	County PIO
	11 B	ottom	Hole L	ocation	If Different				ARRIBA
L or lot no. Sectio		Range	Lot Ion	Feet from the					. — –
			1	I BEC II OII C.E.	North/South line	Feet from the	East/nest )	line	County
Dedicated Acres	<del>- \ \</del>		<del></del>	13 Joint or Infill	И п	<del></del>			
320			1	Y Y	C C	S Onder No.			
NO ALLOWABLE	WILL BE A'	SSIGNET	TO TH!	IS COMPLET	ION UNTIL ALL	INTERESTS HA	AVE REEN	- CONICO	

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 .





## 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>	Top - feet	Expected Production
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 95/8" 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% CaCl<sub>2</sub> 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 1.21/4" by 95/8" 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 4

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 ½" 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.

150%

.15 037

10061

## 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 - 95% X 121/4": 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"X8 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.

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

Production string: Cement nose float shoe, 1 jt 4 ½" csg, float collar.

## 5. Pressure Control Equipment:

A 2M BOP well control system will be utilized. BOP'S and choke manifold will 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 ½" 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 conections.

1170% Limit

## UNITED STATES DEPARTMENT OF THE INTERIOR



BUREAU OF LAND MANAGEMENT

18. TYPE OF WORK  DRILL GAS OTHER SINGLE ZONE ZONE COYOTE COM 9 No. 1  S. API WELL NO.  COYOTE COM 9 No. 1  S. API WELL NO.  COYOTE COM 9 No. 1  S. API WELL NO.  COYOTE COM 9 No. 1  S. API WELL NO.  S. API WELL NO.  COYOTE COM 9 No. 1  S. API WELL NO.  S. API WELL NO.  COYOTE COM 9 No. 1  S. API WELL NO.  S. AP							6 IE INDIAN ALLOS	TEE OR TRIBE NAME			
DEEPEN DIFFORMAL WELL ON OTHER SINGLE DISTANCE MALTIPLE STAND GREAT NAME WELL NO. Coyote Com 9 No. 1  2. NAME OF OFERNOR  MALTIPLE DISTANCE NO. 11 & Gas Properties, Inc  3. ADDRESS NAM DELEMONE NO. 1  4. LOCATION OF MELL (Report occasion tienty and an accordance with any Sides requirements.) 1  4. LOCATION OF MELL (Report occasion tienty and an accordance with any Sides requirements.) 1  4. LOCATION OF MELL (Report occasion tienty and an accordance with any Sides requirements.) 1  4. LOCATION OF MELL (Report occasion tienty and an accordance with any Sides requirements.) 1  4. LOCATION OF MELL (Report occasion tienty and an accordance with any Sides requirements.) 1  4. LOCATION OF MELL (Report occasion tienty and an accordance with any Sides requirements.) 1  4. LOCATION OF MELL (Report occasion tienty and an accordance with any Sides requirements.) 1  4. LOCATION TO MELL (REPORT OCCASION TIENTS TO NOT ADDRESS ADDRESS AND CENTER AND SIMPLE NOT ADDRESS AND CENTER AND SIDES AND SIDES AND CENTER AND SIDES		PPLICATION FOR	6. IF INDIAN, ALLO	6. IF INDIAN, ALLOTTEE OR TRIBE NAME							
Oil GAS Properties, Inc  1.ADDRESS AND RELEPHOR NO.  1.DSO 17th Street, Suite 1RGC, Denver. CO, 80265 (303)893 (35 At 36	DF	DRILL DEEPEN						7. UNIT AGREEMENT NAME			
NABOVE SPACE DESCRIBE PROPOSED PROCERM IF proposed is to denire. Name of successors and proposed new productive zone and proposed new productive zone and proposed new productive successors. Professors and successors and successors and successors. Professors and successors and successors and successors. Professors and successors are successors and successors. Professors and successors are successors. Professors and successors are successors. Professors and successors are successors. Professors and successors. Professors. Professo		GAS [7]	8. FARM OR LEASE	8. FARM OR LEASE: NAME, WELL NO.							
AND CONTROL OF CHANGES AND TELEPHONE NO  1.050 17th Street, Suite 1836, Denver. CO, 80265 (303)893 (304 4.05 18 18 18 18 18 18 18 18 18 18 18 18 18	WELL V	WELL OTH	ER	ZONE Z			i				
ADDRESS AND TELEPHONE NO.  1050 17th Street, Suite 1860, Server, CO, 80265 (303)893 33 34 46 10 FELD AND POOL OR MILCOT 1900 FOR ADDRESS AND CONTROL OF MILCOT 1900 FELD AND POOL OR MILCOT 1900 FELD AND POOL OR MILCOT 1930 FELD AND POOL OR MILCOT 19	· · · · · · · · · - · · · ·		<b>-</b>								
