

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0136  
Expires: November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-03040A	
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name 15	
2. Name of Operator Phillips Petroleum Company		7. Unit or CA Agreement Name and No. San Juan 29-6 Unit	
3a. Address 5525 Highway 64, NBU 3004, Farmington, NM 87401		8. Lease Name and Well No. SJ 29-6 Unit #86M	
3b. Phone No. (include area code) 505-599-3454		9. API Well No. 30-039-26443	
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface Unit C, 1190' FNL & 1843' FWL  At proposed prod. zone Same as above		10. Field and Pool, or Exploratory Blanco MV and Basin DK	
14. Distance in miles and direction from nearest town or post office* 21.5 miles east of Blanco, NM		11. Sec., T., R., M., or Blk. and Survey or Area C Section 27, T29N, R6W	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 1190'	16. No. of Acres in lease 1400 acres	17. Spacing Unit dedicated to this well 320 W/2 both MV & DK	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 7790' -	20. BLM/BIA Bond No. on file ES0048	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6392' groundlevel	22. Approximate date work will start* June 2000	23. Estimated duration 2 wks to drill	

APD/ROW PROCESS TO BE USED

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan  | 5. Operator certification.   |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature <i>Patsy Clugston</i>	Name (Printed/Typed) Patsy Clugston	Date 5/5/00
Title Sr. Regulatory/Proration Clerk		
Approved by (Signature) <i>/s/ Jim Lovato</i>	Name (Printed/Typed)	Date MAY 25 2000
Title Office		

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, are attached.

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.

\*(Instructions on Reverse)

This action is subject to appeal and procedural review pursuant to 43 CFR 3185.3 and appeal pursuant to 43 CFR 3165.4.

REVIEW OF THIS DOCUMENT IS AUTHORIZED ARE  
OTHERWISE WILL ATTACHED  
MAY 25 2000

District I  
191 Box 1980, Hobbs, NM 88241-1980  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

200 MAY - 3 11 00 AM AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APL Number 30-039-26443		Pool Code 71599	Pool Name Basin Dakota
Property Code 009257	Property Name SAN JUAN 29-6 UNIT		Well Number 86M
OGRIID No. 017654	Operator Name PHILLIPS PETROLEUM COMPANY		Elevation 6389'

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
C	27	29N	6W		1190'	NORTH	1843'	WEST	RIO ARriba

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C									

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
320 W/2	I	U	

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

	<b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature Patsy Clugston Printed Name Sr. Regulatory /Proration Clerk Title May 1, 2000 Date	
	<b>18 SURVEYOR CERTIFICATION</b> 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.  04/17/2000 Date of Survey Signature and Seal of Professional Surveyer:  	

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
111 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

270 MAY - 2 11 0 45 ☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. APN Number 30-035-26443		2. Pool Code 72319		3. Pool Name Blanco Mesaverde	
4. Property Code 009257		5. Property Name SAN JUAN 29-6 UNIT			
6. OGRID No. 017654		7. Operator Name PHILLIPS PETROLEUM COMPANY			
				8. Well Number 86M	
				9. Elevation 6389'	

10 Surface Location


UL or lot no. C	Section 27	Township 29N	Range 6W	Lot Idn	Feet from the 1190'	North/South line NORTH	Feet from the 1843'	East/West line WEST	County RIO ARRIBA
--------------------	---------------	-----------------	-------------	---------	------------------------	---------------------------	------------------------	------------------------	----------------------

11 Bottom Hole Location If Different From Surface

UL or lot no. C	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
--------------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

12 Dedicated Acres 320 W/2	13 Joint or Infill I	14 Consolidation Code U	15 Order No.
-------------------------------	-------------------------	----------------------------	--------------

