

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No 1004-0136
Expires January 31, 2004

APPLICATION FOR PERMIT TO DRILL OR REENTER

FEB 01 2012

5 Lease Serial No NMMN 023044
6 If Indian, Allottee or Tribe Name
7 If Unit or CA Agreement, Name and No
8 Lease Name and Well No Schalk 32 #1B
9 API Well No 30-039-31109
10 Field and Pool, or Exploratory Basin Fruitland Coal
11 Sec, T, R, M, or Blk and Survey or Area Section 32, 31N, 4W
12 County or Parish Rio Arriba
13 State NM

1a Type of Work ☒ DRILL ☐ REENTER

1b Type of Well ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2 Name of Operator
WPX Energy Production, LLC (EKA) Williams Production Company, LLC

3a Address
P. O. Box 640 Aztec, NM 87410

3b Phone No. (include area code)
(505) 333-1808

4 Location of Well (Report location clearly and in accordance with any State requirements *)
At surface 831' FNL & 997' FEL
At proposed prod zone 780' FNL & 700' FWL

14 Distance in miles and direction from nearest town or post office*
approximately 31 miles northeast of Blanco, New Mexico

15 Distance from proposed* location to nearest property or lease line, ft (Also to nearest drig unit line, if any) 700'

16 No. of Acres in lease
640

17 Spacing Unit dedicated to this well
320 0 - (N/2) RCVD AUG 13 '12

18 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft 50'

19 Proposed Depth
6820'

20 BLM/BIA Bond No. on file
UTB000178 OIL CONS. DIV. DIST. 3

21 Elevations (Show whether DF, KDB, RT, GL, etc)
6618' GR This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

22 Approximate date work will start*
April 1, 2012

23 Estimated duration
1 month

24. Attachments
The following, completed in accordance with the requirements of Onshore Oil and Gas Order No 1, shall be attached to this form. DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

- 1 Well plat certified by a registered surveyor
- 2 A Drilling Plan.
- 3 A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above)
- 5 Operator certification
- 6 Such other site specific information and/or plans as may be required by the authorized officer

25 Signature *Larry Higgins* Name (Printed/Typed) LARRY HIGGINS Date 2/1/12

Title PERMIT SUPRV
Approved by (Signature) *[Signature]* Name (Printed/Typed) Office PFO Date 8/10/12

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, are attached

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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

*(Instructions on reverse). NO window in OTOA HMO & Window not to be cut closer than 75' to KHL top for Directional Survey and "As Drilled" plat

WPX Energy Production, LLC proposes to develop the Basin Fruitland Coal formation at the above described location in accordance with the attached drilling and surface use plans

The surface is under Jurisdiction of the Carson National Forest, Jicarilla Ranger District.
This location has been archaeologically surveyed by La Plata Archaeological Consultants. Copies of their report have been submitted directly to the CNF.
No new access road will be required for this proposed well.
This APD is also serving as an application to obtain a pipeline right-of-way. An associated pipeline tie of 141.8 feet would be required for this well.

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

Hold C104
for Directional Survey and "As Drilled" plat
NMOCD
A

A COMPLETE C-144 MUST BE SUBMITTED TO AND APPROVED BY THE NMOCD FOR: A PIT, CLOSED LOOP SYSTEM, BELOW GRADE TANK, OR PROPOSED ALTERNATIVE METHOD, PURSUANT TO NMOCD PART 19.15.17, PRIOR TO THE USE OR CONSTRUCTION OF THE ABOVE APPLICATIONS.

SEP 07 2012 ca

NOTIFY AZTEC OCD 24 HRS. PRIOR TO CASING & CEMENT

District I
1625 N. French Drive, Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First Street, Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Drive, Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to
Appropriate District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Drive
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-31109		*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL
*Property Code 301345	*Property Name SCHALK 32		*Well Number 1B
*GRID No 120782	*Operator Name WILLIAMS PRODUCTION COMPANY		*Elevation 6618'

