

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*  
(Other instructions on  
reverse side)

FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995

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

1857' FSL & 1920' FWL

At proposed prod. zone

Same

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

24 air miles SSE of Farmington

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

783'

16. NO. OF ACRES IN LEASE

680

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

320

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

3,035'

19. PROPOSED DEPTH

1,200'

20. ROTARY OR CABLE TOOLS

Rotary

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

6,335' ungraded

22. APPROX. DATE WORK WILL START\*

Dec. 1, 2001

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"	20	120'	≈30 cu. ft. & to surface
6-3/4"	J-55 4-1/2"	10.5	1,200'	≈290 cu. ft. & to surface

This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.3  
and appeal pursuant to 43 CFR 3165.4.

On sited with Neel McBride.

Archaeology report # CASA 01-116.

Will communitize with NW4 (NMNM-90483).

cc: BLM, Elm (D&F), OCD (via BLM)

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

Consultant (505) 466-8120

10-29-01

SIGNED

TITLE

DATE

(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

TITLE

DATE

\*See Instructions On Reverse Side

State of New Mexico  
Energy, Minerals & Mining Resources Department

Form C - 102

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

☐ AMENDED REPORT

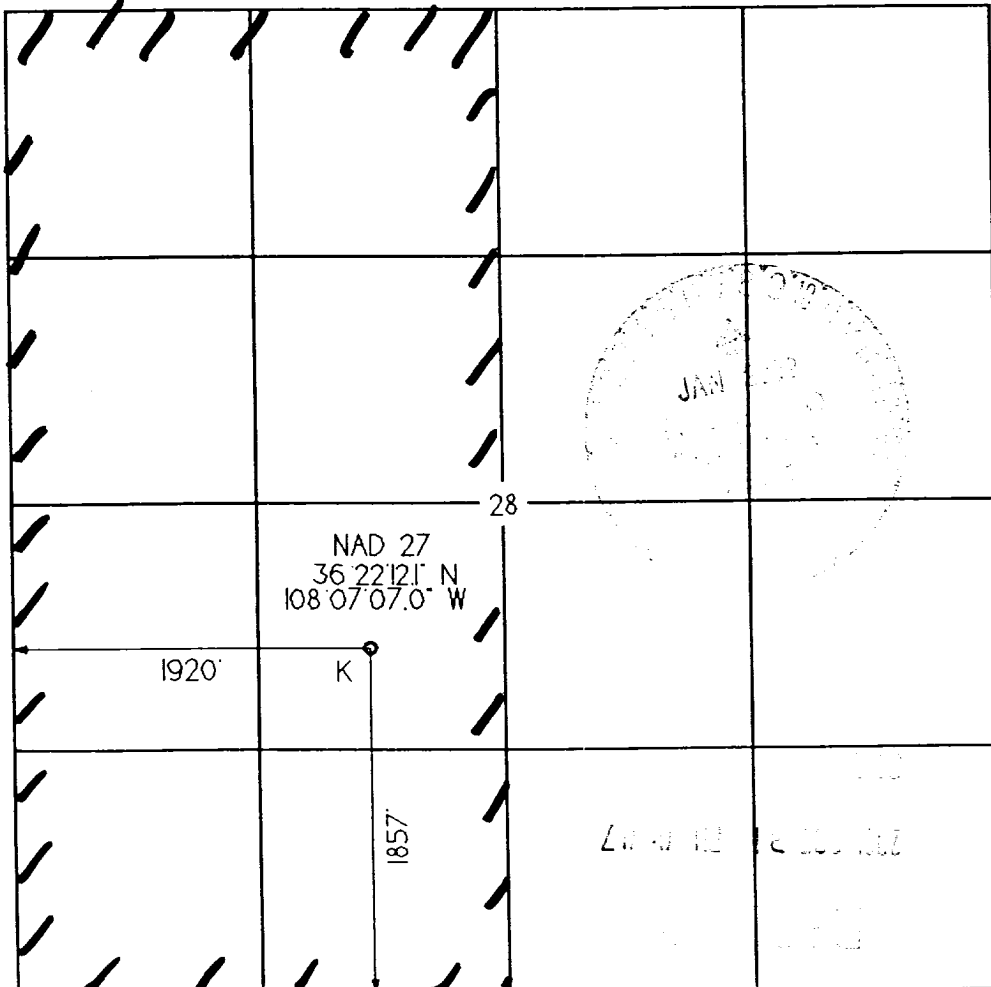
WELL LOCATION AND ACREAGE DEDICATION PLAT

APA Number <b>30-045-30895</b>	Pool Code <b>71629</b>	Pool Name <b>BASIN FRUITLAND COAL GAS</b>
Property Code <b>27210</b>	Property Name <b>BISTI COAL 28</b>	Well Number <b>2</b>
Operator Name <b>149052</b>	Operator Name <b>ELM RIDGE RESOURCES</b>	Elevation <b>6335'</b>

