Form 3160-3 UNITED STATES FORM APPROVED (August 1999) DEPARTMENT OF THE INTERIOR OMB NO. 1004-0136 **BUREAU OF LAND MANAGEMENT** Expires: November 30, 2000 5. Lease Serial No. APPLICATION FOR PERMIT TO DRILL OR REENTER SF-078278 la. Type of Work X DRILL REENTER 6. If Indian, Allotee or Tribe Name lb. Type of Well 7. Unit or CA Agreement Name and No. Oil Well X Gas Well Other Single Zone Multiple Zone San Juan 29-6 Unit Name of Operator 8. Lease Name and Well No. <u>Phillips Petroleum Company</u> SJ 29-6 Unit #620 3a. Address 3b. Phone No. (include area code) 9. API Well No. 36-039-26752 <u>5</u>525 Highway 64, NBU 3004, Farmington, NM 87401 505-599-3454 Location of Well (Report location clearly and in accordance with any State equirements)\* Field and Pool, or Exploratory Blanco Mesaverde Unit J, 1471' FSL & 2625' FEL 11. Sec., T., R., M., or Blk. and Survey or Area At proposed prod. zone Same as above SEction 4, T29N, R6W 14. Distance in miles and direction from nearest town or post office\* 12. County or Parish 13. State 20 miles east of Blanco. NM Rio Arriba, NM 15. Distance from proposed\* 16. No. of Acres in lease 17. Spacing Unit dedicated to this well location to nearest 1471' property or lease line, ft. 2540.77 acres 318.98 E/2 (Also to nearest drg. unit line, if any) 18. Distance from proposed location\* 19. Proposed Depth 20. BLM/BIA Bond No. on file to nearest well, drilling, completed, applied for, on this lease, ft. 6022' ..... ES0048 21. Elevations (Show whether DF, KDB, RT, GL, etc. 22. Approximate date work will start\* 23. Estimated duration 2nd Qtr 2001 6490' GL ~ 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. 4. Bond to cover the operations unless covered by an existing bond on file (see 2. A Drilling Plan Item 20 above). A Surface Use Plan (if the location is on National Forest System Lands, the Operator certification. 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.

Name (Printed/Typed) Date 25. Signuature Patsy Clugston 5/1/01 Title Sr. Regulatory/Proration Clerk Approved by (Signautre) Name (Printed/Typed) Date \_ 3 /S/ Lee Otten 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 knowlingly 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 arts to be subject to medicine. protedural review pursuant to an OPH 3163.8 and appeal pursuant to 43 OFR 3122,4,

salah dan kecamatan dan kecamatan dan berasak dan berasak dan berasak dan berasak dan berasak dan berasak dan tica libration, and files

District I

District II

PO Box 1980, Hobbs, NM 88241-1980

811 South First, Artesia, NM 88210

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised October 18, 1994

Instructions on back

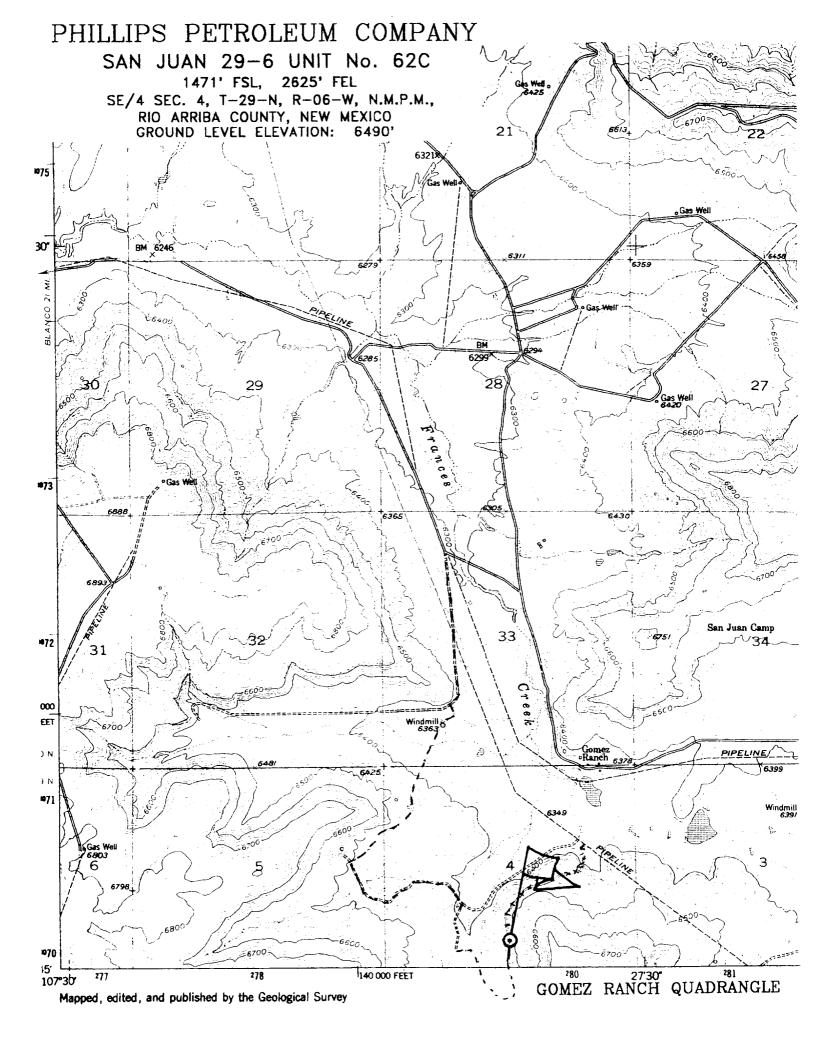
Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

