

ATS-07-313
EA-07-734

OCD-ARTESIA

Form 3160-3
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Month-Year
1-2007
OCD-ARTESIA, NM

OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER

b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒

2. Name of Operator
Yates Petroleum Corporation Roswell Controlled Water Basin 25575

3A. Address 105 South Fourth Street
Artesia, New Mexico 88210

3b. Phone No. (include area code)
(505) 748-1471 Bunting Ranch Wolfcamp Gas Pool

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface 815' FSL and 1160' FEL Unit P (SESE) Surface Location
At proposed prod. Zone 760' FSL and 660' FWL Unit M (SWSW) Bottom Hole Location

9. API Well No.
30-015-35646

10. Field and Pool, or Exploratory
T. Sec., T., R., M., or Blk, and Survey or Area
Section 18, T19S-R21E

14. Distance in miles and direction from nearest town or post office*
Approximately 15 miles south/southwest of Hope, New Mexico

12. County or Parish
Eddy

13. State
NM

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)
815'

16. No. of Acres in lease
485.48

17. Spacing Unit dedicated to this well
S/2 - 320 acres

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft.
2650'

19. Proposed Depth
4350 Pilot Hole
8100 Horizontal TD

20. BLM/BIA Bond No. on file
NMB000434

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4461

22. Approximate date work will start*
ASAP

23. Estimated duration
30 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:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized office.

25. Signature
Debbie L. Caffall

Name (Printed/Typed)
Debbie Caffall

Date
4/4/2007

Regulatory Agent/Land Department

Approved by (Signature)
ACTING S. Caffall

Name (Printed/Typed)

Date
MAY 3 2007

Title
FIELD MANAGER

Office
CARLSBAD FIELD OFFICE

Application approval does not warrant or certify that operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1717, shall be false, fictitious or fraudulent statements

*(Instructions on reverse) C-144 attached

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

If earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction

in the subject lease which would entitle the applicant to conduct

APPROVAL FOR TWO YEARS

willfully to make to any department or agency of the United

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

DISTRICT I
1825 N. French Dr., Hobbs, NM 88240
DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 97605	Pool Name Bunting Ranch Wolfcamp Gas Pool
Property Code	Property Name BOOGIEMAN BKB FEDERAL COM	Well Number 1H
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 4461

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	18	19S	21E		815	SOUTH	1160	EAST	EDDY

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
M	18	19S	21E		760	SOUTH	660	WEST	EDDY

Dedicated Acres S/2 320 acres	Joint or Infill	Consolidation Code	Order No.
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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

BOTTOM HOLE LOCATION Y=602464.0 N X=344197.1 E LAT.=32.655250 N LONG.=104.839583 W	GEODETIC COORDINATES NAD 27 NME SURFACE HOLE LOCATION Y=602482.3 N X=347709.9 E LAT.=32.655333 LONG.=104.828167 (NAD-27)	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. 04/02/2007 <i>Debbie L. Caffall</i> Signature _____ Date _____ Debbie L. Caffall Printed Name _____
		SURVEYOR CERTIFICATION 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. 3/06/2007 Date Surveyed _____ Signature & Seal of Professional Surveyor _____ HERSCHEL L. JONES NEW MEXICO RECEIVED 3640 CERTIFICATE NO. Herschel L. Jones 3640 CENTRAL SURVEYING

YATES PETROLEUM CORPORATION
Boogieman BKB Federal Com. #1 H
815' FSL and 1160' FEL Unit P (SESE) (SL/Pilot Hole)
760' FSL and 660' FWL Unit M (SWSW) (Bottom Hole)
Section 18-T19S-R21E
Eddy County, New Mexico

1. The estimated tops of geologic markers are as follows:

San Andres	405'
Glorietta	1715'
Upper Yeso	1955'
Tubb	2635'
Lower Yeso	2775'
Abo	3265'
Wolfcamp Pay	4119'
Base Wolfcamp Pay	4155'
Wolfcamp Shale	4229'
TD:	4350' Pilot Hole

2. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: 800-835'
Oil or Gas: All potential formations.

