

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED  
FARMINGTON ROOM  
30-039-24702  
APR 19 1990

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL		5. LEASE NUMBER SF-079360	
1b. TYPE OF WELL GAS		6. IF INDIAN, ALL. OR TRIBE NAME FARMINGTON, NEW MEXICO	
2. OPERATOR 23708 UNION OIL CO. OF CAL.		7. UNIT AGREEMENT NAME RINCON UNIT	
3. ADDRESS OF OPERATOR P O BOX 2074 FARMINGTON, NM, 87401 (505) 325-8786		8. FARM OR LEASE NAME RINCON Unit 11510	
4. LOCATION OF WELL 880' FNL, 830' FEL		9. WELL NO. # 281	
10. FIELD, POOL, OR WILDCAT BASIN FRUITLAND COAL 71629		11. SEC. 23, T27N, R7W	
14. DISTANCE FROM NEAREST TOWN 40 Miles SE of Bloomfield		12. COUNTY Rio Arriba	13. STATE New Mex.
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE 830 Feet	16. ACRES IN LEASE 800 N/320	17. ACRES ASSIGNED TO WELL 320 Acres	
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL DRILLING, COMPLETED OR APPLIED FOR ON THIS LEASE: 400 Feet	19. PROPOSED DEPTH 3250 Feet	20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (DF, FT, GR, ETC.) 6628 GL	22. APPROX. DATE WORK WILL BEGIN Spring 1990		
23. PROPOSED CASING AND CEMENTING PROGRAM SEE ATTACHED DRILLING PLAN			
24. AUTHORIZED BY: <i>Chris Russell</i> AGENT		3/16/90 DATE	

PERMIT NO. **RECEIVED** APPROVAL DATE \_\_\_\_\_  
APPROVED BY *3-12-1990* TITLE \_\_\_\_\_ DATE \_\_\_\_\_

NOTE: THIS FORM IS ISSUED IN LIEU OF BLM FORM 3163 AS AMENDED

APPROVED  
APR 20 1990  
*James H. Bell*  
AREA MANAGER

*OK*  
*9*

to Appropriate  
Office  
case - 4 copies  
case - 3 copies

Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Form C-102  
Revised 1-1-89

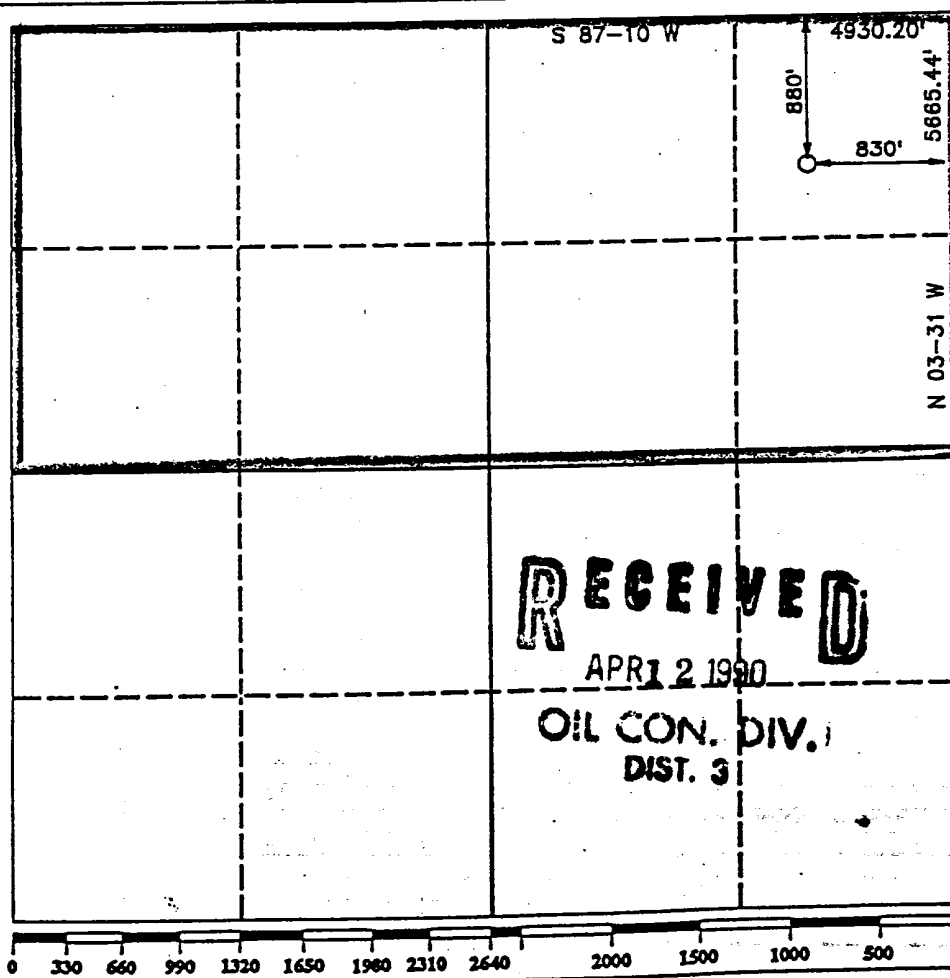
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NEW MEXICO LAND SURVEY AREA  
FARMINGTON, NEW MEXICO

