FORM APPROVED OMB NO. 1004-0136

(July 1992) res: February 28, 1995 **UNITED STATES** 5. LEASE DESIGNATION AND SERIAL NO. DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT NM 013654 6. IF INDIAN, ALLOTTEE OR TRIBE NAME APPLICATION FOR PERMIT TO DRILL OR DEEPEN 1 a TYPE OF WORK 3: 44 7. UNIT AGREEMENT NAME X DRILL DEEDEN b. TYPE OF WELL Rincon Unit gas Well X WELL Rincon Unit 79A NAME OF OPERATOR **Pure Resources** 3. ADDRESS AND TELEPHONE NO ก/ล 10. FIELD AND POOL OF WILDCAT P.O. Box 850, Bloomfield New Mexico 4 I OCATION OF WELL (Report location clearly and in Basin Dakota SEC., T.,R.,M., OR BLK. AND SURVEY OR AREA 1110' FNL and 730' FWL At proposed prod.zone Same as Surface Sec. 17, T-27-N, R-6-W 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE COUNTY OR PARISH 40 miles Southeast from Bloomfield NM. Rio Arriba NM DISTANCE FROM PROPOSED 6 NO OF ACRES IN LEASE LOCATION TO NEAREST PROPERTY OR LEASE LINE FT (Also to 1110' 2645.09 320 negrest drig. Unit line, if any) DISTANCE FROM PROPOSED* LOCATION 19. PROPOSED DEPTH ROTARY OR CABLE TOOLS NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR, ON THIS LEASE, FT. 2500 7552' Rotary 21. ELEVATIONS (Show whether DF, RT, GR 22. APPROX.DATE WORK WILL START 6461' GR ASAP PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH QUANTITY OF CEMENT N-80 4-1/2" 11 6# 7552 SACKS 65/35 POZ TYPE III TOC TIED INTO 7" CAS 6-1/4"

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

DRILLING OPERATIONS AUTHORIZED AM SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"

Pure plans to plug and abandon the Mesa Verde formation in the Rincon Unit 79A, sidetrack and deepen to the Basin Dakota and complete.

BOP- One double gate BOP with 3-1/2" pipe and blind rams, one choke manifold with adjustable and positive chokes, an accumulator will hydraulically operate BOP with 1 1/2 times the necessary capacity to close the rams and retain a minimum of 200 psi above recharge. Rotating head will be utilized during the drilling of the 6-1/4" hole. (Schematics are attached)

IN ABOVE SPACE DESCRIBED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any. San Juan Basin Area Drilling/Production Foreman (This space for Federal or State office use) PERMIT NO. APPROVAL DATE CONDITIONS OF APPROVAL, IF ANY: APPROVED BY TITLE *See Instructions On Reverse Side

Title18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious of fraudulent statements or representations as to any matter within its jurisdiction.

NMOCD

Form C-102 Revised August 15, 2000

DESTRICT II 811 South First, Artesia, N.M. 88210

OIL CONSERVATION DIVISION

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

DESTRICT III 1000 His Bresse Rd., Astec, N.M. 87410

2040 South Pacheco, Santa Fe, NM 67505

DESTRICT IV

W

2040 South Pacheco Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number				Pool Code		Pool Name				
30-039			715	99		Basin Dakota				
*Property Code			⁵ Prop		fame	* Well Mumber				
26629				RINCON UNIT			79	79A		
OGRID No.		· · · · · · · · · · · · · · · · · · ·	*Operator Name				Elevation			
189071		PURE RESC				RESOURCES 644			i461 '	
					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	
ם	17	27-N	6-W		1110'	NORTH	730'	WEST	RIO ARRIBA	
			¹¹ Bott	om Hole	Location I	f Different Fro	m Surface			
UL or lot no.	Section.	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Wort line	County	
Dedicated Acres			18 Joint or	infili	¹⁴ Consolidation C	Code	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