3. Pressure Control Equipment: BOPE will be installed on the 9 5/8" casing and the rated for 3000# BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings, which are set and cemented in place. Blowout Preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.

Auxiliary Equipment:

A. Auxiliary Equipment: Kelly cock, pit level indicators, flow sensor equipment and a sub with full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when kelly is not in use.

4. THE PROPOSED CASING AND CEMENTING PROGRAM:

A. Casing Program: (All New)

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft</u>	<u>Grade</u>	<u>Coupling</u>	<u>Interval</u>	<u>Length</u>
14 3/4"	9 5/8"	36#	J-55	ST&C	0-1500'	1500'
8 3/4"	5 1/2"	17#	HCP-110	LT&C	0-7430'	7430'

***Pilot hole will be drilled to 4350'. Well will then be plugged back and kicked off at approximately 3750' at 15 degrees per 100' with an 8 3/4" hole to 4250' MD. If hole conditions warrant, 7" casing will be set and cemented back to previous casing. A 6 1/8" hole will then be drilled to a TD of 7430'; where 4 1/2" casing will be set and cement tied back to the 7" casing.

If 7" casing is not warranted, then hole size will be reduced to 7 7/8" and drilled to 7430'. Where 5 1/2" casing will be set and cemented.

Minimum Casing Design Factors: Collapse 1.125, Burst 1.0, and Tensile Strength 1.8

B. CEMENTING PROGRAM:

Surface Casing: 900 sx C Lite + 2% CaCl₂ (YLD 2.00 WT 12.50).
Tail in with 200 sx C (YLD 1.35 WT 14.80).



Production Casing: 550 sx C Lite (YLD 2.05 WT 12.5).
Tail in with 625 sx acid solution (YLD 2.60 WT 11.15).

5. MUD PROGRAM AND AUXILIARY EQUIPMENT:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0-1500'	FW Gel/Air Mist	8.4-8.4	28-28	N/C
1500'-4350'	Cut Brine	8.6-9.20	28-28	N/C
3750'-7430'	Cut Brine (Horizontal Section)	8.80-9.20	28-28	N/C

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blow out will be available at the well site during drilling operations. Rig personnel will check mud hourly.

6. EVALUATION PROGRAM:

Samples: 10" samples from intermediate.
Logging: Platform Express/NGT/HALS, FMI, GR in MWD in Lateral.
Coring: None anticipated
DST's: None Anticipated
Mudlogging: TBD

7. ABNORMAL CONDITIONS, BOTTOM HOLE PRESSURE, AND POTENTIAL HAZARDS:

Anticipated BHP:

From: 0'	TO: 1500'	TVD	Anticipated Max. BHP: 655 PSI
From: 1500'	TO: 4350'	TVD	Anticipated Max. BHP: 2080 PSI

Abnormal Pressures Anticipated: None

Lost Circulation Zones Anticipated: None.

H₂S Zones Anticipated: None Anticipated

Maximum Bottom Hole Temperature: 168 F

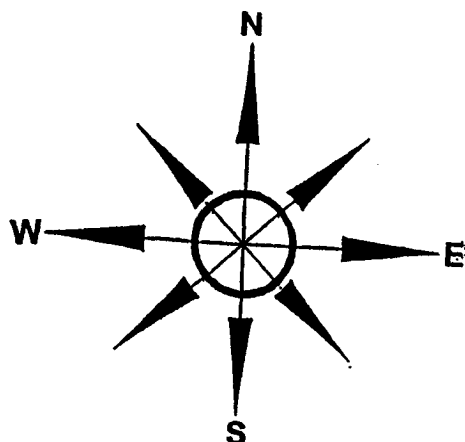
8. ANTICIPATED STARTING DATE:

Plans are to drill this well as soon as possible after receiving approval. It should take approximately 45 days to drill the well with completion taking another 40 days.