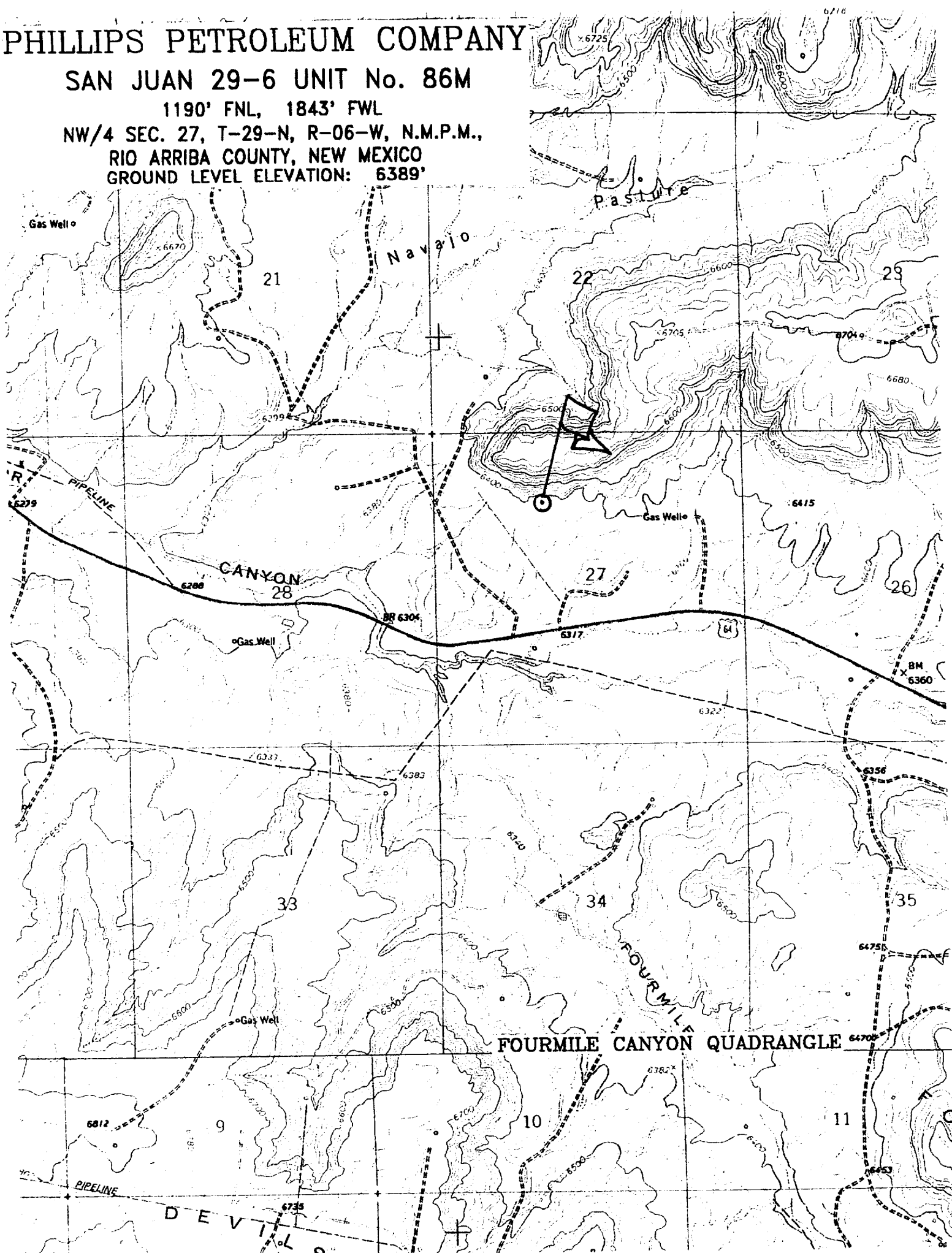
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16		S89°58'E		5272.08'		17 OPERATOR CERTIFICATION	
1843'		1190'		86M		I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief	
5280.00'		NM-03040A		1400 acres		Signature Patsy Clugston	
Section 27		MAY 2000 RECEIVED OIL CON. DIV DIST. 3		5280.00'		Printed Name Sr. Regulatory/Proration Clerk	
N00°02'E		S89°59'E		5278.68'		Title May 1, 2000	
						Date	
						18 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 belief.	
						04/17/2000	
						Date of Survey	
						Signature and Seal of Professional Surveyor:	
							

SAN JUAN 29-6 UNIT No. 86M

NW/4 SEC. 27, T-29-N, R-06-W, N.M.P.M.,

RIO ARRIBA COUNTY, NEW MEXICO  
GROUND LEVEL ELEVATION: 6389'