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator <b>UNION OIL CO. OF CALIFORNIA</b>			Lease <b>RINCON UNIT</b>		Well No. <b>281</b>
Unit Letter <b>A</b>	Section <b>23</b>	Township <b>T.27 N.</b>	Range <b>R.7 W.</b>	County <b>RIO ARriba COUNTY</b>	
Actual Footage Location of Well: <b>880</b> feet from the <b>NORTH</b> line and <b>830</b> feet from the <b>EAST</b> line					
Ground level Elev. <b>6628</b>	Producing Formation <b>Frontland Coal</b>		Pool <b>Basin Frontland Coal</b>		Dedicated Acreage: <b>320</b> Acres
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation <u>Unitization</u></p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>					



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature Chris Russell  
Printed Name Chris Russell  
Position AGENT  
Company Unocal  
Date 3/16/90

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 knowledge and belief.

Date Surveyed MARCH 8, 1990  
Signature & Seal of Professional Surveyor  
R. Howard Daggett  
Certificate No. 9870  
Registered Professional Land Surveyor

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Testing Procedure:

The BOP and related equipment will be tested to 2000 psi 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.

Bloolie line:

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

4. CASING AND CEMENTING PROGRAM

<u>SURFACE CASING</u>						
<u>AGE</u>	<u>Depth</u>	<u>Hole Size</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Thread</u>
New	0-225'	12-1/4"	8-5/8"	24.0#	K-55	ST&C

<u>INTERMEDIATE CASING</u>						
<u>Age</u>	<u>Depth</u>	<u>Hole Size</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Thread</u>
New	0-TD	7-7/8"	4-1/2"	10.5#	K-55	ST&C

MINIMUM SAFETY FACTORS

Collapse: 1.0

Tension: 1.8

Burst: 1.0

Cementing Program:

1. The 8-5/8" surface casing will be cemented to the surface with 175 sacks of class "B" cement with 2% CaCl<sub>2</sub> and 1/4# per sack flocele.
2. The 4-1/2" production casing will be cemented in 2 stages with the DV tool set at 2900'. 1st stage will be cemented with 85 sacks class "H" cement with .95% Flo-Lock-1, 18% Thrifty Lite, 3% KCL, 3# Hi-seal.  
2nd stage will be cemented with 325 sacks pacesetter lite with 6% gel, 1/3# cello-seal. .8% CF-1, 3# Hi-seal followed with 50 sacks class "C" cement. Actual cement volumes will be calculated from open hole logs and will be designed to circulate to surface.