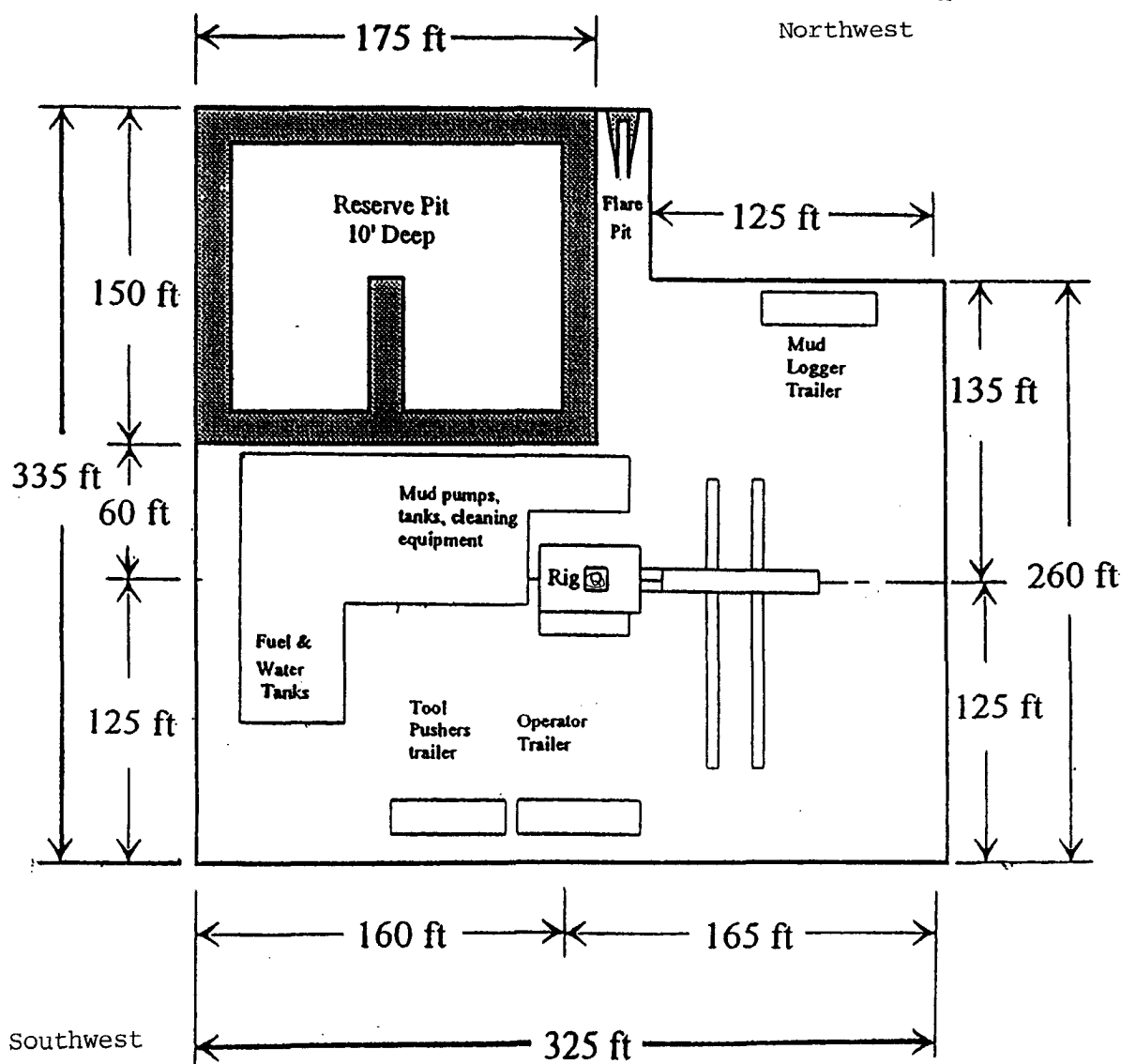
PB - L1

Yates Petroleum Corporation

Location Layout for Permian Basin
Up to 12,000'



