

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-101  
Revised February 10, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address. PACIFIC WESTERN LAND COMPANY c/o Phelps Dodge Corporation 2600 N. Central, Suite 110 Phoenix AZ 85004		Field Rep.: Don Riggs 520-587-0966	OGRID Number <b>193309</b> API Number <b>30-007-20262</b>
Property Code <b>27527</b>	Property Name SALTPETER CANYON		Well No. 1

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	17	T29N	R21E	N	1082.4	SOUTH	1853.5	WEST	COLFAX

8 Proposed Bottom 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
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Proposed Pool 1 WILDCAT	Proposed Pool 2
----------------------------	-----------------

Work Type Code N	Well Type Code G	Cable/Rotary R	Lease Type Code P	Ground Level Elevation 7210.2
Multiple N	Proposed Depth 1035	Formation VERMEJO	Contractor STEWART. BROS.	Spud Date 3/5/2001

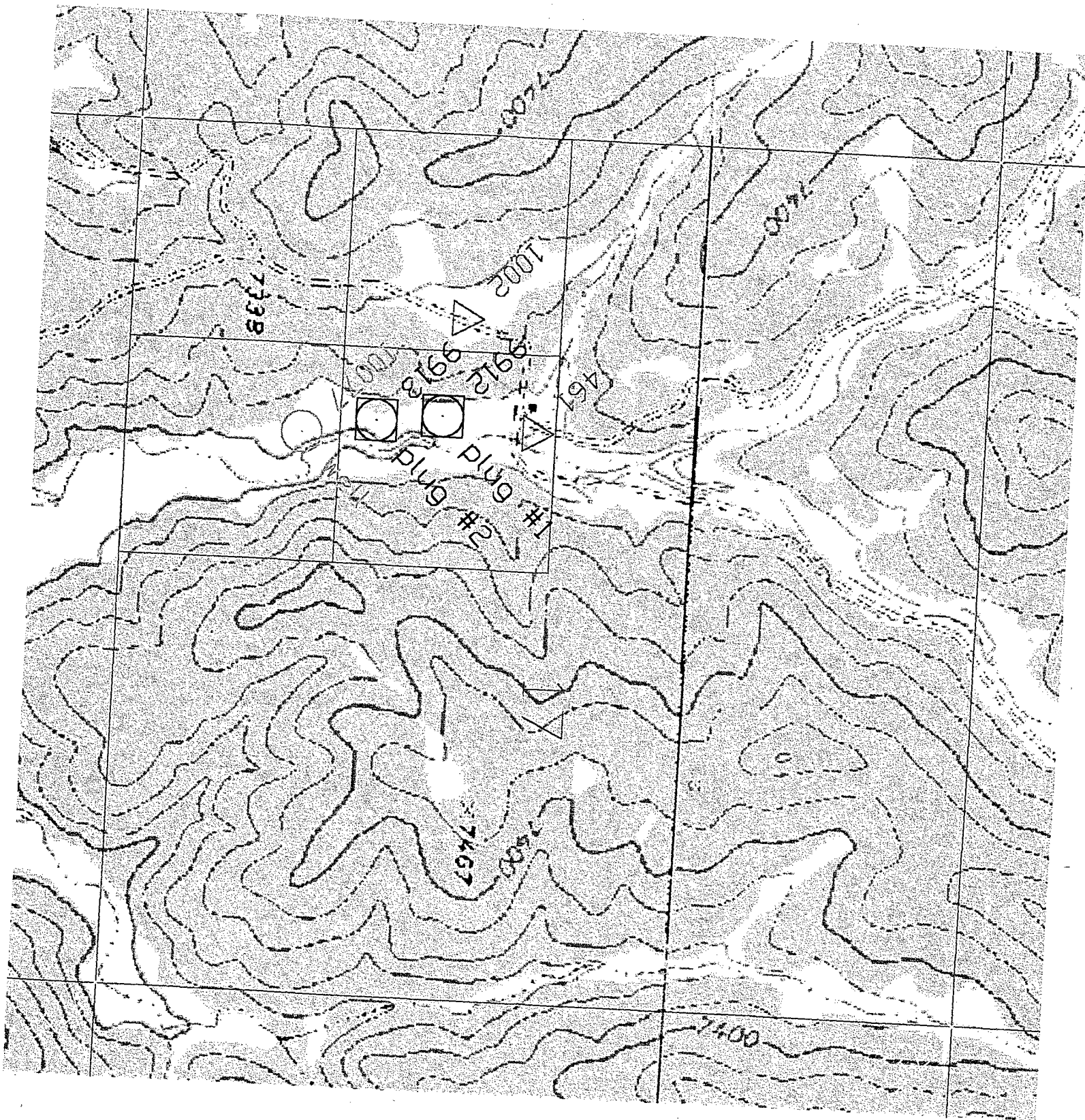
21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	20	300	60 SXS.	CIRC.
7 7/8"	5 1/2"	14	1035	135 SXS.	CIRC.