16 OR A NON-SIAN	DAMED CIVIL IEED D.	EEN APPROVED BI	THE DIVIDION
SEC. CORNER FD. BRASS CAP BLM 1955 730' 581' LAT.= 36-34-41 N. LONG. =107-29-48 W.	5245.82' STATE OF THE PROPERTY OF THE PROPERT	SEC. CORNER FD. BRASS CAP BLM 1955	OPERATOR CERTIFICATION I havely certify that the information contained herein to true and complete to the best of my incooledge and batter. Signiature Micheal C. Phillips Printed Name San Juan Basin Drilling/ Production Foreman Title Sept. 13th, 2001
3			Date
SEC. CORNER FD. BRASS CAP BLM 1955			18 SURVEYOR CERTIFICATION I hereby certify that the well location shows on this plat was plotted from field nature of actual nerveys made by me or under my approximation and that the same is true and correct to the help of the help of the same in true Date of Stripey Street, had Some of Fridantona Surveyor. Street, had Some of Fridantona Surveyor. 8894 Certificate Number



PURE RESOURCES WELL NO. 79A (Deepening) 1110' FNL, 730' FWL, SEC. 17, T-27-N, R-6-W RIO ARRIBA CO. NEW MEXICO

8 POINT DRILLING PLAN

1. ESTIMATED FORMATION TOPS

FORMATION NAME	DEPTH FROM GL
Cliff House	4,771'
Point Lookout	5,279'
Mancos	5,708'
Tocito Sand	6,854'
Greenhorn	7,217'
Graneros	7,292'
Dakota	7,432'
Total Depth	7,542'
Permit TD	7,552'

2. OIL, GAS, WATER, OR OTHER MINERAL BEARING ZONES

EXPECTED GAS ZONES	DEPTH FROM GL
Mesa Verde	4771-5708'
Dakota	7432-7542'
EXPECTED WATER ZONES	DEPTH FROM GL

Covered by existing casing

2. PRESSURE CONTROL BOP'S AND RELATED EQUIPMENT

Casing Head: 7" x 11" - 3000 psi W.P.

BOP Stack and Related Equipment: (See Attachment No. 1 &2).

RINCON UNIT WELL NO. 79A DRILLING PROGRAM – PAGE 2

One double-gate BOP with 4-1/2" and then 3-1/2" pipe and blind rams.

One choke manifold with adjustable and positive chokes.

An accumulator will hydraulically operate the BOP with 1-1/2 times the necessary capacity to close the rams and retain a minimum of 200psi above recharge. The remote unit will be located in the bottom "dog house" or on the ground between the "dog house" and the toolpushers trailer. A rotating head on top of the BOP stack will be utilized when necessary.

Testing Procedure:

The BOP and related equipment will be tested in accordance with the provisions of Onshore Oil and Gas Order No. 2.

BOP's will be operationally tested daily and each test will be logged in the IADC Daily Drilling Report.

Blooie Line:

The blooie line and related equipment will meet all requirements of Onshore Oil and Gas Order No. 2.

4. CASING AND CEMENTINNG PROGRAM

SURFACE CASING (Spud Mud)								
<u>Depth</u>	Hole Size	<u>Size</u>	Weight	<u>Grade</u>	Thread			
216'	12-1/4"	9-5/8"	32.3#	K-55	ST&C			
	<u>INTERME</u>	<u>DIATE CASII</u>	NG (FW Mud)					
<u>Depth</u>	Hole Size	<u>Size</u>	Weight	<u>Grade</u>	Thread			
3437'	8-3/4"	7"	20#	K-55	ST&C			
PRODUCTION CASING (Air Dusting)								
<u>Depth</u>	Hole Size	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	Thread			
0-TD	6-1/4"	4-1/2"	11.6#	I-80	LT&C			
	Depth 3437' Depth	Depth Hole Size 216' 12-1/4" INTERME Hole Size 8-3/4" PRODUCT Hole Size	Depth Hole Size Size 216' 12-1/4" 9-5/8" INTERMEDIATE CASING Depth Hole Size Size 3437' 8-3/4" 7" PRODUCTION CASING Depth Hole Size Size	Depth 216' Hole Size 12-1/4" Size 9-5/8" Weight 32.3# INTERMEDIATE CASING (FW Mud) Depth 3437' Hole Size Size Weight 7" Weight 20# PRODUCTION CASING (Air Dusting) Hole Size Size Weight	Depth 216' Hole Size 12-1/4" Size 9-5/8" Weight 32.3# Grade K-55 INTERMEDIATE CASING (FW Mud) Depth 3437' Hole Size Size Weight Grade K-55 PRODUCTION CASING (Air Dusting) Depth Hole Size Size Weight Grade			