¹⁰ Surface Location

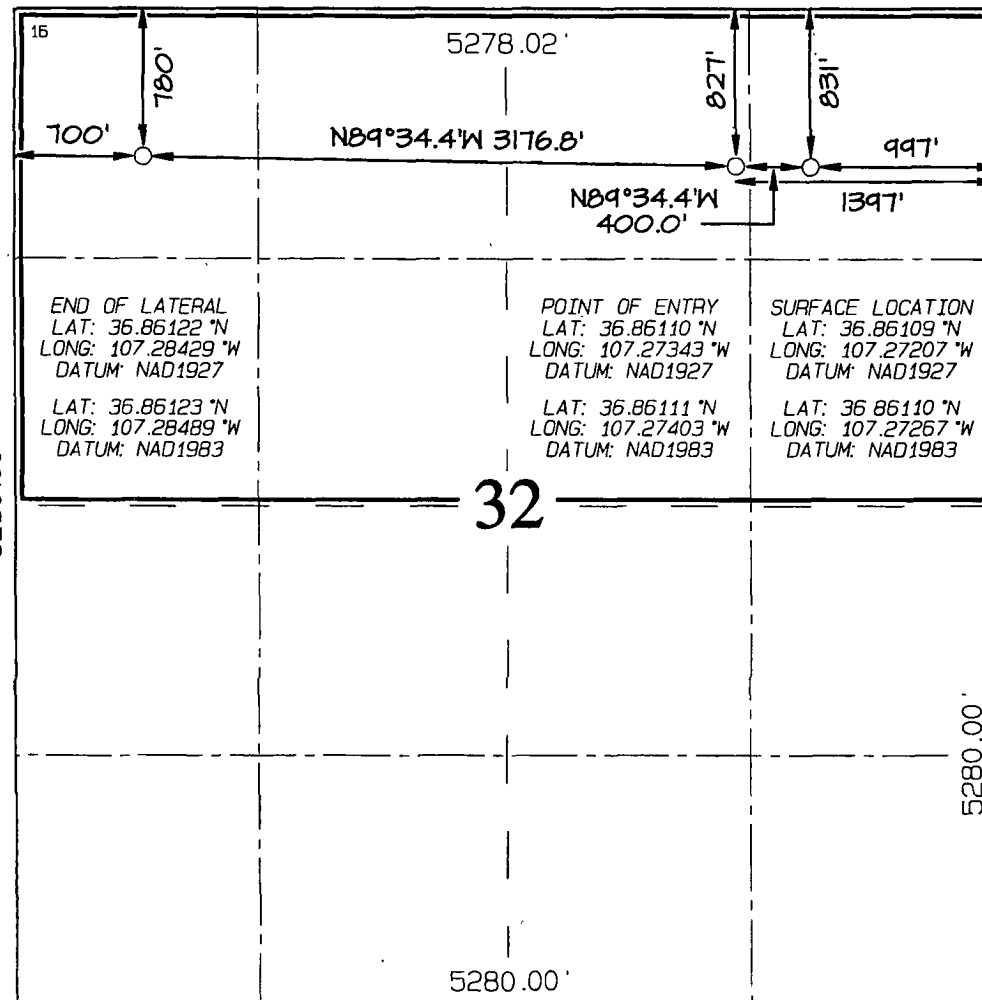
UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	32	31N	4W		831	NORTH	997	EAST	RIO ARriba

¹¹ 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
D	32	31N	4W		780	NORTH	700	WEST	RIO ARriba

¹² Dedicated Acres 320.0 Acres - (N/2)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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



¹⁷ 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 or has a right to drill this well at this 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.

Heather Riley 11/31/12
Signature Date
Heather Riley
Printed Name
heather.riley@wpxenergy.com
E-mail Address

¹⁸ 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

Date Revised: DECEMBER 3, 2011
Survey Date: SEPTEMBER 23, 2011

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269

WPX Energy Production, LLC**Operations Plan***(Note: This procedure will be adjusted on site based upon actual conditions)*

DATE: 12/08/2011

WELLNAME: Schalk #32-1B **FIELD:** Basin Fruitland Coal

BH LOCATION: NENE Sec. 32-T31N-4W **SURFACE:** USFS
Rio Arriba, NM

ELEVATION: 6,618' GR **MINERALS:** FED

TOTAL DEPTH: 6,820' **LEASE #** NM-23044

I. GEOLOGY: Surface formation - San Jose**A. FORMATION TOPS:** (KB)

NAME	TVD	MD	NAME	TVD	MD
San Jose	Surface	Surface	Top Target Coal	3,438	3,689
Nacimiento	1,815	1,815	Bottom Target Coal	3,451	
Ojo Alamo	2,876	2,876	Base Coal	3,467	
Kirtland	3,006	3,007	Picture Cliffs	3,468	
Fruitland	3,228	3,235	TD	3,440	6,820