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Pacific Western proposes to air drill below surface casing to 300 feet above total depth. Pacific will then core the rest of the hole. If productive 5 1/2 casing will be set. If non-productive, the well will be plugged and abandoned in a manner consistent with the State of New Mexico Regulations.

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Cynthia M. Chandley</i> Printed name: Cynthia M. Chandley Title: Vice President Date: February 25, 2001 Phone: 602-234-4896		OIL CONSERVATION DIVISION Approved by: <i>[Signature]</i> Title: DISTRICT SUPERVISOR Approval Date: 3/5/01 Expiration Date: 3/5/02 Conditions of Approval: Attached <input type="checkbox"/>	
--	--	--	--



Green #10077  
Draked Site



District I  
1625 N. French Dr., Hobbs, NM 88240

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

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102  
Revised March 17, 1994

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>5</sup> Property Name SALTPETER CANYON	<sup>6</sup> Well Number Saltpeter Canyon #1
<sup>7</sup> OGRID No.	<sup>8</sup> Operator Name PACIFIC WESTERN LAND COMPANY	<sup>9</sup> Elevation 7210.2'

<sup>10</sup> Surface Location

UL or lot no. N	Section 17	Township T 29 N	Range R 21 E	Lot Idn N	Feet from the 1082.4	North/South line South	Feet from the 1853.5	East/West line West	County Colfax
--------------------	---------------	--------------------	-----------------	--------------	-------------------------	---------------------------	-------------------------	------------------------	------------------

<sup>11</sup> Bottom 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 Colfax
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	------------------

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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				<sup>17</sup> OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature: <u>Cynthia M. Chanley</u> Printed Name: <u>CYNTHIA M. CHANLEY</u> Title: <u>VICE PRESIDENT</u> Date: <u>2/25/01</u>
				<sup>18</sup> SURVEYOR CERTIFICATION <i>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.</i>  February 8, 2001 Date of Survey: _____ Signature and Seal of Professional Surveyor: _____  Certificate Number 5103
	1853.5	⊙ 1082.4		

306 Airport Road  
Post Office Box 2067  
Milan, New Mexico 87021  
Phone 505-287-2986  
Fax 505-287-7660

*Stewart Brothers*  
DRILLING CO.

**FAX**

From: **David H. Stewart** david@stewartbrothers.com

Date: **February 23, 2001**

To: **John Worrall**

Fax: **(505) 622-6671**

Firm: **Scott Exploration**

Pages: **1** Including cover page

John,

**Equipment:**

Drilling Rig: Failing CF 2500 equipped as follows:

- 54 foot 90,000 lb mast. (Our mast will handle Range 2 casing up to 46 feet in length)
- 18" Rotary Table
- Double drum draw-works with makeup and breakout catheads
- Two Gardner Denver 5" X 10" mud pumps mounted on the rig carrier
- 5 hydraulic leveling jacks
- Substructure (60" Drive on sub -two float loads)

**Drilling Tools:**

- 3 1/2 inch drill pipe with 3 1/2 inch IF box to pin connections
- 6 1/4 inch drill collars total 200 feet with 4 1/2 inch X-Hole connections
- 8" drill collars for drilling and setting surface casing or drilling into abandon mines.
- Slips, elevators, and tongs for our drilling tools.
- Rotating Head and blooie-line.
- Double gate blowout preventer and hydraulic closing unit.