Surface Location									
UL or Lot <b>K</b>	Sec. <b>28</b>	Twp. <b>25 N.</b>	Rge. <b>12 W.</b>	Lot Ldn.	Feet from <b>1857</b>	North/South <b>SOUTH</b>	Feet from <b>1920</b>	East/West <b>WEST</b>	County <b>SAN JUAN.</b>

Bottom Hole Location If Different From Surface									
UL or Lot	Sec.	Twp.	Rge.	Lot Ldn.	Feet from	North/South	Feet from	East/West	County
Dedication <b>320</b>	Joint ?	Consolidation	Order No.						

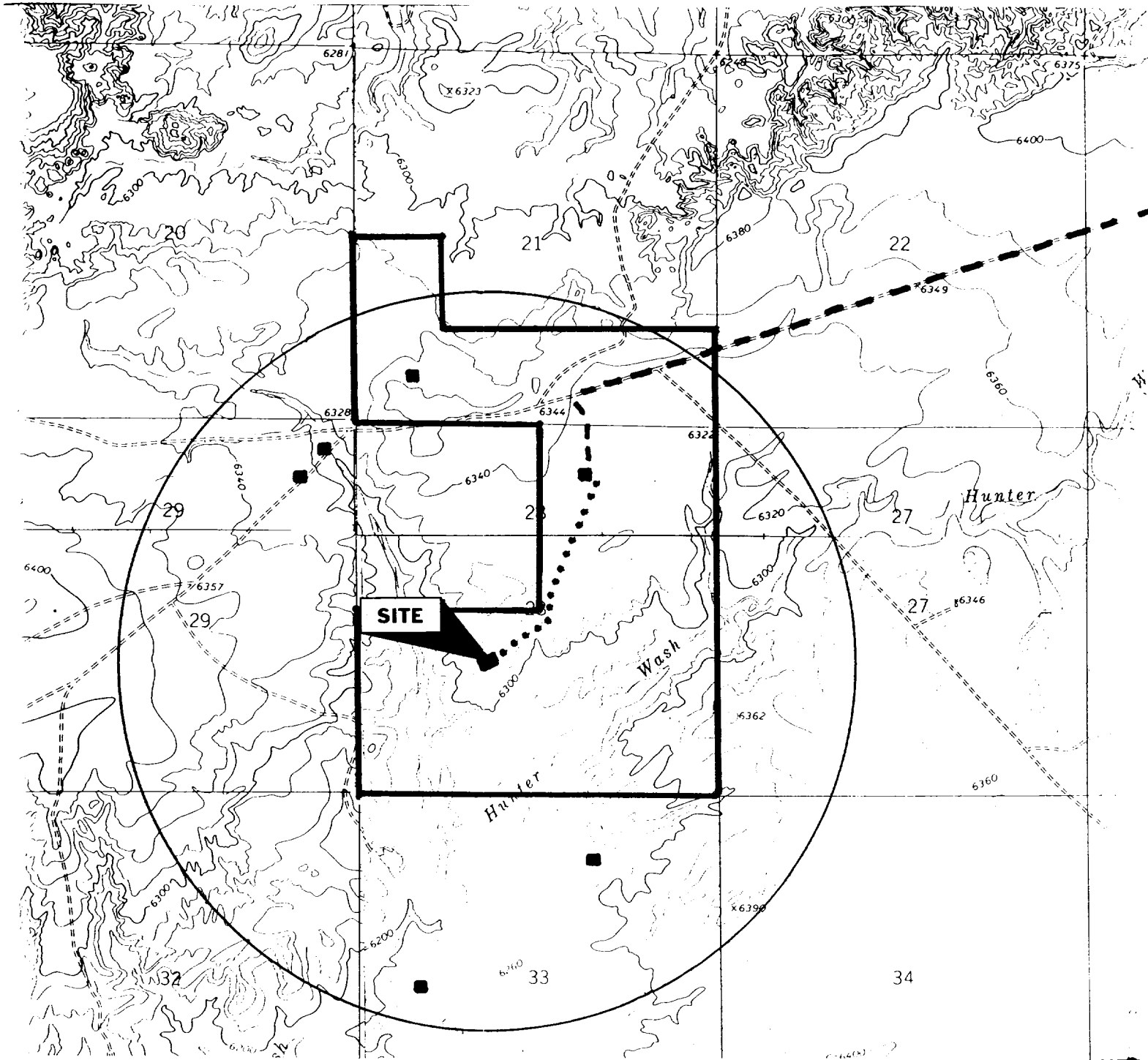
NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