MINIMUM SAFETY FACTORS

Collapse: 1.125 Tension: 1.8 Burst: 1.0

RINCON UNIT WELL NO. 79A DRILLING PROGRAM – PAGE 3

Cementing Program

1. The 4-1/2" production casing will be cemented and tied into the intermediate casing with 600 sacks 65/35 Poz Type III cement + ½ #/sack CF, 6% gel, 10#/sack CSE + 2% KCL, FL-62 + .2% CD-32, @ (2.06 CU/FT) 12.5 ppg. 100' min giver la []

Casing hardware for the production string to include guide shoe, float collar, centralized shoe joint and next five joints. Centralizers across producing zones.

Auxiliary Equipment

A kelly cock will be used with handle available. A full opening safety valve will be used when Kelly is out of string. Rotating head while air drilling. Will have vacuum diversion on blooie line.

5. **DRILLING FLUID PROGRAM**

<u>Depth</u>	<u>Type</u>	<u>Weight</u>	<u>Vis</u>	<u>W.L.</u>
Window	Fresh Water Gel	8.3-8.6	30-35	N.C
3160'-TD	Air	N.C.	N.C.	N.C.

6. **CORING, TESTING & LOGGING PROGRAM**

DST's:

None Planned.

Logging:

Cased hole GR/Neutron/CBL for cement top.

Cores:

None planned.

Completion:

During completion, the drilling rig will be removed and a completion rig will be moved in and BOP's of a similar pressure rating will be used. The Dakota and Mesa Verde will be selectively perforated and individually hydraulically stimulated. The wells will be commingled with 2-3/8" production string. A "Well Completion or Re-completion Report and Log" (Form 3160-4) will be submitted within 30 days after completion of the well per 43 CFR 3164. Two copies of all logs geologic summaries, sample descriptions, and all other data obtained during the drilling, workover, and completion operations will be filed with form 3160-4.

Sep. 11, 2001 DATE: ASSET GROUP: PB/RM FIELD: Rincon BY: M.C. Phillips WELL: #79A LEASE/UNIT: Mesa Verde COUNTY: Rio Arriba STATE: **New Mexico** KB = 6,470'SPUD DATE: 9/11/79 COMP. DATE: 1/28/80 Elevation = 6,461' STATUS: Producer TD = 5,749Before PBTD = 5,730'9-5/8" @ 216'. 32.3 K-55, ST&C Cmt'd w/190 sxs. Circ. TOC @ 2450'. 7" @ 3437'. 20# K-55 ST&C. Cmt'd w/185sx. Cmt'd @ 2450'. Mesa Verde 4767, 4789,4796, 4803, 4810, 4824, 4831, 4838, 4845, 4852, 4988, 5094', 1jspf. Mesa Verde 5287, 5292, 5297, 5302, 5318, 5325, 5336, 5342, 5348, 5368, 5372, 5391, 5432 5474, 5562, 5574, 5593, 5666, 5707', 1 ispf. [4-1/2"L 3274'-5749' 10.5# K-55, ST&C. Cmt with 310sx. Cmt Circ.

ASSET GROUP: PB/RM DATE: Sep. 11, 2001 BY: FIELD: Rincon M.C. Phillips LEASE/UNIT: Mesa Verde WELL: #79A COUNTY: Rio Arriba STATE: **New Mexico** SPUD DATE: 9/11/79 KB = 6,470'COMP. DATE: 1/28/80 Elevation = 6,461' STATUS: Producer TD = 5,749After PBTD = 5,730'9-5/8" @ 216'. 32.3 K-55, ST&C Cmt'd w/190 sxs. Circ. Original 7" sidetraked @ off of a whipstock @ 3150'. New 6-1/4" hole air hammered drilled, to TD @ 7600'. Plug#2: 30sx 3500-3200'. gel mud Mesa Verde 4767-5707'. Ping#1:100sx sqzd (firm ret @ 4600' dump 10 uzon top. 4-1/2"L 3274'-5749' Dakota perfs TO be announced 4-1/2" @ 7600' 11.6# N-80. Cmt tied in.