(August 1999) DEPARTMENT OF TH	UNITED STATES  DEPARTMENT OF THE INTERIOR  BUREAU OF LAND MANAGEMENT						
APPLICATION FOR PERMIT TO	5. Lease Seria SF - 0790	5. Lease Serial No. SF-079000					
la. Type of Work X DRILL	6. If Indian, A	6. If Indian, Allotee or Tribe Name					
1b. Type of Well Oil Well X Gas Well Or		7. Unit or CA Agreement Name and No. San Juan 31-6 Unit					
2. Name of Operator  Phillips Petroleum Company  3b. Phone No. (include area code)  O AD W. H. M.							
/ 3a. Address / 5525 Highway 64, NBU 3004, Farmington, NM	y. API Well r	26769					
4. Location of Well (Report location clearly and in accordance At surface Unit K, 1615' FSL & 2490' FWL	10. Field and Basin D	Pool, or Exploratory K & Blanco MV					
At proposed prod. zone Same as a	11. Sec., T.,	11. Sec., T., R., M., or Blk. and Survey or Are Section 1, T30N, R7W					
14. Distance in miles and direction from nearest town or post off	12. County or	12. County or Parish 13. State					
21 miles NE		NM 6. No. of Acres in lease		Rio Arriba, NM Spacing Unit dedicated to this well			
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any)		2558.8 acres		s W/2 both MV & DK			
18. Distance from proposed location*	1	9. Proposed Depth	20. BLM/BIA Bon	BLM/BIA Bond No. on file			
to nearest well, drilling, completed, applied for, on this lease, ft.		7980'		ES0048			
21. Elevations (Show whether DF, KDB, RT, GL, etc. 6328' GL	2	22. Approximate date work will st 3rd Qtr 2001	art* 23. Estir	23. Estimated duration			
0000 40	24. /	Attachments	2010	150			
The following, completed in accordance with the requirements of	f Onshore Oil a	nd Gas Order No. 1, shall be attac	hed to this for	G 2001			
<ol> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan</li> <li>A Surface Use Plan (if the location is on National Forest Sys SUPO shall be filed with the appropriate Forest Service Office.)</li> </ol>	stem Lands, the	<ul><li>4. Bond to cover the operating tem 20 above).</li><li>5. Operator certification.</li></ul>	ons Paless coverage	ns as may be required by the			
	· Na-	ne (Printed/Typed)	34.5				
25. Signuature Latser Chesto	Name of the last o	Patsy Clugston		6/21/01			
Title Sr. Regulatory/Proration Clerk	-						
Approved by (Signautre) /8/ Lee Otteni	Nan	ne (Printed/Typed)		Date 7-27-01			
Title FM	Offi	Office					
Application approval does not warrant or certify that the applica conduct operations thereon.  Conditions of approval, if any, are attached.	int holds legal o	or equitable title to those rights in	the subject lease which	ch would entitle the applicant to			
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 United States any false, fictitious or fraudulent statements or rep	, make it a crin resentations as	ne for any person knowlingly and to any matter within its jurisdiction	willfully to make to	any department or agency of the			
*(Instructions on Reverse)				Sometimes to and			

procedural review pursuant to 45 OFR 3166.3 and appeal pursuant to 43 OFR 3165.4

SULTEST TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"

HOLD C104 FOR NSL in Basin DK

District I 19) 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

State of New Mexico

Form C-1 Revised October 18, 19 Instructions on ba

OIL CONSERVATION DIVISION Submit to Appropriate District Offi 2040 South Pacheco Santa Fe, NM 87505

State Lease - 4 Copi

Fee Lease - 3 Copi

2001 July 26 AM 8: 34

AMENDED REPOR 2040 South Pacheco, Santa Fe, NM 87505 WELL LOCATION AND ACREAGE DEDICATION PLAT <sup>1</sup> Pool Code Pool Name 72319 Blanco Mesaverde Well-Mumber <sup>4</sup> Property Code SAN JUAN 31-6 UNIT 009259 PHILLIPS PETROLEUM COMPANY OGRID No. 6328 vn 017654 Surface Location Feet from the North/South line Feet from the 2490' East/West line Lot Idn UL or lot no. Section Township Range RÎÖ"ÄRRIBA WEST 1615' SOUTH 7W 30N 11 Bottom Hole Location If Different From Surface Runge Lot Idn Feet from the North/South line Feet from the East/West line County UL or lot no. Section Township 13 Joint or Infill 14 Consolidation Code 15 Order No. 12 Dedicated Acres U B19.10 W/2 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 5280.00 <sup>17</sup> OPERATOR CERTIFICATION WEST I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief 5 6 7 8 P<u>atsy Cl</u>ugston Printed Name Sr. Regulatory/Proration Cler 5280.00' 5260.20 June 21. SECT10 <sup>18</sup>SURVEYOR CERTIFICATION SF-079000 2558.8 acres I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me NORTH or under my supervision, and that the same is true and \$00°06'E (c correct to the best of my belief. 2490 04/18/01 Date of Survey Signature and Scal of Professional Surveyer. 1615 Certificate Numbe 5287.92 PROFEBSIO!