1.0 SELO-MAD POCL CRIMICOL  1.0 SEP 2001  1.0 SEC. T.R. M. OR BLK  AND SURFEY OF AREA  1.1 SEC. T.R. M. OR BLK  1.2 M. M. SEP 2001  1.1 SEC. T.R. M. OR BLK  1.2 M. M. SEP 2001  1.2 M. M. SEP 2001  1.3 SEC. T.R. M. OR BLK  1.3 SEC. T.R. M. OR BLK  1.4 M. M. SEP 2001  1.5 SEC. T.R. M. OR BLK  1.6 M. OR FACRE TABLE  1.7 L.Z. miles north of Lindrith, New Mexico  1.6 NO OF ACRES TABLE  1.6 DIST. 3  1.7 M. OR BLK  1.7 M. OR BLK  1.7 M. OR BLK  1.7 M. OR BLK  1.8 M.				··-				97/510			
A LOCATION OF WELL (Report location clearly and in accordance with any State requirements.")  1930 'PNL & 660' FEL, Section 9, T25N, R2M, NMPM All proposed prod. Zone  14. DISTANCE HOLD AND DIRECTION FROM NEAREST TOWN OR POST OFFICE:  7. 1/2 miles north of Lindrith, New Mexico  15. DISTANCE FROM PROPOSED TO PROPESED (COATON)  16. NO. OF ACRES 156.8E  17. AND STANCES ASSIGNED  16. NO. OF ACRES 156.8E  17. AND STANCES ASSIGNED  18. PROPOSED CASING NO. OF ACRES 156.8E  19. PROPOSED CASING NO. OF ACRES 156.8E  10. DISTANCE FROM PROPOSED (COATON)  10. DISTANCE FROM PROPOSED PROBLEM (IN TAKE IN TAKE			Carwar CO 8026	E (202\002	3634	BAR	10 FIELD AND POO	1- CO 0(0			
1930 'FNL & 660' FEL, Section 9, T25N, R2W, NMPM Ald proposed proc. zone Ald proposed proc. zone 1969 'POLICY PROCESSED' 1970	4. LOCATION OF WELL (Re				A STATE OF THE STA	ری	Blanco	Mesa Verde			
Sec 9, T2SN, R2W, NMPM   Sec 9, T2SN, R2W, R	1980' FNL & 66	50' FEL, Section 9	, T25N, R2W, NM	рм 🛜	SEP 2		ا ا ا ا ا ا ا ا ا ا ا ا ا ا ا ا ا ا ا				
15 DISTANCE FROM PROPOSED   16 NO. OF ACRESANG PROPERSOR   16 NO. OF ACRESANSIONED   16 NO. OF				128	RECEN	√ED	Sec 9, T25				
IS DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LOCATION TO NEAREST PROPERTY OR LEASE LINE. IT JACKS COMMETTED. 150 New York CASE LINE COMMETTED. 1122' 6175' ROTATY OR CASE LINE COMMETTED. 1122' 6175' ROTATY OR CASE LINE. TO COMMETTED. 1122' 7343' GL  3. TEOPHOLE GRADE. SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH QUANTITY OF CEMENT / 7 CONCORD. 12 1/4" 9.625", J-55 36 600' 320 sks (377.6 cf) - circ. to surface / / 8.750" 7.000", J-55 10.5 6175' 270 sks (842.5 cf) - 2 stage - circ to surface / / 8.750" 4.500", J-55 10.5 6175' 270 sks (441.0 cf) to 3695' / / 70' / / / / / / / / / / / / / / / / / / /	14. DISTANCE IN MILES AN	ID DIRECTION FROM NEAREST	TOWN OR POST OFFICE*	(E)		,		13. STATE			
PROPOSED CASING AND CEMENTING PROGRAM    SIZE OF HOLE   GRADE. SIZE OF CASING   WEIGHT PER POOT   SETTING DEPTH   QUANTITY OF CEMENT	7 1/2 miles no	orth of Lindrith,	New Mexico	Per Co	UIS1.	ઉં <sub>્</sub> ે	Rio Arriba	NM			
PROPOSED CASING AND CEMENTING PROGRAM    SIZE OF HOLE   GRADE. SIZE OF CASING   WEIGHT PER POOT   SETTING DEPTH   QUANTITY OF CAMENT				16. NO. OF ACRES	LC SASE	17:000	F ACRES ASSIGNED	<u> </u>			
TO MERREST WELL DRILLING COMMETED. OR APPILED FOR ON THIS LESS. FT.  21. ELEVATIONS (Show whether DF. RT. GR. etc.) 7343 'GL  PROPOSED CASING AND CEMENTING PROGRAM  SIZE OF HOLE GRADE. SIZE OF CASING WEIGHT PERFOOT SETTING DEPTH OUANTITY OF CEMENT / 2  21. 2 1/4" 9.625", J-55 36 600' 320 sks (377.6 cf) - circ. to surface / / 8  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' / / 70 % / / / / / / / / / / / / / / / / / /	PROPERTY OR LEASE (Also to nearest ddg_uni	LINE, FT. 55	0'	160	EL DE BI	C) I ROTH	HIS WELL 32	0 /			
21 ELEVATIONS (Show whether DF. RT. GR. etc.)  22 APPROX. DATE WORK WILL START' 7343' GL  23 PROPOSED CASING AND CEMENTING PROGRAM  SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PERFOOT SETTING DEPTH QUANTITY OF CEMENT / 2  12 1/4" 9.625", J-55 36 600' 320 sks (377.6 cf) - circ. to surface / 2  8.750" 7.000", J-55 20 3815' 475 sks (882.5 cf) - 2 stage - circ to surfa  6.250" 4.500", J-55 10.5 6175' 270 sks (441.0 cf) to 3695' / /70"  MCELVAIN Oil and Gas Properties, Inc will spud this well in the San Jose formation. The 12 1/4" hole we derireled to 600' using a fresh water base mud. Run and cement surface casing with sufficient volume circulate to surface. WOC 12 hours. Nipple up 11" 2000# BOPE and test to a minimum of 600 psi/15 minut 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" product 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 cr deepen directionally, give pead on subsurface locators and measured line vertical depths. Give blowout preventer program, if any.	18. DISTANCE FROM PRO TO NEAREST WELL, D	POSED LOCATION* PRILLING COMPLETED.	1221								