Pits: North
Northwest



Access: Southwest

Distance from Well
Head to Reserve Pit
will vary between rigs

The above dimension
should be a maximum

Yates Petroleum Corporation
Boogieman BKB Federal Com. #1 H
815' FSL and 1160' FEL, Unit P(SESE) SL
760' FSL and 660' FWL, Unit M(SWSW)BH
Section 18, T19S-R21E, Eddy County, NM
Exhibit "C"



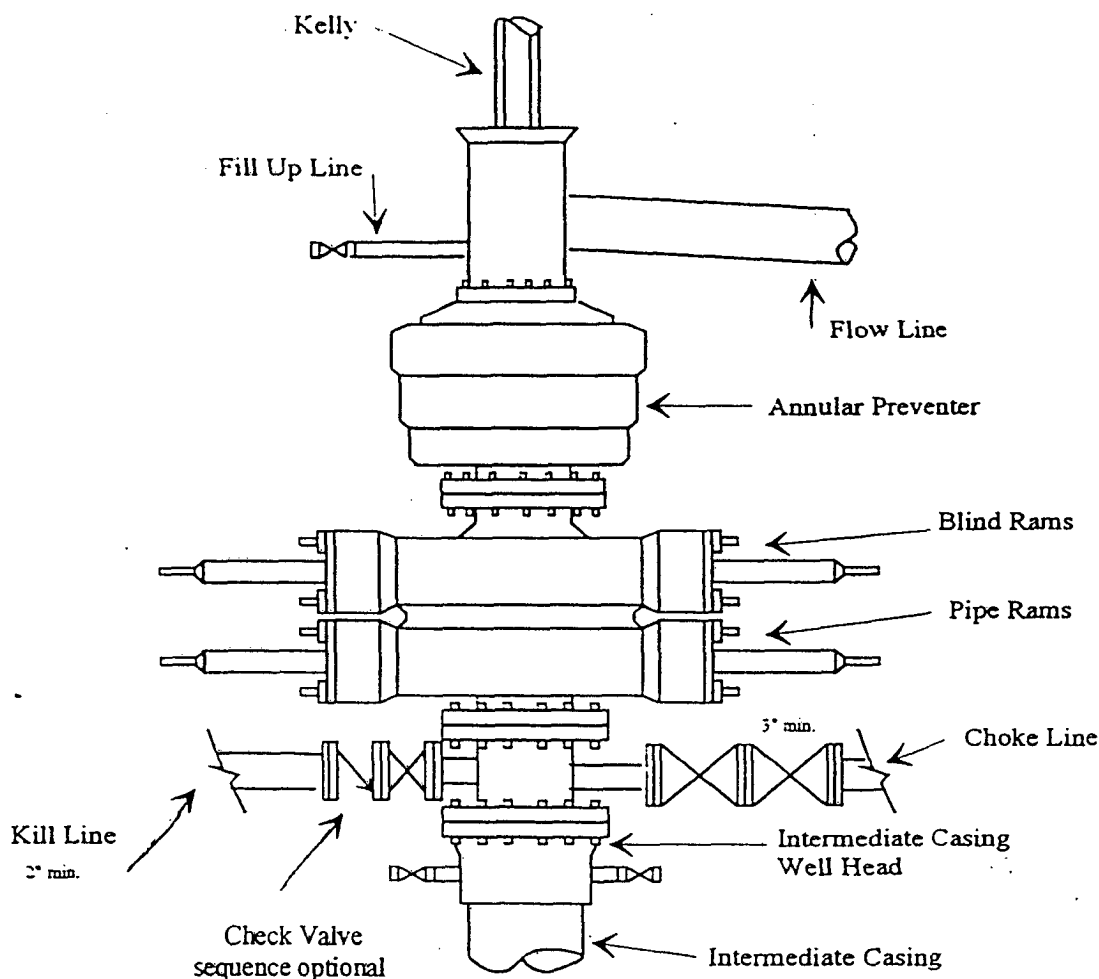
Yates Petroleum Corporation

Typical 3,000 psi Pressure System

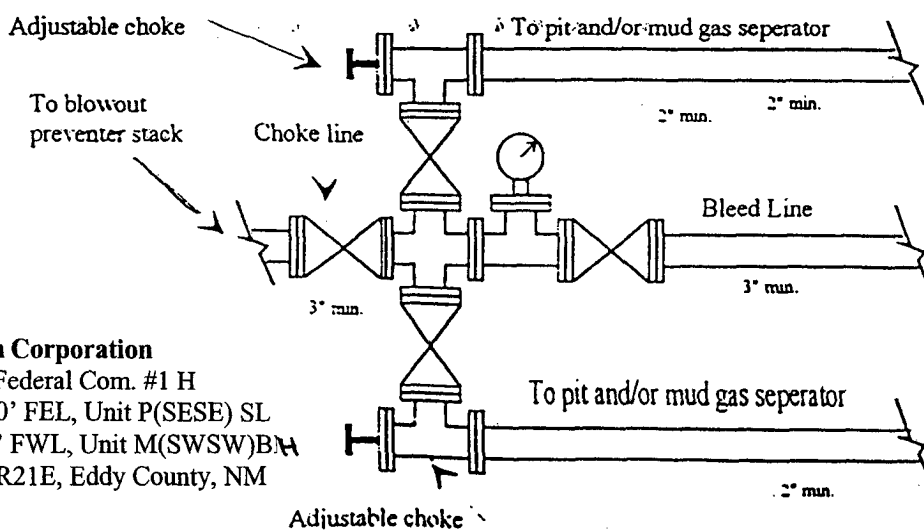
Schematic

Annular with Double Ram Preventer Stack

BOP-3



Typical 3,000 psi choke manifold assembly with at least these minimum features



Yates Petroleum Corporation
 Boogieman BKB Federal Com. #1 H
 815' FSL and 1160' FEL, Unit P(SESE) SL
 760' FSL and 660' FWL, Unit M(SWSW)BM
 Section 18, T19S-R21E, Eddy County, NM
 Exhibit "B"

MULTI-POINT SURFACE USE AND OPERATIONS PLAN
YATES PETROLEUM CORPORATION
Boogieman BKB Federal Com. #1 H
815' FSL and 1160' FEL Unit P (SESE) (SL/Pilot Hole)
760' FSL and 660' FWL Unit M (SWSW) (Bottom Hole)
Section 18-T19S-R21E
Eddy County, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

1. EXISTING ROADS:

Exhibit A is a portion of the BLM map showing the well and roads in the vicinity of the proposed location. The proposed well site is located approximately 15 miles south southwest of Hope, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

