

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NMSF - 078161	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Crcss Timbers Operating Company		7. UNIT AGREEMENT NAME Shults 28822	
3. ADDRESS AND TELEPHONE NO. 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401		8. FARM OR LEASE NAME, WELL NO. Schultz Federal #1E	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements*) At surface 1,460' FSL & 950' FWL At proposed prod. zone		9. API WELL NO. 30 045 30778	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* This well is located approx 3 northeast of the Bloomfield NM post office		10. FIELD AND POOL, OR WILDCAT Basin Dakota	
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 950'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 1, T29N, R11W	
16. NO. OF ACRES IN LEASE 305.02		12. COUNTY OR PARISH San Juan	
17. NO. OF ACRES ASSIGNED TO THIS WELL 305.02		13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 175'		20. ROTARY OR CABLE TOOLS 0-7125' Rotary Tools	
21. ELEVATIONS (Show whether DFT, GR, etc.) 5,887' Ground Level		22. APPROX. DATE WORK WILL START* Oct. 2001	

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" J-55	24 #/ft	+350'	+ 245 sx cl B cmt
7-7/8"	4-1/2" J-55	10.5 #/ft	+7125'	+ 720 sx cmt

This action is subject to BLM procedural review pursuant to 43 CFR 3160.3 and appeal pursuant to 43 CFR 3160.4.

BEFORE SIGNATURE AND LOAN ARE SUBMITTED, THE APPLICANT MUST OBTAIN A SURFACE USE PERMIT FROM THE BLM.

Cross Timbers plans to drill the above mentioned well as described in the enclosed Surface Use Program.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 [Signature] TITLE Drilling Engineer DATE 8/07/01
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE 8/29/01

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:

APPROVED BY /s/ Joel Farina TITLE _____ DATE _____

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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.

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, N.M. 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-30778	² Pool Code 71599	³ Pool Name BASIN DAKOTA
⁴ Property Code 28822	⁵ Property Name SHULTS FEDERAL	⁶ Well Number 1E
⁷ GRID No. 167067	⁸ Operator Name CROSS TIMBERS OPERATING CO.	⁹ Elevation 5887'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	1	29-N	11-W		1460'	SOUTH	950'	WEST	SAN JUAN

¹¹Bottom 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
¹² Dedicated Acres 305.02 W/2			¹³ Joint or Infill I		¹⁴ Consolidation Code		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

<p>¹⁶</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature <u>Jeffrey W. Patton</u></p> <p>Printed Name <u>JEFFREY W. PATTON</u></p> <p>Title <u>DRILLING ENGINEERING</u></p> <p>Date <u>8-06-01</u></p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey <u>3-26-01</u></p> <p>Signature and Seal of Professional Surveyor <u>ROY A. RUSH</u></p> <p>Certificate Number <u>8894</u></p>