<b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature <i>Brian Wood</i>	
Printed Name	<b>BRIAN WOOD</b>
Title	<b>CONSULTANT</b>
Date	<b>OCT. 29, 2001</b>
<b>SURVEYOR CERTIFICATION</b> 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. Date of Survey <b>OCTOBER 2001</b> Signature and Seal of Professional Surveyor <i>Wesley Reed</i>	

Elm Ridge Resources, Inc.  
Bisti Coal 28 #2  
1857' FSL & 1920' FWL  
Sec. 28, T. 25 N., R. 12 W.  
San Juan County, New Mexico

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PROPOSED WELL: PROPOSED ROAD & GAS LINE:   
EXISTING WELL: EXISTING ROAD:   
LEASE:

**PERMITS WEST** INC.  
PROVIDING PERMITS FOR LAND USERS

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
**ELM RIDGE RESOURCES, INC.** **P. O. BOX 189**

3a. Address **FARMINGTON, NM 87499** 3b. Phone No. (include area code) **(505) 632-3476**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1857' FSL & 1920' FWL 28-25n-12w**

5. Lease Serial No.  
**NMNM-51013**

6. If Indian, Allottee or Tribe Name  
**N/A**

7. If Unit or CA/Agreement, Name and/or No.  
**N/A**

8. Well Name and No.  
**BISTI COAL 28 #2**

9. API Well No.  
**30-045-\_\_\_\_\_**

10. Field and Pool, or Exploratory Area  
**BISTI, LO. GALL.**

11. County or Parish, State  
**SAN JUAN, NM**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Surface casing will be cemented to the surface with  $\approx 35$  cu. ft. ( $\approx 30$  sacks) Class B + 1/4 lb per sack cello-flake + 2% CaCl<sub>2</sub>. Yield = 1.18 cu. ft./sack. Weight = 15.2 lb/gal. Volume = 100% excess.

Production casing hole will be cleaned of rock chips by circulating at least 150% of hole volume with mud to the surface. Thirty barrels of fresh water will then be circulated. Lead with  $\approx 185$  cu. ft. ( $\approx 90$  sacks) of Class B with 2% metasilicate (yield = 2.06 cu. ft./sack, slurry weight = 12.5 PPG). Tail with  $\approx 105$  cu. ft. ( $\approx 90$  sacks) of Class B with 2% CaCl<sub>2</sub> (yield = 1.18 cu. ft./sack, slurry weight = 15.6 PPG). Total cement volume is  $\approx 290$  cu. ft. based on 75% excess and circulating to surface.

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**BRIAN WOOD**

Title **CONSULTANT** **(505) 466-8120**

Signature

Date **12-7-01**

cc: BLM (OCD), Elm (D, F)

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date **1/3/02**

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

Title 18 U.S.C. Section 1001 and 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 States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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1857' FSL & 1920' FWL  
Sec. 28, T. 25 N., R. 12 W.  
San Juan County, New Mexico

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## Drilling Program

### 1. ESTIMATED FORMATION TOPS

<u>Formation Name</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Subsea Elevation</u>
Nacimiento	000'	5'	+6,335'
Fruitland Fm	850'	855'	+5,485'
Fruitland Coal	1,050'	1,055'	+5,285'
Pictured Cliffs Ss	1,100'	1,105'	+5,235'
Total Depth (TD)*	1,200'	1,205'	+5,135'

\* all elevations reflect the ungraded ground level of 6,335'

### 2. NOTABLE ZONES

<u>Oil &amp; Gas Zones</u>	<u>Water Zones</u>	<u>Coal Zones</u>
Fruitland Coal (1,050')	Nacimiento (000')	Fruitland (1,050')
Pictured Cliffs (1,100')		

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 exact drill rig and BOP model to be used are not yet known. (A typical 2,000 psi model is on PAGE 3.) BOP and 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.

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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"	20	K-55	ST&C	New	120'
6-3/4"	4-1/2"	10.5	J-55	LT&C	New	1,200'

Surface casing will be cemented to surface with  $\approx 30$  cubic feet ( $\approx 77$  sx) Class B + 1/4#/sk Flocele + 2%  $\text{CaCl}_2$ . Volume is based on 80% excess. Two centralizers will be run. Thread lock guide shoe and bottom of float collar.

Production casing will be cemented to the surface with  $\approx 290$  cubic feet ( $\approx 345$  sacks) Class B with 2% gel. Volume is based on 75% excess. At least four centralizers will be used.

#### 5. MUD PROGRAM

A 9 pound polymer and fresh water mud system with a viscosity of  $\approx 35$  will be used. Sufficient material to maintain mud properties, control lost circulation, and contain a blowout will be available at the well while drilling.

#### 6. CORING, TESTING, & LOGGING

No core or DST is planned. DIL/GR log will be run from TD to surface. CNL/FSC log will be run over certain intervals.