PROPOSED CASING AND CEMENTING PROGRAM    SIZE OF HOLE   GRADE. SIZE OF CASING   WEIGHT PER FOOT   SETTING DEPTH   QUANTITY OF CEMENT   / 2   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'   / 70' / (   MCEIvain Oil and Gas Properties, Inc will spud this well in the San Jose formation. The 12 1/4" hole be drilled to 600' using a fresh water base mud. Run and cement surface casing with sufficient volume circulate to surface. WOC 12 hours. Nipple up 11" 2000# BOPE and test to a minimum of 600 psi/15 minut 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" product 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.	OR APPLIED FOR, ON	THIS LEASE, FT.		6175		ROT					
SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH QUANTITY OF CEMENT / 2 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' / 170% (  MCEIvain Oil and Gas Properties, Inc will spud this well in the San Jose formation. The 12 1/4" hole we be drilled to 600' using a fresh water base mud. Run and cement surface casing with sufficient volume circulate to surface. WOC 12 hours. Nipple up 11" 2000# BOPE and test to a minimum of 600 psi/15 minute 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" product 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 of deepen directionally, give per data on substurface locations and measured true vertical depths. Give blowoul preventer program, if any.		nether DF, RT, GR, etc.)									
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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' / /70 % // // // // // // // // // // // // /	SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH			QUANTITY OF CEMEN	r / ورين			
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' / /70". ()  McElvain Oil and Gas Properties, Inc will spud this well in the San Jose formation. The 12 1/4" hole we be drilled to 600' using a fresh water base mud. Run and cement surface casing with sufficient volume circulate to surface. WOC 12 hours. Nipple up 11" 2000# BOPE and test to a minimum of 600 psi/15 minute 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" product 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.  NABOVE 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 parter and on substurface locations and measured true vertical depths. Give blowoul preventer program, if any.	12 1/4"	9.625", J-55	36	600'	320 sks	(377.6	cf) - circ. to	surface / /50°			
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data on subsurface locations and measured true vertical depths. Give blowout preventer program, if any.	circulate to s Drill a 8 3/4" Dakota produce circulate to s air/air mist. liner with lir circulate to 1 logs. Pressure	surface. WOC 12 ho hole approximate d water. Run and surface. WOC 12 ho Run Induction and her hanger set at liner top. Release test casing to	curs. Nipple up ely forty five forcement 7.0" into ours. Test BOPE d Density/Neutro least 120' into the drilling r 1000 psi/15 minu	11" 2000# BO eet into the ermediate ca to 1500 psi/ n logs to in intermediat ig. Move in tes. Perfora	PE and te Lewis us sing in 2 15 minute termediat e casing. completiote select	st to a ing a m - stages s. Dril e casing Cement n unit.  Mesa V	minimum of 60 ud mixed with with sufficist last 1/4" holds shoe. Run a with sufficist Run cased holds	Mesa Verde and ent volume to le to TD using 4 1/2" productionent volume to le correlation			
SIGNED TITLE Agent DATE August 8, 2001	data on subsurface locations	BE PROPOSED PROGRAM: If pro and measured true vertical depths	. Give blowout preventer progra	am, if any.	e and proposed ne	w productive z					
(This space for Federal or State office use)	(This space for Fede	eral or State office use)									
PERMIT NO	PERMIT NO	<i>,</i>		APPROVAL D	ATE						