AMENDED REPORT

District III 1000 Rlo Bruzos Rd., Aztec. NM 87410 District IV

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				" <b>Р</b> ‱С 2319	ode	В1	Pool Name Blanco Mesaverde					
<sup>4</sup> Property Code		5 p				operty Name NN 29-6 UNIT				' Well Number 62C		
009257		100				crutor Name				'Elevation 6490'		
017654				PH.	PHILLIPS PETROLEUM COMPANY  10 Surface Location							
		Townshi	p Range	Lot Idn				Feet from the	from the East/West		County	
UL or lot no. J	Section 4	29N	6W		1471	L <b>'</b>	SOUTH	2625 <b>¹</b>	EA	ST	RIO ARRIBA	
Bottom Hole Location If Different From Surface												
UL or lot no.	Section	Township	Range	Lot Idn	Feet from th	he	North/South line	Feet from the	East/Wes	l line	County	
" Dedicated Acre	Joint	or Infill	14 Consolidatio	n Code	Order No.							
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5256.90		M4Y 2001 Soct		1	on 4 SF-078278 2540.77 ac			Title April Date	April 3, 2001			
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S00°10'E		· · · · · · · · · · · · · · · · · · ·						was plotted or under my	from field not y supervision, he best of my b	withat the well location shown on this plat om field notes of actual surveys made by me upervision, and that the same is true and best of my belief.  03/06/01		
80(				10-	2625'			Date of Sur			Surveyer:	
				1471	FEE	7	'nº	Signature at		DHURS		
	<u> </u>	S89	9°58'E		273.49' /			Cerultrate	Mniber			
					•		,		A CONTRACTOR	SCHONAL		



## PHILLIPS PETROLEUM COMPANY

WELI	L NAME:	San Ju	uan 29-6 Unit #62C MV						
DRIL	LING PROGNO	SIS							
1.			Unit J, 1471' FSL & 2625' FEL,						
			Section 4, T29N, R6W						
2.	Unprepared Grou	ınd Elevation	n: <u>@ 6490' (unprepared)</u> .						
3.	The geological n	ame of the su	urface formation is <u>San Jose</u> .						
4.	Type of drilling t	tools will be _	rotary.						
5.	Proposed drilling	g depth is <u>602</u>	22' -						
6.	The estimated to	ps of importa	ant geologic markers are as follows:						
- - - -	Naciamento -	1457'	Lewis Shale - 3512'						
	Ojo Alamo -	2464'	Cliff House Ss – 5212'						
	Kirtland Sh -	2664'	Menefee Fm 5281'						
	Fruitland Fm.	3131'	Pt. Lookout - 5582'						
	Pictured Cliffs -	-3392'	<u>Mancos Sh - 5882'</u>						
7.		-	nich anticipated water, oil, gas or other mineral bear encountered are as follows:	ing					
	Water:	<u>Ojo Ala</u>	amo - 2464' – 2664'						
	Gas & Water:	<u>Fruitlan</u>	nd - 3131' - 3392'						
	Gas:	Mesave	erde - 5212' – 5882'						
8.	The proposed cas	sing program	is as follows:						
	Surface String: _	9-5/8", 36#,	J/K-55 @ 320' *						
	_		J/K-55 @ 3637' (J-55 will be used, unless the K-55 is	the					
	only casing available.								
	Production String	g: <u>4-1/2", 11</u>	1.6#. J-55 @ 6022' (TD) —						
	* The surface ca	sing will be s	set at a minimum of 320', but could be set deeper if requi	red					
	to maintain hole								

9. Cement Program:

Surface String: 158.6 sx Type III cement + 2% bwoc Calcium Chloride + 0.25#/sx

<u>Cello-flake + 60.6% FW (1.41 yield = 224 cf).</u>

Intermediate String: Lead Cement: 435.7 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 = 1033 cf). Cement to surface with 110%

excess casing/hole annular volume.

<u>Tail Cement: 50.0 sx Type III cement + 0.25#/sx Cello-Flake + 1% Calcium Chloride + 60.5% FW (1.4 yield = 70 cf).</u> Cement to

surface with 110% excess of casing/hole annulus volume.

Production String \*: 190.1 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 = 405 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 1st, 2nd, 4th, 6th, & 8th its &

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.

## 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)

I 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.

drilling\BOPck.lst