District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 South First, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico **Energy Minerals and Natural Resources**

Submit to appropriate District Office

Oil Conservation Division 2040 South Pacheco Santa Fe, NM 87505

State Lease - 6 Copies Fee Lease - 5 Copies

Form C-101

Revised March 17, 1999

		An	Operator Name and Operator Nam	d Address n Comp		NTE	70 70	3112	***	OGRID OOO	Number 778		
			Houston, Texas			E.		ILIN A	33	0-04	50	30266	
Property Code 000436			Property Na Ealum Gas (TECE VE					° Well No. 1B	
	G - t'-	Tourship	Panas	Lati	⁷ Surface 1	rom the	North/S	70 E	Feet from the	Fast/W	est line	County	
IL or lot no.	Section Township Range 33 32N 10W		Lot Idn Feet from the North/South 1000' North				1		est	San Jua			
			Proposed Bo	ottom I			1 4 W	/ 	· (\ > >				
JL or lot no.	Section	Township	Range	Lot 1		rom the		outh line	Feet from the	East/W	est line	County	
			Proposed Pool 1 nco Mesaverde						™ Propo	sed Pool 2	2		
			12 Well Type Cod	ode 13 Cable/Rotary Rotary/Top Drive				14	14 Lease Type Code Fee			15 Ground Level Elevatio	
16 Multiple No			17 Proposed Dept 5369'	¹⁸ Formation Mesaverde				19 Contractor Aztec			²⁰ Spud Date 06/16/2000		
			- P1		d Casing a	nd Cer	nent P	rogram	<u> </u>				
					g weight/foot Setting De								
(1) 12 1/4" 9 5/8"			32.3# 135'				150 SXS CLS B			Surface			
(2)	8 ¾"		7"		20# 2349° 10.5# 5369°				353 SXS CLS B 426 SXS CLS B			Surface	
(3)	6 1/4"		4 1/2"		10.5#		5369	*/	426 SXS C	LSB	-	2249'	
one. Describ DBJECTI Lookout it	e the blowd VE: Dril ntervals. te Cemen ram: 0' - 135	ut preventi I 100' int Run Cas nt to Sur	f this application is on program, if any, to the Mancos S sed Hole (GR-6 face (2) Set (Type - Spu Type - Wa Type - Ga	Use add Shale, se CCL-TI Casing 5 Id	et 4 ½" Line OT) logs: Tl O' above Fr We	necessary r acros DT from uitland eight 8.6	s Mesav n PBTI . (3) 5 - 9.2 5 - 9.2	verde, S O to TO Liner L	timulate Cliff L. GR- CCL 1	House, from Pl ninimu	Menef DTB to m of 10	ee, and Poi Surface. 00'.	

OIL CONSERVATION DIVISION ²³ I hereby certify that the information given above is true and complete to the best of my knowled and belief. Signature: Approved by: DEPUTY OIL & GAS INSPECTOR, DIST. **Mary Corley** Printed name: Expiration Date: Approval Date: Sr. Business Analyst Title: Phone: 281-366-4491 Date: 06/01/2000 Conditions of Approval: Attached -: 17

District I
PO Box 1980, Hobbs NM 88241-1980
District II
PO Drawer KK, Artesia, NM 87211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV

PO Box 2088, Santa Fe, NM 87504-2088

Joint or Infill

Consolidation Code

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088 Form C-102 Revised February 21, 1994 Instructions on back

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

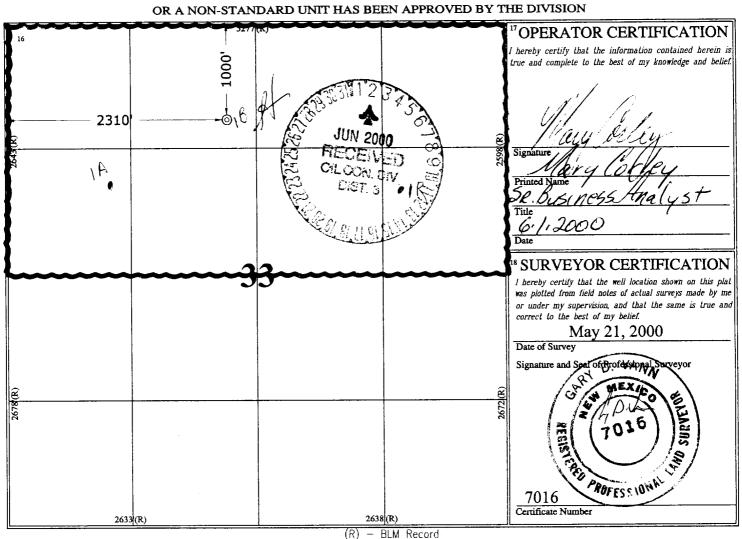
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

	API Number			² Pool Code		¹ Pool Name						
30-04	0266	70	2319		Blanco M	le						
⁴ Property Code						Weil Number						
00043	6	E	!	# 1B								
7 OGRID			⁹ Elevation									
00077	8	A		6004								
					¹⁰ Surface I	Location						
UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
C	33	32 N	10 W		1000	NORTH	2310	WEST	SAN JUAN			
		·	11 Bott	om Hole	Location If	Different From	n Surface					
⁷ UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED

15 Order No.



Amoco Production Company BOP Pressure Testing Requirements

Well Name:

Ealum Gas Com 1B

County:

San Juan

State: New Mexico

Formation	TVD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **		
Ojo Alamo	1283'				
Kirtland	1443'				
Fruitland Coal	2499'				
Pictured Cliffs	2805'				
Lewis Shale	2877'				
Cliff House	4640'	500	0		
Menefee Shale	4723'				
Point Lookout	5084'	600	0		
Mancos	5269'				

** Note: Determined using the following formula: ABHP - (.22 * TVD) = ASP

Requested BOP Pressure Test Exception: 750 PSI

SAN JUAN BASIN Mesaverde Formation Pressure Control Equipment

Background

The objective Mesaverde formation maximum surface pressure is anticipated to be less than 1000 PSI, based on shut-in surface pressures from adjacent wells. Pressure control equipment working pressure minimum requirements are therefore 2000 PSI. Equipment to be used will conform to API RP-53 (Figure 2.C.2) for a 2000 PSI system per Federal Onshore Order No. 2. Due to available conventional equipment within the area, 3000 PSI rated pressure control equipment will typically be utilized in a double ram type arrangement. Regional drilling rights to be utilized have substructure height limitations which exclude the use of annular preventers; therefore a rotating head will be installed above these rams. This pressure control equipment will be utilized for conventional drilling below conductor to total depth. No abnormal temperature, pressure, or Hydrogen Sulfide gas is anticipated.

Equipment Specification

Interval

BOP Equipment

Below conductor casing to total depth

11" nominal or 7 1/16", 3000 PSI double ram preventer with rotating head.

All ram type preventers and related control equipment will be hydraulically tested to 250 PSI (low pressure) and 750 PSI (high pressure), upon installation, following any repairs or equipment replacements, or at 30 day intervals. Accessories to BOP equipment will include Kelly cock, upper Kelly cock with a handle available, floor safety valves and choke manifold which will also be tested to equivalent pressure at the appropriate intervals.

