

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 DRILL REENTER
1b. Type of Well Oil Well Gas Well Other Single Zone Multiple Zone

5. Lease Serial No.
NM-03040-A

6. If Indian, Allottee or Tribe Name
15

7. Unit or CA Agreement Name and No.
San Juan 29-6 Unit

8. Lease Name and Well No.
SJ 29-6 Unit #70C

2. Name of Operator
Phillips Petroleum Company
3a. Address
5525 Highway 64, NBU 3004, Farmington, NM 87401

3b. Phone No. (include area code)
505-599-3454

9. API Well No.
30-039-26717

4. Location of Well (Report location clearly and in accordance with any State requirements)*
At surface Unit F, 2346' FNL & 2494' FWL
At proposed prod. zone Same as above

10. Field and Pool, or Exploratory
Blanco Mesaverde

11. Sec., T., R., M., or Blk. and Survey or Area
Sec. 29, T29N, R6W

14. Distance in miles and direction from nearest town or post office*
19 miles east of Blanco

12. County or Parish
Rio Arriba

13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any)
2346'

16. No. of Acres in lease
1400.0

17. Spacing Unit dedicated to this well
320 W/2

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.

19. Proposed Depth
5734' -

20. BLM/BIA Bond No. on file
ES0048

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
6292' GL -

22. Approximate date work will start*
2nd Qtr 2001

23. Estimated duration
20 days

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.
- 2. A Drilling Plan
- 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).
- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification.
- 6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature *Patsy Clugston*
Title
Sr. Regulatory/Proration Clerk

Name (Printed/Typed)
Patsy Clugston

Date
3/20/01

Approved by (Signature) *Lee Otten*
Title

Name (Printed/Typed)

Date
MAY - 2 2001

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 technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.



NMOCD

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

Form C-102
 Revised October 18, 1994

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

2001 MAR 20 PM 2:15

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number 30.034-26717		* Pool Code 72319	* Pool Name Blanco Mesaverde
* Property Code 009257	* Property Name SAN JUAN 29-6 UNIT		* Well Number 70C
* OGRID No. 017654	* Operator Name PHILLIPS PETROLEUM COMPANY		* Elevation 6292'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
F	29	29N	6W		2346'	NORTH	2494'	WEST	RIO ARriba

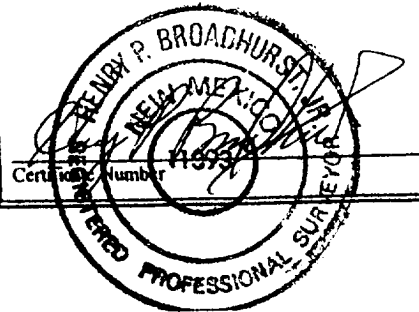
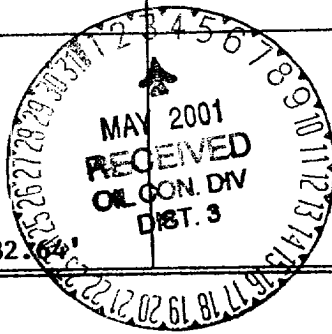
¹¹ Bottom Hole Location If Different From Surface

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

¹² Dedicated Acres 320 W/2	¹³ Joint or Infill Y	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°52'E FEE 5280.00' 2494' 2346' Section 29 NM-0304-A 1400.0 ac 70A	5285.28' 5280.00' N00°01'E	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief <i>Patsy Clugston</i> Signature Patsy Clugston Printed Name Sr. Regulatory/Proration Clerk Title February 26, 2001 Date