District I PO Box 1980, Hobbs, NM 88241-1980 District II #11 South First, Artesia, NM 88210

1000 Rio Brazos Rd., Aztec, NM 87410

2040 South Pacheco, Santa Fe, NM 87505

District III

District IV

State of New Mexico Energy, Minerala & Natural Resources Department

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505 Form C-10: Revised October 18, 199-Instructions on back

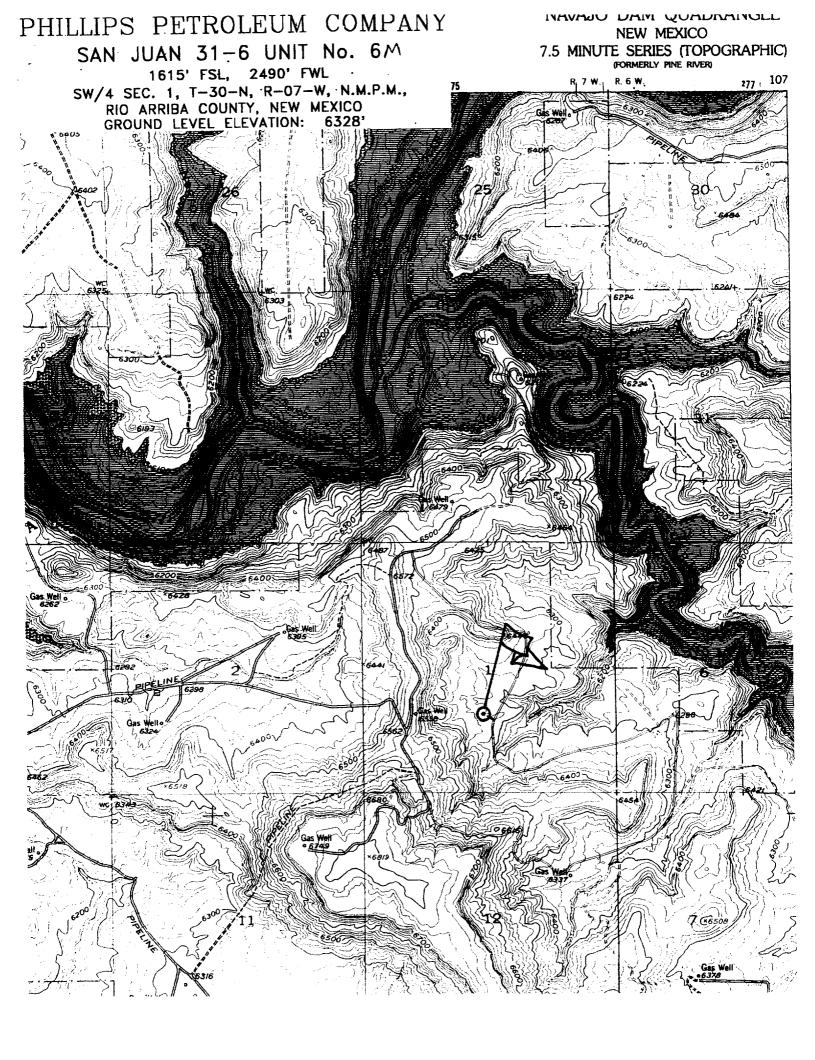
Submit to Appropriate District Office

State Lease - 4 Copie.

Fee Lease - 3 Copie

	☐ AMENDED REPO	RI

		W	ELL LC	CATIC	N AND A	CREAC	E DEDIC	CATION PL	<u> AT</u>		
'AM Number 'Poul Code 71599 Basin Dakota						' Pool N	' Pool Naure				
* Property (								· Well-Number			
<b>'осків і</b> 017654	No.	PHILLIPS PETRÖLEUM COMPANY					6328			6328 <sup>vn</sup>	
<u> </u>					10 Surfa	ace Loca	tion		· · · · · · · · · · · · · · · · · · ·		
UL or lot no.	Section 1	Township 30N	Runge 7W	Lot Idn	Feet from the 1615'		/South line OUTH	Feet from the 2490'	East/Wes WE	t line ST	rio"ărriba
LN		1 00	11 Bo	ttom Ho	ole Location	on If Diff	erent Fro	m Surface			
UL or lot no.	Section	Township		Lot Idn	Feet from the		/South line	Feet from the	East/Wes	t line	County
12 Dedicated Acre	.	or Inful '	" Consolidation Code " Order No.								
NO ALLOWA		ILL BE A	SSIGNED	TO THIS	COMPLETI	ION UNTI	L ALL INT	ERESTS HAV THE DIVISIO	E BEEN (	CONSC	DLIDATED OR A
8			VEST	/	5280.00'		5	17 OPEI	RATOR by that the inf	formation	TIFICATION contained herein is knowledge and belief
5260.20'	Ų	1	. CE	ction 1	ř		5280.0	Signature Patsy C Printed Nam Sr. Reg Title June 18	ulator		ration Cler
\$00°06'E	J	SF-07' 2558 2490'	-				NORTI	I hereby certij was plotted fr or under my s correct to the	fy that the we om field note supervision, a best of my be 04/18	il locations of actua and that the elief.	TIFICATION  n shown on this plat tl surveys made by me the same is true and
, ,	,	ר <u>אר</u> אַ	1615 39≌52W		5287.92'			Date of Surve Signature and Certificate No.	Seal of Profe	ROAD/ PAE: 11273	IN SECULIAR ESCALAR
									100	HOPE 3	50%