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

District II PO Drawer DD. 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

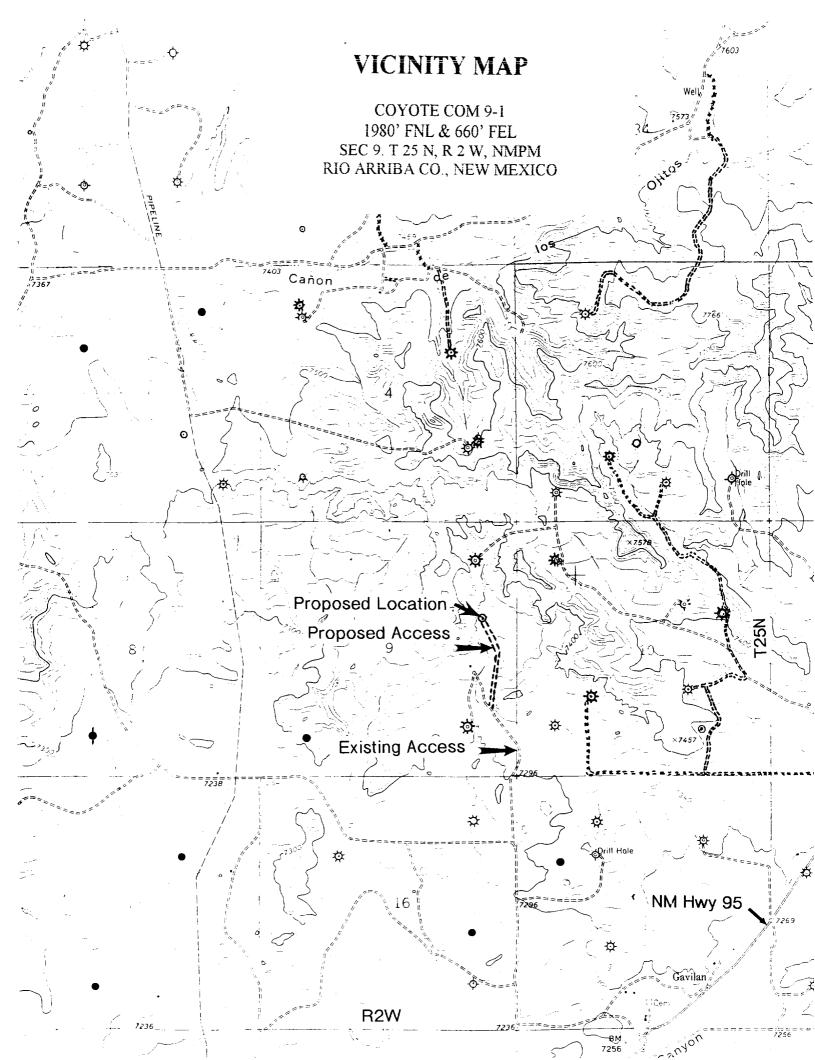
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 $\mathfrak{g}$ Call at 1 August 08, 2001 52a0 Date 18 SURVEYOR CERTIFICATION 528( I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief. JULY 5, 2001 Date of Survey FEE FEE Centificate (Organismon) 5280.66



# 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>	Expected Production
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 95%" 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% CaCl<sub>2</sub> 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 121/4" by 95%" 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.

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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 ½" 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.

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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 - 95/8" X 121/4": 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"X8 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.

<u>Production string</u>: 20 - 4 ½" 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.

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

Production string: Cement nose float shoe, 1 jt 4 ½" csg, float collar.

## 5. Pressure Control Equipment:

A 2M BOP well control system will be utilized. BOP'S and choke manifold will 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 ½" 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 conections.

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