

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK
 b. TYPE OF WELL
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 Phillips Petroleum Company 17654

3. ADDRESS OF OPERATOR
 300 W. Arrington, Suite 200, Farmington, N.M. 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface Unit K, 1715' FSL & 1400' FWL
 At proposed prod. zone Unit K, 1715' FSL & 1400' FWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approx 23 miles east from Blanco

15. DISTANCE FROM PROPOSED* 8845' FNL of
 LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. SJ 29-6 Unit
 (Also to nearest drlg. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, 636' NE
 OR APPLIED FOR, ON THIS LEASE, FT. from #92

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 6553' (GL Unprepared) This action is subject to technical and

23. PROPOSED CASING AND CEMENTING PROGRAM
 and appeal pursuant to 43 CFR 3165.3

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12-1/4"	9-5/8"	36#, K-55	250'
8-1/2"	7"	23#, K-55	3180'
6-1/8"	5-1/2"	15.5# or 23#	3280-3445'

5. LEASE DESIGNATION AND SERIAL NO.
 NM-012698

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME 9257
 San Juan 29-6 Unit

8. FARM OR LEASE NAME

9. WELL NO.
 223

10. FIELD AND POOL, OR WILDCAT
 71629 Basin Fruitland Coal

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 K Sec 12, T-29-N, R-6-W

12. COUNTY OR PARISH 13. STATE
 Rio Arriba New Mexico

17. NO. OF ACRES ASSIGNED TO THIS WELL
 320 Ac. W/2 of Section

20. ROTARY OR CABLE TOOLS
 Rotary

22. APPROX. DATE WORK WILL START*
 Upon Approval

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

*If the coal is clefted a 5-1/2", 23#, P-110 liner will be run in the open hole without being cemented.

*If the coal is not clefted a 5-1/2", 15.5#, K-55 liner will be run, cemented with 100 sxs cement and the well will be fractured.

Mud program and BOP equipment - See attached.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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. SIGNED L.M. Sanders TITLE Supervisor Regulatory Affairs APPROVED AS APPROVED FEB 27 1990

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE MAR 28 1990

APPROVED BY _____ TITLE Ken Townsend
 FOR AREA MANAGER

CONDITIONS OF APPROVAL, IF ANY:

(Handwritten initials)

NM000

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances from subsurface location of hole in any present or objective production zone.

ITEM 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR Part 3160.

PRINCIPAL PURPOSE: The information is to be used to process and evaluate your application for permit to drill, deepen, or plug back an oil or gas well.

ROUTINE USES: (1) The analysis of the applicant's proposal to discover and extract the Federal or Indian resources encountered. (2) The review of procedures and equipment and the projected impact on the land involved. (3) The evaluation of the effects of proposed operation on surface and subsurface water and other environmental impacts. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions, as well as routine regulatory responsibility.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

Submit to Appropriate District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

RECEIVED
OIL CONSERVATION DIVISION
90 FEB - 3 AM 9:00

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT
All Distances must be from the outer boundaries of the section

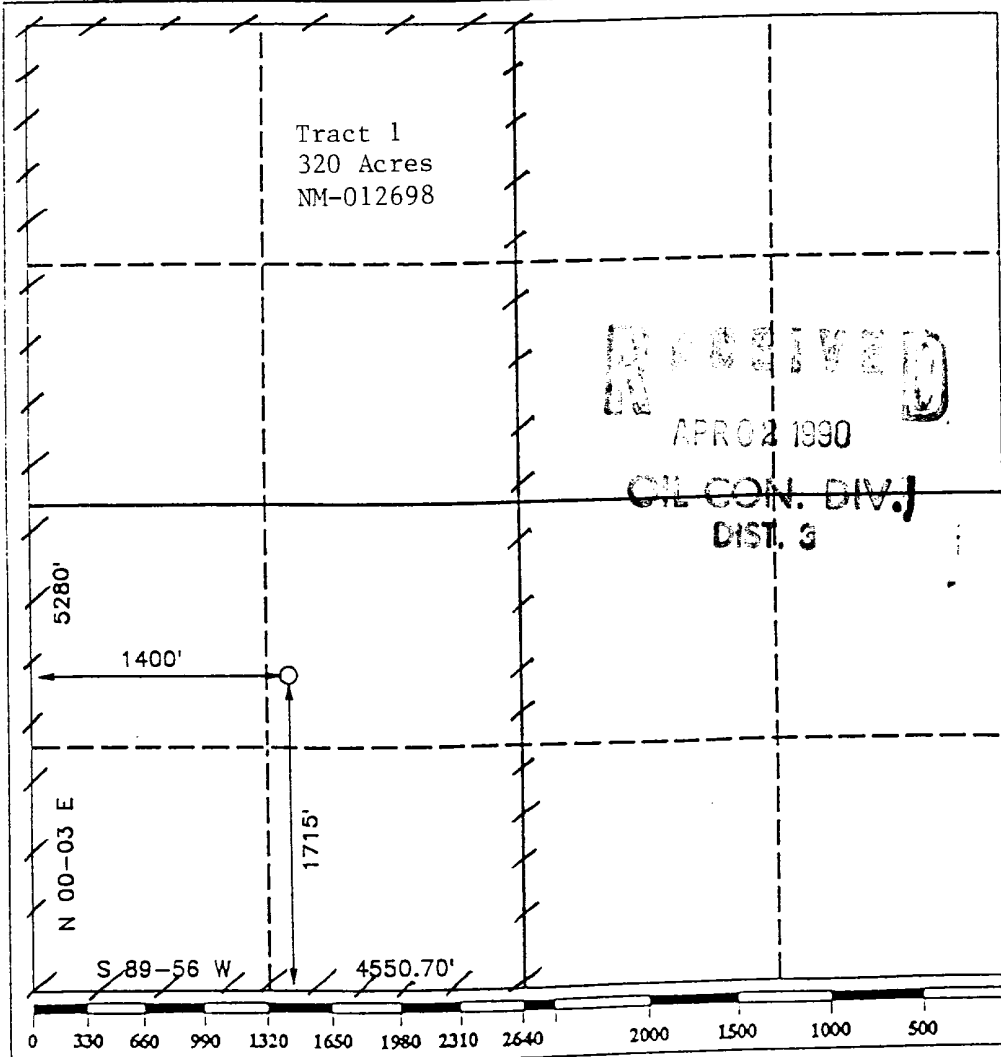
Operator PHILLIPS PETROLEUM			Lease SAN JUAN 29-6 UNIT		Well No. 223
Unit Letter K	Section 12	Township T.29 N.	Range R.6 W.	County NMPM RIO ARRIBA COUNTY	
Actual Footage Location of Well: 1715 feet from the SOUTH line and 1400 feet from the WEST line					
Ground level Elev. 6553	Producing Formation Fruitland		Pool Basin Fruitland Coal Gas	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.?

Yes No If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

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.



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

Signature: *L. M. Sanders*
Printed Name: **L. M. Sanders**
Position: **Supv., Regulatory Affairs**
Company: **Phillips Petroleum Company**
Date: **Feb. 7, 1990**

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: **DECEMBER 14, 1989**
Signature & Seal of Professional Surveyor: *R. Howard Daggett*
Professional Surveyor: **R. HOWARD DAGGETT**
Certificate No.: **9678**
Registered Professional Land Surveyor

San Juan 29-6 Unit
Well No. 223
SW/4 Section 12

