Please Process as an ADP/R	OW Ann	lication					
Form 3160-3 (September 2001)		ricatwon		FORM A OMB No. Expires Jan	PPROVED . 1004-0136 uary 31, 20	5	
" UNITED STATE		<u></u>	ا	5. Lease Serial No.			
DEPARTMENT OF THE I		化(FIVEL	)	1			
BUREAU OF LAND MANA	GEMENT '	1 L L	- <b>'</b> 	NMSF 0076337	as Teiba N		
APPLICATION FOR PERMIT TO D	RILL OR R	EENTER		6. If Indian, Allottee	or tribe r	vame	
	<u> 7m2</u>	CE D D O C 0 0 D D	<del>). 3</del> 5				
la. Type of Work: X DRILL REENTI				7. If Unit or CA Agre	ement, Na	me and N	ło.
	070	Farmington,	NM '	8. Lease Name and W	ell No.		
1b. Type of Well: Oil Well XGas Well Other		ingle Zone 🔲 Multi		Santa Rosa 29-9-4		33	06
2. Name of Operator				9. API Well No.			
<i>,</i>				30-045- 3 19	2.3		
SG INTERESTS I LTD Agent Sagle & Schwab Energy Resor 3a. Address	3b Phone N	o. (include area code)		10. Field and Pool, or I	<u> </u>	v	
	1	V10 30 31 0	<b>X</b>		-Aprorator	,	
PO Box 2677, Durango, CO 81302	970-259-27			Basin Fruitland Coal 11. Sec., T., R., M., or	Dik and	Suprav o	- A man
4. Location of Well (Report location clearly and in accordance with an		ienis. 7)	193	11. Sec., 1., K., W., U	DIK. aliu i	Survey of	. Alca
At surface SESE 730 FSL 660 FEL Lat. 36° 44'55" Long. 1	// 107° 46'39°	⊙` <u></u> 00 × ₹₹		D			
At proposed prod. zone same		: 0. % ?n.	\\\C_3\\\\	O 4 TOOM DOW			
	<del></del>		7 7	Sec 4 T29N R9W 12. County or Parish		13. Stat	-
14. Distance in miles and direction from nearest town or post office*	<u> </u>			1			L
4 miles northeast of Blanco, NM				San Juan		NM	
15. Distance from proposed*	16. No. of	Acres in lease 🦸 🚟	17. Spagin	g Unit dedicated to this v	vell		
location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660'	/	0	1	06			
(Also to nearest drig. unit line, if any) 660'	2449.350	20000	318.64	4/7			
18. Distance from proposed location*		ed Depth	20. BLM/I	BIA Bond No. on file		· · · · ·	
to nearest well, drilling, completed, applied for, on this lease, ft.							
123'	2300'		NM1935 S				
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approx	kimate date work will	start*	23. Estimated duratio	n		
5646 GL	October 1,	2003		30 days			
	24. Atta	chments					
The following, completed in accordance with the requirements of Onsh	ore Oil and Ga	Order No.1, shall be at	tached to this	form:			
1. Well plat certified by a registered surveyor.		4. Bond to cover the	he operation:	s unless covered by an	existing b	ond on f	ile (se
2. A Drilling Plan.		Item 20 above).					(
3. A Surface Use Plan (if the location is on National Forest System	n Lands, the	5. Operator certific					
SUPO shall be filed with the appropriate Forest Service Office				rmation and/or plans a	s may be	required	by th
		authorized offic	er.				
25. Signature	Nam	e (Printed/Typed)			Date		
gran dame	Mr. L	vnn Gamer			Septemb	er 3, 20	03
Title							
Operations Manage							
Approved by (Signature)	Nam	e (Printed Typed)			Date		
/s/ David J. Mankiewicz		- (- · · · · · · · · · · · · · · · · · ·			OCT	20	200
Title	OSE						200
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Application approval does not warrant or certify that the applicant hold operations thereon.	is iegai or equiti	iole title to those rights i	m me subject	icase which would entitle	s one applie	Cam to CC	лицсі
Conditions of approval, if any, are attached.							
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make			nd willfully to	o make to any departmen	it or agenc	y of the	Unite
States any false, fictitious or fraudulent statements or representations as	to any maner v	vium na jurisuicuon.				-	
*(Instructions on reverse)							
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This action is subject to technical and procedural review pursuant to 43 CFR 3165 of and appeal pursuant to 43 CFR 3165 of the subject of the