## PHILLIPS PETROLEUM COMPANY

WELL NAME: San Juan 29-6 Unit # 86M DK/MV

### DRILLING PROGNOSIS

1. Location of Proposed Well: Unit C, 1190' FNL & 1843' FWL  
Section 27, T29N, R6W

2. Unprepared Ground Elevation: @ 6392' (unprepared) .

3. The geological name of the surface formation is San Jose .

4. Type of drilling tools will be rotary .

5. Proposed drilling depth is 7790' .

6. The estimated tops of important geologic markers are as follows:

<u>Nacimiento - 1330'</u>	<u>Menefee Fm. - 5156'</u>
<u>Ojo Alamo - 2516'</u>	<u>Pt. Lookout - 5471'</u>
<u>Kirtland Sh - 2631'</u>	<u>Mancos Sh - 5786'</u>
<u>Fruitland Fm. - 2961'</u>	<u>Gallup Ss. - 6711'</u>
<u>Pictured Cliffs - 3306'</u>	<u>Greenhorn Ls. - 7441'</u>
<u>Lewis Shale - 3536'</u>	<u>Graneros Sh. - 7506'</u>
<u>Cliff House Ss - 5066'</u>	<u>Dakota Ss - 7641'</u>

7. The estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

Water:	<u>Ojo Alamo - 2516' - 2631'</u>
Gas & Water:	<u>Fruitland - 2961' - 3306'</u>
Gas:	<u>Mesaverde - 5066' - 5786'</u>
	<u>Dakota Ss - 7641' - 7790'</u>

8. The proposed casing program is as follows:

Surface String: 9-5/8", 36#, J/K-55 @ 320' \*

Intermediate String: 7", 20#, J/K-55 @ 3730' (J-55 will be used, unless the K-55 is the only casing available.

Production String: 4-1/2", 11.6#, I-80 @ 7790' (TD)

\* The surface casing will be set at a minimum of 320', but could be set deeper if required to maintain hole stability.

## 9. Cement Program:

Surface String: 158.5 sx Type III cement + 2% bwoc Calcium Chloride + 0.25#/sx Cello-flake + 60.6% FW (1.41 yield = 223 cf).

Intermediate String: **Lead Cement:** 446.9 sx Type III cement (35:65) Poz + 5#/sx Gilsonite + 0.25 #/sx Cello-Flake + 6% bwoc Bentonite + 10#/sx CSE + 3% bwoc KCL + 0.4% bwoc FL-25 + 0.02#/sx static free + 129% FW (2.37 yield = 1059 cf). Cement to surface with 110% excess casing/hole annular volume.

**Tail Cement:** 50.0 sx Type III cement + 0.25#/sx Cello-Flake + 1% Calcium Chloride + 60.5% FW (1.4 yield = 70 cf). Cement to surface with 110% excess of casing/hole annulus volume.

Production String \*: 319.2 sx (35:65) Poz Class H cement + 10#/sx CSE + 0.25#/sx Cello-Flake + 0.2% bwoc CD-32 + 5#/sx Gilsonite + 0.5% bwoc FL-52 + 6% bwoc Bentonite + 112.4% FW (2.13 yield = 680 cf). The production string casing cement is designed to cover openhole section with 60% excess.

\*The production casing cement is calculated to cover the openhole interval with 60% excess and annular volume 100' within intermediate shoe. Depending on hole conditions, the well may be cemented in a single stage or two staged.

Centralizer Program:

Surface: Total four (4) 1 @ 10' above shoe & top of 2<sup>nd</sup>, 4<sup>th</sup> & 6<sup>th</sup> joint

Intermediate: Total seven (7) – 10' above shoe, top of 1<sup>st</sup>, 2<sup>nd</sup>, 4<sup>th</sup>, 6<sup>th</sup>, & 8<sup>th</sup> jts & 1 jt. above surface casing.

Production: None planned.

Turbulators: Total Three (3) – on intermediate casing at 1<sup>st</sup> jt. below the Ojo Alamo and next 2 jts up.

10. The minimum specifications for pressure control equipment which are to be used, a schematic diagram thereof showing sizes, pressure ratings (or) API series and the testing procedure and testing frequency are enclosed within the APD packet.