Pipe Trucks (for transportation of our drill-pipe and drill-collars)

Water Truck (we can supply more than one if needed) tandem-axle self-loading

Air Compressor (900/350) we supply the fuel

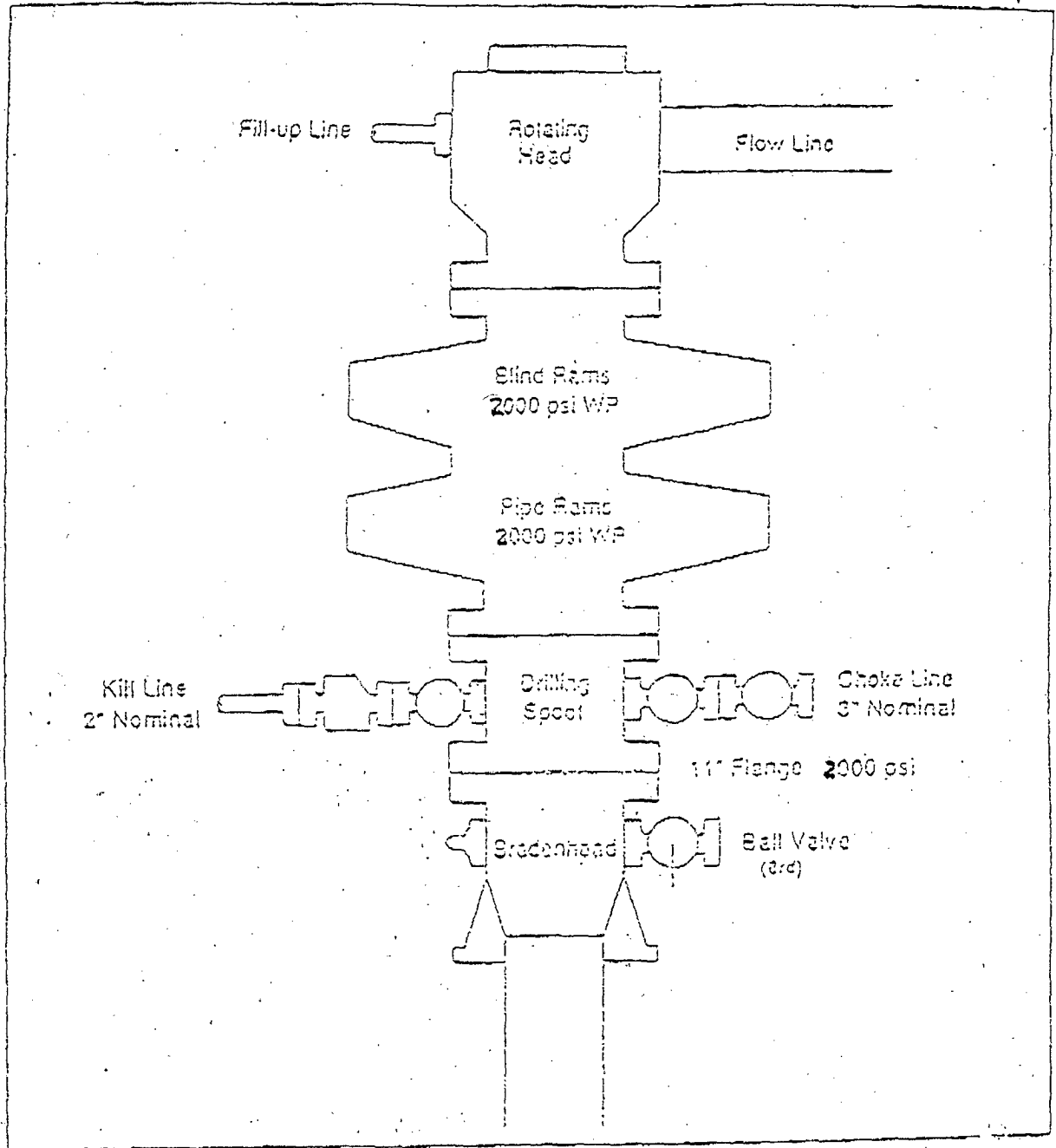
Booster Compressor (our booster will boost the air pressure from the primary to 600 psi).

Doghouse (crew and tool quarters) Aluminium van mounted on single axle truck

Crew and supply transportation via crew pickups

Toolpusher pickup (equipped with welder and cutting torch)

# BOP STACK ARRANGEMENT



All ram type preventers and related equipment will be hydraulically tested at nipple-up and after any use under pressure to 600 psi. The blind rams will be hydraulically activated and checked for operational readiness each time pipe is pulled out of the hole. All checks of the BOP stack and equipment will be noted on the daily drilling report. The BOP equipment will include a kelly cock, floor safety valve, and choke manifold all rated to 2000 psi.