- **NOTE:** Well will be vertically drilled to 100' into Pictured Cliffs, logged through the PC, 7" csg will be run with shoe 100' into Pictured Cliffs. Cased hole whipstock will be set at KOP (+/-441') above top of target coal). Well will be geosteered in lateral. *Window 75' below Kirtland top min*
- B. LOGGING PROGRAM:** HRI/SDL/DSN from pilot hole TD to surface csg. MWD Gamma Ray in curve and lateral.
- C. NATURAL GAUGES:** Gauge any noticeable increases in gas flow. Record all gauges in Tour book and on morning reports.
- D. MUD LOGGING PROGRAM:** Mud logger will be on location from 500' to TD of intermediate casing. Then from mill out of intermediate casing to TD.

II. DRILLING

- A. MUD PROGRAM:** Clear water with benex to 7" casing point. Convert to a LSND mud to log and run pipe. Treat for lost circulation as necessary. Obtain 100% returns prior to cementing. Notify Engineering of any mud losses.
- B. DRILLING FLUID:** Horizontal section will be drilled with produced water.

- C. **BOP TESTING:** While drill pipe is in use, the pipe rams and the blind rams will be function tested once each trip. The anticipated reservoir is expected to be less than 1300 psi, so the BOPE will be tested to **250 psi (Low) for 5 minutes** and **1500 psi (High) for 10 minutes**. Utilize a BOPE Testing Unit with a recording chart and appropriate test plug for testing. The drum brakes will be inspected and tested each tour. **All tests and inspections will be recorded in the tour book as to time and results.**

III. **MATERIALS**

A. **CASING PROGRAM:**

<u>CASING TYPE</u>	<u>HOLE SIZE</u>	<u>DEPTH (MD)</u>	<u>CASING SIZE</u>	<u>WT. & GRADE</u>
Surface	12-1/4"	+ 300'	9-5/8"	36# K-55
Intermediate	8-3/4"	+/- 3,567'	7"	23# K-55
Prod. Liner	6-1/4"	+/- 3,000'- 6,820'	4-1/2"	11.6# K-55

Note: Intermediate casing is set 100' into Pictured Cliffs in the pilot hole. Production liner is 4-1/2" 11.6# Pre-perforated K-55 and the liner will be set with liner hanger 5-10' outside of the window.

B. **FLOAT EQUIPMENT:**

1. **SURFACE CASING:** 9-5/8" notched regular pattern guide shoe. Run (1) standard centralizer on each of the bottom (4) joints of Surface Casing.
2. **INTERMEDIATE CASING:** 7" cement nose guide shoe with a self-fill insert float. Place float collar one joint above the shoe. Install (1) Turbulent centralizer on each of the bottom (3) joints and one standard centralizer every (3) joints to 2,500 ft. Run (1) Turbulent centralizer at 2,700 ft., 2,500 ft., 2,300ft., 2,000ft., 1,500 ft., and 1,000 ft. (**NTL-FRA 90-1**).
3. **PRODUCTION LINER / CASING:** No centralization

C. **CEMENTING:**

(Note: Volumes may be adjusted onsite due to actual conditions)

1. **SURFACE:** Slurry: 150sx (269.4 cu.ft.) of "Type III" + 2% Cal-Seal 60 + ¼ # of poly-e-flake/sk + 0.3% Versaset + 2% Econolite + 6% Salt (Yield = 1.796 cu.ft./sk, Weight = 13.5 #/gal.). The 100% excess should circulate cement to the surface. WOC 12 hours. Test csg to 600 psi.
2. **INTERMEDIATE:** Lead - 340 sx (928.2 cu.ft.) of "EXTENDACEM" + 5 #/sk pheno-seal + 5% Cal-Seal 60 (Yield = 2.723 cu.ft./sk, Weight = 11.5 #/gal.). Tail - 100 sx (117.8cu.ft.) of Premium cement + 0.125 #/sk Poly-E-Flake, (Yield = 1.178 cu.ft./sk, Weight = 15.6#/gal.). Total volume = 1046 cu.ft. Bump Plug to 1,500 psi. Notify engineering if cement is not circulated to surface, WOC 12 hours. Test csg to 1500psi.
3. **PRODUCTION LINER:** Open hole completion. No cement.