11. Drilling Mud Prognosis: Surface - spud mud on surface casing.  
Intermediate - spud mud generated from natural clays with gel sweeps pretreated w/LCM before entering coal interval.  
Below Intermediate - air or gas drilled.

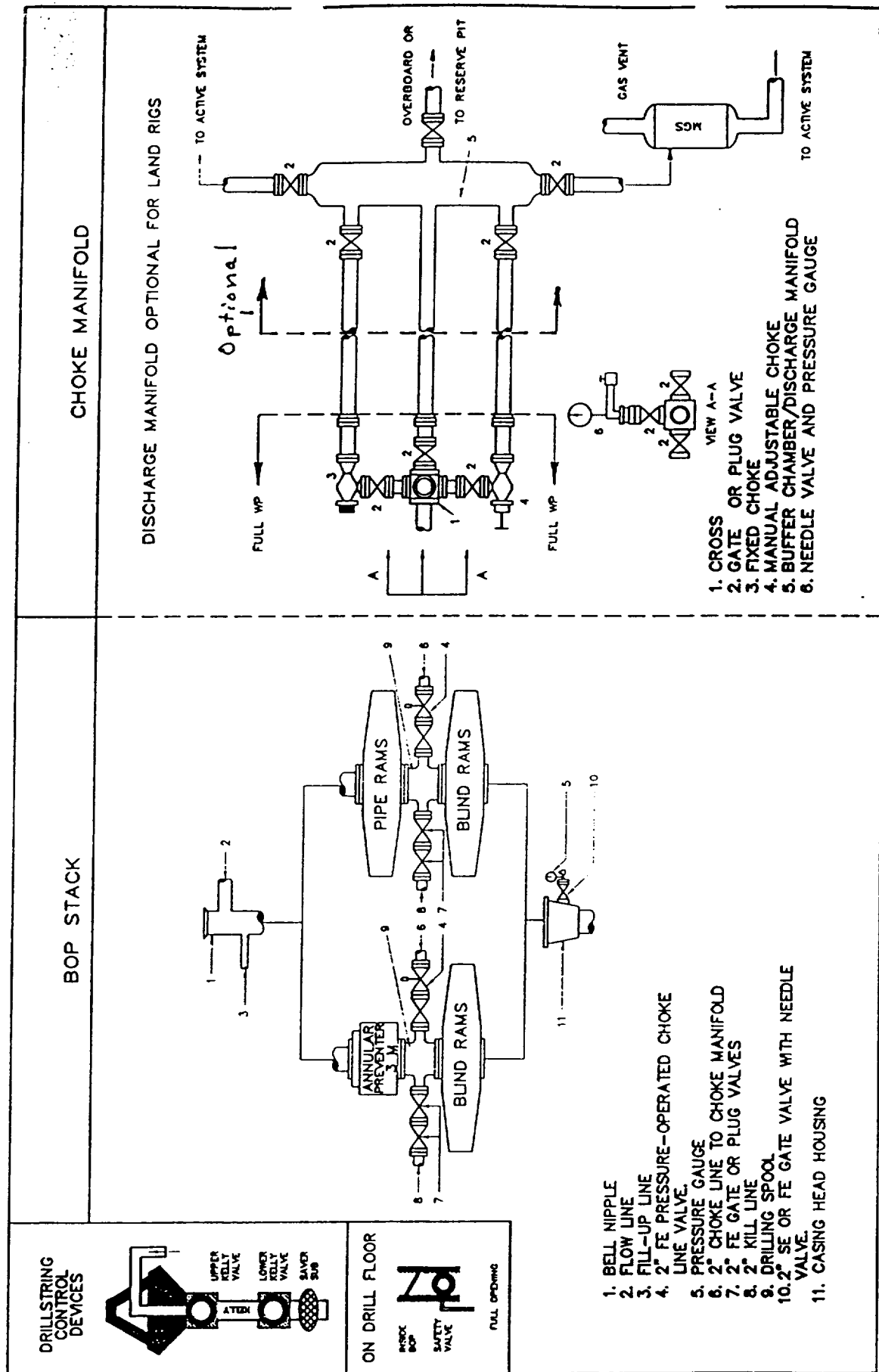


Fig. 2.4. Class 2 BOP and Choke Manifold.

10" 3000 Psi BOP Stack for Gas Drilling