Travel west of Artesia on U.S. 82 (Hope Hwy.) for approximately 19.1 miles to intersection of Armstrong Road (County Road 12). Turn left (south) and Continue on County Road 12 for approximately 6.3 miles to intersection of Country Road 12 and Bronc Road (County Road 20). Take Bronc Road (County Road 20) to the right, continue for approximately 6.2 miles to lease road on the right. Turn right here and travel for approximately 2.0 miles to where the main lease road turns left (west); turn left (west) and look for faded ranch trail road on the right traveling north take the faded ranch trail road going north for approximately .4460 of a mile to the southwest corner of the pad.

2. PLANNED ACCESS ROAD:

- A. The proposed new access will be approximately 1,064.6 feet = 64.5212 rods in Section 20, T19S-R21E (NWNW) and 402.0 feet = 24.3636 rods in Section 19, T19S-R21E (NENE) and 888.7 feet = 53.8606 rods in Section 18, T19S-R21E (SESE) for a total of 2355.0 feet = 89.0531 rods, .4460 of a mile, more or less in length from the point of origin in a northerly direction to the southwest corner of the drilling pad.
- B. The new road right of way 30 feet wide with 15 feet in width (driving surface) will be adequately drained to control runoff and soil erosion.
- C. The two track road will be upgraded and the new road will be bladed with drainage on both sides. Traffic turnouts may be needed.
- D. The route of the road is visible.
- E. Existing roads will be maintained in the same or better condition.