PHILLIPS PETROLEUM COMPANY

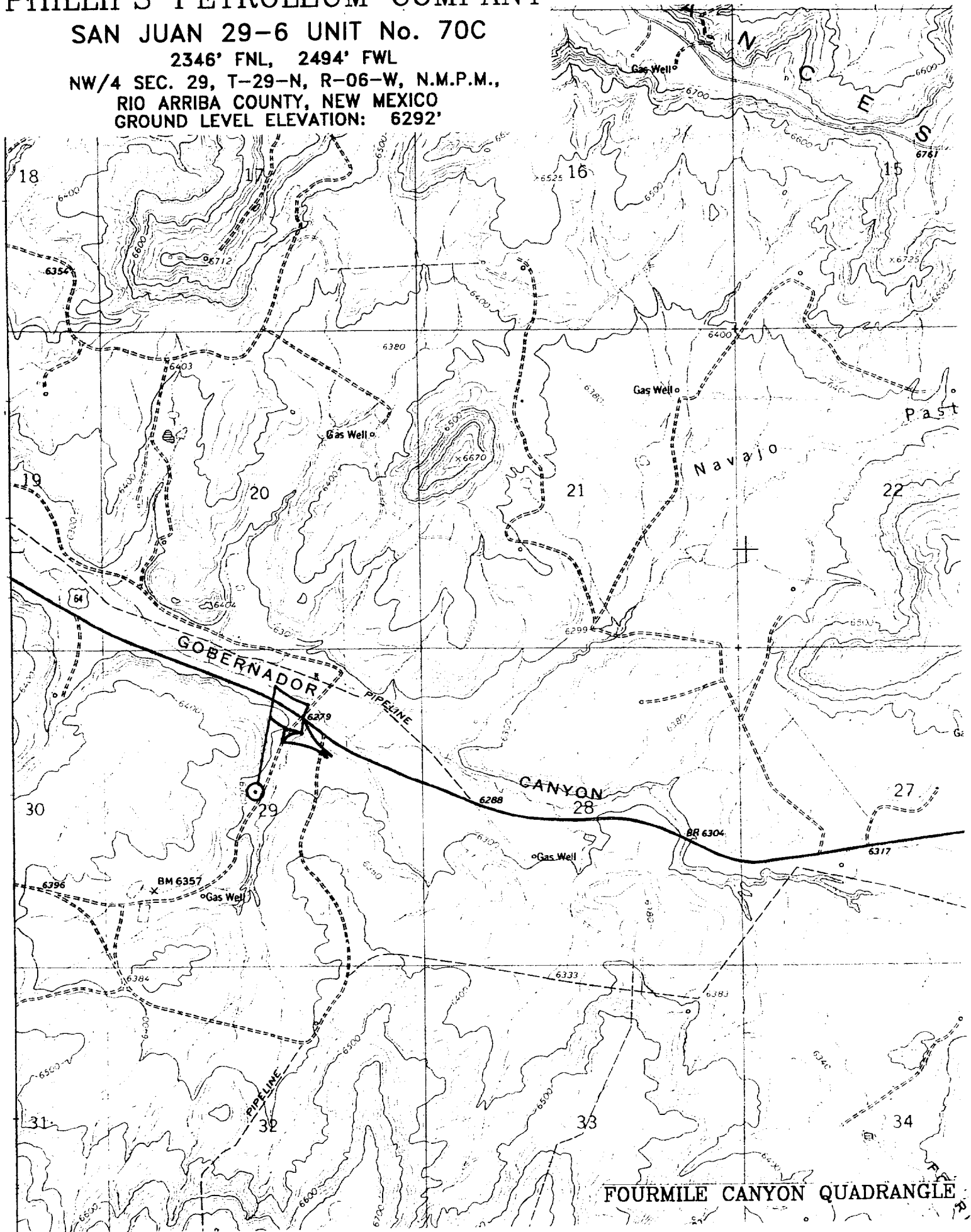
SAN JUAN 29-6 UNIT No. 70C

2346' FNL, 2494' FWL

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

RIO ARRIBA COUNTY, NEW MEXICO

GROUND LEVEL ELEVATION: 6292'



PHILLIPS PETROLEUM COMPANY

WELL NAME: San Juan 29-6 Unit #70C MV

DRILLING PROGNOSIS

1. Location of Proposed Well: Unit F, 2346' FNL & 2494' FWL
Section 29, T29N, R6W

2. Unprepared Ground Elevation: @ 6292' (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 5734'.

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

<u>Nacimiento - 1219'</u>	<u>Lewis Shale - 3308'</u>
<u>Ojo Alamo - 2282'</u>	<u>Cliff House Ss - 4942'</u>
<u>Kirtland Sh - 2457'</u>	<u>Menefee Fm. - 5047'</u>
<u>Fruitland Fm. 2895'</u>	<u>Pt. Lookout - 5336'</u>
<u>Pictured Cliffs - 3167'</u>	<u>Mancos Sh - 5584'</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 - 2282' - 2457'</u>
Gas & Water:	<u>Fruitland - 2895' - 3167'</u>
Gas:	<u>Mesaverde - 4942' - 5584'</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 @ 3433' (J-55 will be used, unless the K-55 is the only casing available.
Production String: 4-1/2", 11.6#, I-80 @ 5734' (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: 158.6 sx Type III cement + 2% bwoc Calcium Chloride + 0.25#/sx Cello-flake + 60.6% FW (1.41 yield = 224 cf). Circ. to Surf

Intermediate String: **Lead Cement:** 408.5 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 = 968cf). 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 *: 183.7 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 = 391 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 2nd, 4th & 6th joint

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

Production: None planned.

Turbulators: Total Three (3) – on intermediate casing at 1st 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.

BOP AND RELATED EQUIPMENT CHECK LIST

3M SYSTEM:

2 hydr. rams (pipe & blind) or hydr. ram and annular with blind ram on bottom

Kill Line (2-inch minimum)

1 kill line valve (2-inch minimum)

1 choke line valve

2 chokes (refer to diagram in attachment 1) on choke manifold

Upper kelly cock valve in open position with handle available

Safety valve (in open position) and subs to fit all drill strings in use (with handle available)

Pressure gauged on choke manifold

2 inch minimum choke line

Fill-up line above the uppermost preventer

The BOPs will be pressure tested according to Onshore Order #2 III, A 1 and 30% safety factor.