IV. **COMPLETION**

A. **PRESSURE TEST**

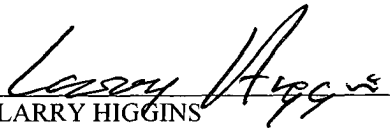
1. Pressure test 7" casing to 1500# for 15 minutes.

B. **STIMULATION**

1. No stimulation

C. **RUNNING TUBING**

1. Fruitland Coal: Run 2-7/8", 6.5#, J-55, EUE tubing with a SN on top of bottom joint. Land tubing approximately 50' above PBTD of 7" casing.


LARRY HIGGINS
Permit Supervisor

Date: 07-Dec-2011

Planning Report

Database:	EDM-5000 1, Single User Db	Local Co-ordinate Reference:	Site Sec 32 T31N R04W - 32-1B
Company:	Williams Production Co	TVD Reference:	WELL @ 6632.0usft (Original Well Elev)
Project:	Rio Arriba Co. NM	MD Reference:	WELL @ 6632.0usft (Original Well Elev)
Site:	Sec 32 T31N R04W - 32-1B	North Reference:	True
Well:	Schalk 32-1B	Survey Calculation Method:	Minimum Curvature
Wellbore:	ST01		
Design:	Design #2		

Project:	Rio Arriba Co. NM		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico Central 3002		

Site:	Sec 32 T31N R04W - 32-1B		
Site Position:		Northing:	2,134,263.00 usft
From:	Lat/Long	Easting:	200,998.46 usft
Position Uncertainty:	0.0 usft	Slot Radius:	13-3/16"
		Latitude:	36° 51' 39.924 N
		Longitude:	107° 16' 19.452 W
		Grid Convergence:	-0.61°

Well	Schalk 32-1B					
Well Position	+N/-S	0 0 usft	Northing:	2,134,263 00 usft	Latitude:	36° 51' 39.924 N
	+E/-W	0 0 usft	Easting:	200,998 46 usft	Longitude:	107° 16' 19.452 W
Position Uncertainty		0 0 usft	Wellhead Elevation:		Ground Level:	6,618 0 usft

Wellbore	ST01				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	12/1/2011	9 64	63 65	50,822

Design:	Design #2			
Audit Notes:				
Version:	Phase:	PROTOTYPE		Tie On Depth: 0 0
Vertical Section:	Depth From (TVD) (usft)	+N-S (usft)	+E-W (usft)	Direction (°)
	0 0	0 0	0 0	270 56

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,999.3	0.00	0.00	2,999.3	0.0	0.0	0.00	0.00	0.00	0.00	
3,691.6	90.00	270.56	3,440.0	4.3	-440.7	13.00	13.00	0.00	270.56	
6,820.4	90.00	270.56	3,440.0	34.8	-3,569.4	0.00	0.00	0.00	0.00	TD 32-1B ST01