3. LOCATION OF EXISTING WELL:

- A. There is drilling activity within a one-mile radius of the well site.
- B. Exhibit D shows existing wells within a one-mile radius of the proposed wellsite.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. There are no production facilities on this lease at the present time.
- B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is a producing gas well.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.

6. SOURCE OF CONSTRUCTION MATERIALS:

The dirt contractor will be responsible for finding a source of material for construction of road and pad and will obtain any permits that may be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. The reserve pits will be constructed and reclamation done according to NMOCD guidelines.
- C. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- D. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.
- E. Oil produced during operations will be stored in tanks until sold.
- F. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- G. All trash, junk, and other waste materials will be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not approved.

8. ANCILLARY FACILITIES: NONE

9. WELLSITE LAYOUT:

- A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, the location of the drilling equipment, rig orientation and access road approach.
- B. The reserve pits will be plastic lined. Yates Petroleum Corporation is in full compliance with the OCD General Plan for Drilling Pits approved on April 15, 2004.
- C. A 600' x 600' area has been staked and flagged.

10. PLANS FOR RESTORATION:

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the well site in as aesthetically pleasing a condition as possible.
- B. Unguarded pits, if any, containing fluids will be fenced until they have dried and been leveled.
- C. If the proposed well is plugged and abandoned, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be reclaimed as required by the Oil Conservation Division.

11. SURFACE OWNERSHIP:

Federal Surface, Administered by Bureau of Land Management – Carlsbad, New Mexico. – Alotee: Michael Bennett Ranch, PO Box 156, Hope, New Mexico, (505) 484-3687
Federal Minerals

Boogieman BKB Federal Com. #1 H
Page Three

12. OTHER INFORMATION:

- A. Topography: Refer to the existing archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, and historical and cultural sites.
- B. The primary surface use is for grazing.

13. OPERATOR'S REPRESENTATIVE:

- | | |
|---|---|
| A. Through A.P.D. Approval:
Debbie L. Caffall, Regulatory Agent
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
Phone (505) 748-1471 | B. Through Drilling, Completions & Prod.
Pinson McWhorter, Operations Manager
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
Phone (505) 748-1471 |
|---|---|