## PHILLIPS PETROLEUM COMPANY

WEI	LL NAME: <u>San Juan 31-6 Unit #6</u>	M MV/DK					
DRII	LLING PROGNOSIS						
1.	Location of Proposed Well: Unit k	K, 1615' FSL & 2490' FWL on 1, T30N, R7W					
2.	Unprepared Ground Elevation:	<u>@ 6328' (unprepared)</u> .					
3.	The geological name of the surface formation is <u>San Jose</u> .						
4.	Type of drilling tools will be <u>rotary</u> .						
5.	Proposed drilling depth is	•					
6.	The estimated tops of important geo	ologic markers are as follows:					
	Naciamento - 1090' Ojo Alamo - 2335' Kirtland Sh - 2500' Fruitland Fm2892' Pictured Cliffs - 3265' Lewis Shale - 3425' Cliff House Ss - 5125'	Menefee Fm 5180' Pt. Lookout - 5480' Mancos Sh - 5835' Gallup Ss 6790' Greenhorn Ls 7525' Graneros Sh 7575' Dakota Ss - 7710'					
7.	The estimated depths at which a formations are expected to be encou	nticipated water, oil, gas or other mineral bearing intered are as follows:					
	Water: Ojo Alamo - Gas & Water: Fruitland - Gas: Mesaverde - Dakota -	<del></del>					
8.	The proposed casing program is as	follows:					
	Surface String: 9-5/8", 32.3#, H-4 Intermediate String: 7", 20#, J/K-55 Production String: 4-1/2", 11.6#, I	3550'					
9.	Cement Program: Surface String: 158.5 sx Ty	pe III cement with 2% bwoc CaCl2 + 1/4#/sx Cello-					

Note: Cement slurry calculations based on cement to surface with 140% excess hole volume.

sufficient to circulate to surface – 223 cf.

flake mixed at 14.5 ppg with a 1.41 ft3/sx yield w/46.5% H2O or

Intermediate String: Lead Cement: 424.1 sx Type III cement (35:65) POZ with 5#/sx Gilsonite, 1/4#/sx Cello-flake, 6% bwoc gel (bentonite), 10#/sx CSE, 3% bwow KCL, 0.4% bwoc FL-25 mixed and 0.02#/sx Static Free mixed at 12.0 ppg with a yield of 2.37 ft3/sx – 1005 cf.

> Tail Cement: 50 sx - Type III cement with 1/4#/sx Cello-flake and 1% CaCl2 mixed at 14.5 ppg with a 1.40 ft3/sx yield (70 cf).

In the event we encounter fluid loss during drilling operations, a contingency plan for cementing the intermediate casing may require a stage collar. Phillips cannot predict exact volumes. However the 1st stage will be Cl H cement w/5#/sx Gilsonite, 0.25#/sx Cello-flake, 0.3% FL-25 & 2% CaCl2 mixed at 15.2 ppg 1.28 yield. Stage 2 - lead slurry: 65 % Class H & 35% POZ w/6% Bentonite mixed at 12.6 ppg 1.79 cf/sx Tail Slurry - Class H w/2% CaCl2 mixed at 15.6 ppg 1.20 yield. All attempt to be circulated to surface.

## **Production String**

Lead: 338.5 sx Type III (35/65 POZ (Fly Ash) with 6% bwoc Bentonite, 10#/sx CSE, 0.2#/sx Static Free, 1% bwoc FL-52, 0.3% bwoc CD-32, 0.3% bwoc R-3 & 0.25#/sx Cello-Flake mixed at 12.3 ppg with a yield of 2.13 ft3/sx -721cf.

Note: The Production String casing cement is designed to cover openhole section (with 40% excess) and 100' inside the 7" shoe.

Note: Phillips Petroleum continually works to improve the cement slurries on our wells. BJ Services is currently trying to improve what we are using now and before we would use a new cement program it would have to have stronger properties than we are currently using.

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 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 its up.

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

## 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.

drilling\BOPck.lst