Planning Report

Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Site Sec 32 T31N R04W - 32-1B
Company:	Williams Production Co	TVD Reference:	WELL @ 6632.0usft (Original Well Elev)
Project:	Rio Arriba Co , NM	MD Reference:	WELL @ 6632.0usft (Original Well Elev)
Site:	Sec 32 T31N R04W - 32-1B	North Reference:	True
Well:	Schalk 32-1B	Survey Calculation Method:	Minimum Curvature
Wellbore:	ST01		
Design:	Design #2		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
0 0	0 00	0 00	0 0	0 0	0 0	0 0	0 00	0 00	0 00	
100 0	0 00	0 00	100 0	0 0	0 0	0 0	0 00	0 00	0 00	
200 0	0 00	0 00	200 0	0 0	0 0	0 0	0 00	0 00	0 00	
300 0	0 00	0 00	300 0	0 0	0 0	0 0	0 00	0 00	0 00	
400 0	0 00	0 00	400 0	0 0	0 0	0 0	0 00	0 00	0 00	
500 0	0 00	0 00	500 0	0 0	0 0	0 0	0 00	0 00	0 00	
600 0	0 00	0 00	600 0	0 0	0 0	0 0	0 00	0 00	0 00	
700 0	0 00	0 00	700 0	0 0	0 0	0 0	0 00	0 00	0 00	
800 0	0 00	0 00	800 0	0 0	0 0	0 0	0 00	0 00	0 00	
900 0	0 00	0 00	900 0	0 0	0 0	0 0	0 00	0 00	0 00	
1,000 0	0 00	0 00	1,000 0	0 0	0 0	0 0	0 00	0 00	0 00	
1,100 0	0 00	0 00	1,100 0	0 0	0 0	0 0	0 00	0 00	0 00	
1,200 0	0 00	0 00	1,200 0	0 0	0 0	0 0	0 00	0 00	0 00	
1,300 0	0 00	0 00	1,300 0	0 0	0 0	0 0	0 00	0 00	0 00	
1,400 0	0 00	0 00	1,400 0	0 0	0 0	0 0	0 00	0 00	0 00	
1,500 0	0 00	0 00	1,500 0	0 0	0 0	0 0	0 00	0 00	0 00	
1,600 0	0 00	0 00	1,600 0	0 0	0 0	0 0	0 00	0 00	0 00	
1,700 0	0 00	0 00	1,700 0	0 0	0 0	0 0	0 00	0 00	0 00	
1,800 0	0 00	0 00	1,800 0	0 0	0 0	0 0	0 00	0 00	0 00	
1,900 0	0 00	0 00	1,900 0	0 0	0 0	0 0	0 00	0 00	0 00	
2,000 0	0 00	0 00	2,000 0	0 0	0 0	0 0	0 00	0 00	0 00	
2,100 0	0 00	0 00	2,100 0	0 0	0 0	0 0	0 00	0 00	0 00	
2,200 0	0 00	0 00	2,200 0	0 0	0 0	0 0	0 00	0 00	0 00	
2,300 0	0 00	0 00	2,300 0	0 0	0 0	0 0	0 00	0 00	0 00	
2,400 0	0 00	0 00	2,400 0	0 0	0 0	0 0	0 00	0 00	0 00	
2,500 0	0 00	0 00	2,500 0	0 0	0 0	0 0	0 00	0 00	0 00	
2,600 0	0 00	0 00	2,600 0	0 0	0 0	0 0	0 00	0 00	0 00	
2,700 0	0 00	0 00	2,700 0	0 0	0 0	0 0	0 00	0 00	0 00	
2,800 0	0 00	0 00	2,800 0	0 0	0 0	0 0	0 00	0 00	0 00	
2,900 0	0 00	0 00	2,900 0	0 0	0 0	0 0	0 00	0 00	0 00	
2,999 3	0 00	0 00	2,999 3	0 0	0 0	0 0	0 00	0 00	0 00	
3,000 0	0 10	270 56	3,000 0	0 0	0 0	0 0	13 00	13 00	0 00	
3,100 0	13 10	270 56	3,099 1	0 1	-11 5	11 5	13 00	13 00	0 00	
3,200 0	26 10	270 56	3,193 1	0 4	-44 9	44 9	13 00	13 00	0 00	
3,300 0	39 10	270 56	3,277 2	1 0	-98 7	98 7	13 00	13 00	0 00	
3,400 0	52 10	270 56	3,347 0	1 7	-170 0	170 0	13 00	13 00	0 00	
3,500 0	65 10	270 56	3,399 0	2 5	-255 1	255 1	13 00	13 00	0 00	
3,600 0	78 10	270 56	3,430 5	3 4	-349 8	349 8	13 00	13 00	0 00	
3,691 6	90 00	270 56	3,440 0	4 3	-440 7	440 7	13 00	13 00	0 00	
3,700 0	90 00	270 56	3,440 0	4 4	-449 1	449 2	0 00	0 00	0 00	
3,800 0	90 00	270 56	3,440 0	5 4	-549 1	549 2	0 00	0 00	0 00	
3,900 0	90 00	270 56	3,440 0	6 3	-649 1	649 2	0 00	0 00	0 00	
4,000 0	90 00	270 56	3,440 0	7 3	-749 1	749 2	0 00	0 00	0 00	
4,100 0	90 00	270 56	3,440 0	8 3	-849 1	849 2	0 00	0 00	0 00	
4,200 0	90 00	270 56	3,440 0	9 3	-949 1	949 2	0 00	0 00	0 00	
4,300 0	90 00	270 56	3,440 0	10 2	-1,049 1	1,049 2	0 00	0 00	0 00	
4,400 0	90 00	270 56	3,440 0	11 2	-1,149 1	1,149 2	0 00	0 00	0 00	
4,500 0	90 00	270 56	3,440 0	12 2	-1,249 1	1,249 2	0 00	0 00	0 00	
4,600 0	90 00	270 56	3,440 0	13 2	-1,349 1	1,349 2	0 00	0 00	0 00	
4,700 0	90 00	270 56	3,440 0	14 1	-1,449 1	1,449 2	0 00	0 00	0 00	
4,800 0	90 00	270 56	3,440 0	15 1	-1,549 1	1,549 2	0 00	0 00	0 00	
4,900 0	90 00	270 56	3,440 0	16 1	-1,649 1	1,649 2	0 00	0 00	0 00	
5,000 0	90 00	270 56	3,440 0	17 1	-1,749 1	1,749 2	0 00	0 00	0 00	
5,100 0	90 00	270 56	3,440 0	18 0	-1,849 1	1,849 2	0 00	0 00	0 00	