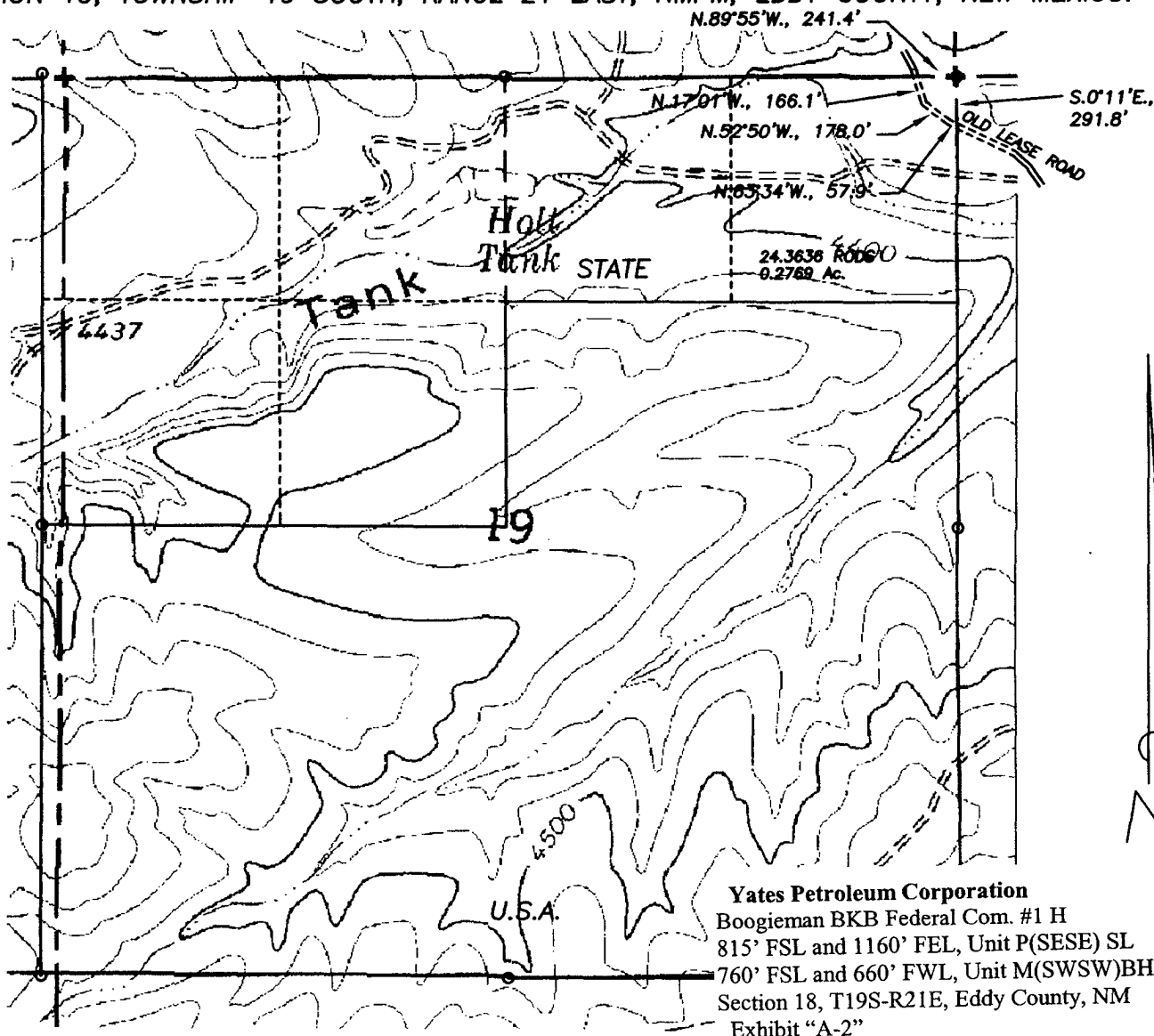
14. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

04/02/2007


Debbie L. Caffall, Regulatory Agent

SECTION 19, TOWNSHIP 19 SOUTH, RANGE 21 EAST, NMPM, EDDY COUNTY, NEW MEXICO.



DESCRIPTION:

A LEASE ROAD RIGHT OF WAY 30 FEET WIDE, BEING 15 FEET TO THE LEFT AND RIGHT OF THE FOLLOWING DESCRIBED OLD LEASE ROAD CENTERLINE AS SHOWN IN RED ON THIS PLAT:

BEGINNING AT A POINT LOCATED S.0°11'E., 291.8 FEET DISTANT FROM THE NORTHEAST CORNER OF SECTION 19, TOWNSHIP 19 SOUTH, RANGE 21 EAST, NMPM, EDDY COUNTY, NEW MEXICO; THENCE N.63°34'W., 57.9 FEET; THENCE N.52°50'W., 178.0 FEET; THENCE N.17°01'W., 166.1 FEET TO A POINT LOCATED N.89°55'W., 241.4 FEET DISTANT FROM THE NORTHEAST CORNER OF SAID SECTION 19.

SAID TRACT CONTAINS 0.2769 ACRES, MORE OR LESS, ALL OF WHICH LIES IN THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 19.