REC'D / SAN JUAN

APR 4 2001

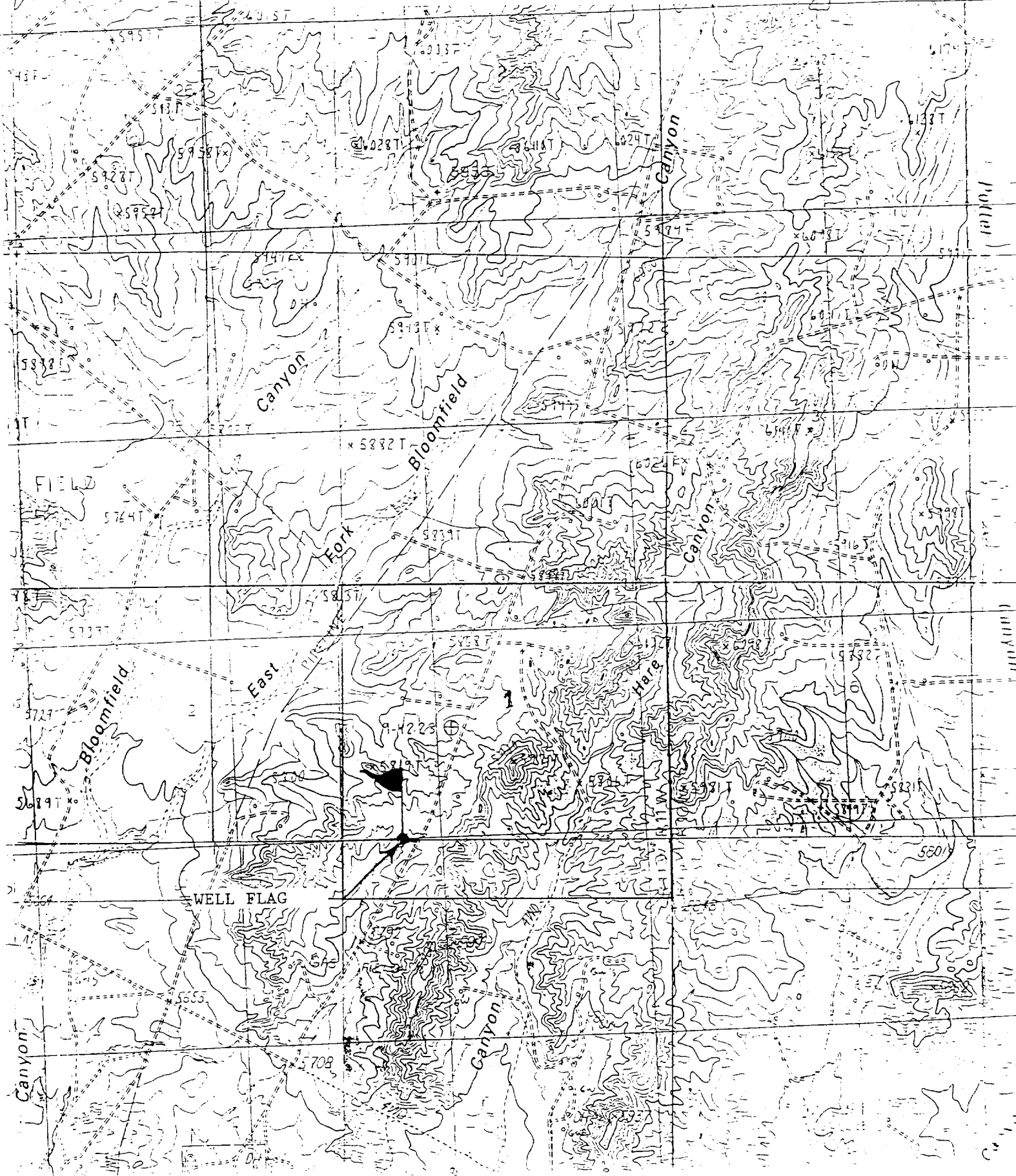
CROSS TIMBERS OPERATING COMPANY

SHULTS FED. #1E

SW/4 SEC. 1, T-29-N, R-11-W, N.M.P.M.,

SAN JUAN COUNTY, NEW MEXICO

1460' FSL 950' FWL



4. CEMENT PROGRAM (Slurry design may change slightly, but the plan is to circulate cement to surface on both casing strings):

A. Surface: 8-5/8", 24#, J-55, STC casing to be set at $\pm 350'$.

245 sx of Class "B" cement containing 2% CaCl_2 , 1/4 pps celloflake, mixed at 15.6 ppg, 1.18 ft^3/sk , & 5.20 gal wtr/sk.

Total slurry volume is 289 ft^3 , 100% excess of calculated annular volume to 350'.

B. Production: 4-1/2", 10.5#, J-55, STC casing to be set at $\pm 7,125'$.

520 sx of Lite-Crete cement (proprietary blend) containing 1/4 pps celloflake mixed at 9.5 ppg, 2.52 ft^3/sk , 11.50 gal wtr/sx followed by 200 sx 50/50 class "G" with poz, 6 % gel, 1/4#/sx cellofalke, 0.2% dispersant & 0.2% fluid loss additive mixed at 13.0 ppg, 1.42 cuft/sx, 9.85 gal/sx.

Total estimated slurry volume for the 4-1/2" production casing is 1,595 ft^3 (no excess).

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 30%. It will be attempted to circulate cement to the surface.

5. LOGGING PROGRAM:

A. Mud Logger: The mud logger will come on at 5,500' and will remain on the hole until TD. The mud will be logged in 10' intervals.

B. Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD to 4,875'. FMI log will be run from $\pm 7,075'$ to 6,600'.



Cross Timbers Operating Company

BOP SCHEMATIC FOR DRILLING OPERATIONS CLASS 1 (2M) NORMAL PRESSURE