Planning Report

Database:	EDM 5000 1 Single User Db	Local Co-ordinate Reference:	Site Sec 32 T31N R04W - 32-1B
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Well:	Schalk 32-1B	Survey Calculation Method:	Minimum Curvature
Wellbore:	ST01		
Design:	Design #2		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,200.0	90.00	270.56	3,440.0	19.0	-1,949.1	1,949.2	0.00	0.00	0.00
5,300.0	90.00	270.56	3,440.0	20.0	-2,049.1	2,049.2	0.00	0.00	0.00
5,400.0	90.00	270.56	3,440.0	21.0	-2,149.1	2,149.2	0.00	0.00	0.00
5,500.0	90.00	270.56	3,440.0	21.9	-2,249.1	2,249.2	0.00	0.00	0.00
5,600.0	90.00	270.56	3,440.0	22.9	-2,349.1	2,349.2	0.00	0.00	0.00
5,700.0	90.00	270.56	3,440.0	23.9	-2,449.0	2,449.2	0.00	0.00	0.00
5,800.0	90.00	270.56	3,440.0	24.9	-2,549.0	2,549.2	0.00	0.00	0.00
5,900.0	90.00	270.56	3,440.0	25.8	-2,649.0	2,649.2	0.00	0.00	0.00
6,000.0	90.00	270.56	3,440.0	26.8	-2,749.0	2,749.2	0.00	0.00	0.00
6,100.0	90.00	270.56	3,440.0	27.8	-2,849.0	2,849.2	0.00	0.00	0.00
6,200.0	90.00	270.56	3,440.0	28.8	-2,949.0	2,949.2	0.00	0.00	0.00
6,300.0	90.00	270.56	3,440.0	29.7	-3,049.0	3,049.2	0.00	0.00	0.00
6,400.0	90.00	270.56	3,440.0	30.7	-3,149.0	3,149.2	0.00	0.00	0.00
6,500.0	90.00	270.56	3,440.0	31.7	-3,249.0	3,249.2	0.00	0.00	0.00
6,600.0	90.00	270.56	3,440.0	32.7	-3,349.0	3,349.2	0.00	0.00	0.00
6,700.0	90.00	270.56	3,440.0	33.6	-3,449.0	3,449.2	0.00	0.00	0.00
6,800.0	90.00	270.56	3,440.0	34.6	-3,549.0	3,549.2	0.00	0.00	0.00
6,820.4	90.00	270.56	3,440.0	34.8	-3,569.4	3,569.5	0.00	0.00	0.00

Design Targets									
Target Name	Dip Angle (°)	Dip Dir (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
TD 32-1B ST01	0.00	0.00	3,440.0	34.8	-3,569.4	2,134,336.01	197,429.67	36° 51' 40.266 N	107° 17' 3.372 W
- plan hits target center									
- Point									
LAND 32-1B ST01	0.00	0.00	3,440.0	5.9	-599.9	2,134,275.32	200,398.65	36° 51' 39.982 N	107° 16' 26.834 W
- plan hits target center									
- Point									

Plan Annotations				
Measured Depth (usft)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment
2,999.3	2,999.3	0.0	0.0	KOP 13°/100' @ 2999' MD
3,691.6	3,440.0	4.3	-440.7	"Land" 90° @ 3691' MD
6,820.4	3,440.0	34.8	-3,569.4	"TD 32-1B" @ 6820' MD

Well Control Equipment Schematic for 2M Service

Attachment to Drilling Technical Program

Exhibit #1 Typical BOP setup

Location: San Juan Basin, New Mexico

Date: August 20, 2001

By: John Thompson (Walsh E&P)