402.0 FEET = 24.3636 RODS, MORE OR LESS.

1000' 0 1000' 2000'
Scale 1" = 1000'

THE PREPARATION OF THIS PLAT AND THE PERFORMANCE OF THE SURVEY UPON WHICH IT IS BASED WERE DONE UNDER MY DIRECTION AND THE PLAT ACCURATELY DEPICTS THE RESULTS OF SAID SURVEY AND MEET THE REQUIREMENTS OF THE STANDARDS FOR LAND SURVEYS IN NEW MEXICO AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS.

HERSCHEL R. JONES, L.S. No. 3640
GENERAL SURVEYING COMPANY P.O. BOX 1928
LOVINGTON, NEW MEXICO 88260

YATES PETROLEUM CORP.

LEASE ROAD TO ACCESS THE YATES BOOGIEMAN "BKB" FEDERAL COM. #1H WELL, LOCATED IN SECTION 18, TOWNSHIP 19 SOUTH, RANGE 21 EAST, NMPM, EDDY COUNTY, NEW MEXICO.

Survey Date: 3/06/2007	Sheet 2 of 3 Sheets
Drawn By: Ed Blevins	W.O. Number
Date: 3/06/07	Scale 1" = 1000' BOGGIEMAN

CONDITIONS OF APPROVAL - DRILLING

Operator's Name: Yates Petroleum Corp.
Well Name & No. Boogieman BKB Federal Com # 1H
Location: 815'FSL, 1160'FEL, SEC18, T19S, R21E, Eddy County, NM
BHL: 760'FSL, 660'FWL, SEC18, T19S, R21E, Eddy County, NM
Lease: NM-105854

I. DRILLING OPERATIONS REQUIREMENTS:

A. The Bureau of Land Management (BLM) is to be notified a minimum of 4 hours in advance, at the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 361-2822 - for wells in Eddy County, in sufficient time for a representative to witness:

1. Spudding
2. Cementing casing: 9.625 inch 5.5 or 7" and 4.5 inch
3. BOP tests

B. A Hydrogen Sulfide (H₂S) Drilling Plan is N/A.

C. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

D. Gamma-Ray/Neutron logs shall be run from the base of the Salado Formation to the surface; cable speed not to exceed 30 feet per minute.

E. If floor controls are required, (3M or Greater) controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

II. CASING:

A. The 9.625 inch surface casing shall be set at 1500 feet and cement circulated to the surface.

1. If cement does not circulate to the surface the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
2. Wait on Cement (WOC) time for a primary cement job will be a minimum of 12 hours for a non-water basin, 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compression strength, which ever is greater. (This is to include the lead cement)
3. WOC time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds of compression strength, which ever is greater.
4. If cement falls back, Remedial cementing shall be completed prior to drilling out that string.

B. The minimum required fill of cement behind the alternative, conditional 7 inch intermediate casing is cement shall extend upward a minimum of 200 feet above the base of the 9.625" intermediate casing string.

C. The minimum required fill of cement behind the 5.5 or alternative 4.5 inch production casing is cement shall extend upward a minimum of 200 feet above the base of the 9.625" or alternative 7" intermediate casing strings; respectively.

D. If hard band drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

III. PRESSURE CONTROL:

- A. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2.
- B. Minimum working pressure of the blowout preventer and related equipment (BOPE) required for drilling below the 9.625 inch casing shall be 2000 psi.
- C. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
1. The tests shall be done by an independent service company.
 2. The results of the test shall be reported to the appropriate BLM office.
 3. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of the independent service company test will be submitted to the appropriate BLM office.
 4. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi in accordance with API RP 53. The test will be held for a minimum of 10 minutes if the test is done with a test plug and 30 minutes without a test plug.
 5. A variance to test the _____ to the reduced pressure of ____psi with the rig pumps is approved the BOP/BOPE must be tested by an independent service company.

IV. Hazards:

1. Our geologist has indicated that there is potential for lost circulation in the San Andres, Glorieta and Wolfcamp formations.
2. Our geologist has indicated that there is potential for abnormal pressure in the Wolfcamp formation.

Engineering may be contacted at 505-706-2779 for variances if necessary.

FWright 4/11/07