DRIGHING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

NMOCD

Diyulet 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

# 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

Lot 4  Lot 3  Lot 2  Lot 1  Signature  Mr Lynn Garner  Printed Name  Operations Manager  Title  Date  SURVEYOR CERTIFICATION  I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me			WEI	LL LO	CAI	TION A	AND AC	CRE	AGE I	DEDIC.	ATIC	N PLA	T		
Santa Rosa 29-9-4  Santa Rosa 29	<sup>1</sup> API Number <sup>2</sup> Pool Code						<sup>1</sup> Pool Name								
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"Bottom Hole Location If Different From Surface  7 UL or lot no. Section Township Range Lot ids Feet from the North, South line Peet from the East, West line County  3 Dedicated Acres 3 Joint or Infill 1 " Consolidation Code 1 Order No. 319.64 E 1/2 " 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  10 4/0.37 a cres 40.15 a cres 3 39.93 a cres 3 39.93 a cres 1 Perhy certify that the information contained herein is true and complete to the best of my knowledge and helief.  Lot 4 Lot 3 Lot 2 Lot 1  Signature Mr 1 ynn Garner Printed Name 3 2003  Signature Mr 2 ynn Garner Printed Name 3 2003  Signature my supervision and that the same is true and convect to the best of my belief.  August 1, 2003  Date of Survey  Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. V. A. Survey Signature and Segue-Professional Surveyor D. Survey Signature and Segue-Professional Surveyor D. Survey Signature and Segue-P	UL or Lot No.	Section	Township	Range	Lo	et Idn	Feet from the	om the North/South line Feet from the							
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# SG Interests I, Ltd. (Agent: Sagle & Schwab Energy Resources) PO Box 2677 Durango, CO 81302 (970) 259-2701

Santa Rosa 29-9-4 #4 SESE Sec 4-T29N-R9W 730' FSL & 660' FEL San Juan County, New Mexico

### EIGHT POINT DRILLING PROGRAM

1. Estimated Formation Tops:

Ojo Alamo	900'
Kirkland	1050'
Fruitland Coal	1900'
Pictured Cliffs	2200
Total Depth	2350'

2. Estimated Depth of Anticipated Minerals:

Fruitland (Gas)

2050'

3. Minimum Specifications for Pressure Control Equipment:

BOP equipment and accessories will meet or exceed BLM requirements outlined in 43 CFR Part 3160.

A 3000 psig double ram hydraulic BOP will be used (see attached diagram). Since maximum anticipated formation pressure is 1200 psig, accessories to the BOP will meet BLM requirements for a 2000 psig system (exhibit 1). The accumulator system capacity will be sufficient to close all BOPE with a 50% safety factor. Fill line, kill line and line to choke manifold will be 2". BOP's will be function tested every 24 hours and will be recorded on IADC log.

Surface casing will be tested to 1500 psig for 30 minutes.

Eight Point Drilling Program - Santa Rosa 29-9-4 #4 Page 2

Accessories to BOPE will include upper and lower Kelly cocks with handles, stabbing valve to fit drill pipe on floor at all times, string float at bit, 3000 psig choke manifold with 2" adjustable and 2" positive chokes, and pressure gauge.

### 4. Casing and Cementing Program:

<u>Hole Size</u>	<u>Interval</u>	<u>Csg Size</u>	<u>Wt, Grd, Jt</u>
12-1/4"	0-300'	8-5/8"	24#, J-55, STC
7-7/8"	0-2350'	5-1/2"	17#. J-55, LTC

Surface Casing will be cemented with 210 sx (248 cu ft) class B w/3% CaCl and 1/4#/sx of celloflake (Yield = 1.18 cuft/sx, Weight = 15.6 #/gal). Cement volumes include excess to circulate cement to surface. A guide shoe, insert float and three (3) centralizers will be used. WOC time is 8 hours. The casing will be pressure tested to 1500 psig.

Production Casing: Lead cement will be 185sx 65/35 poz with 6% gel, 2% CaCl and 1/4#/sx celloflake (Yield = 1.92 cuft/sx, Weight = 12.6#/gal). Tail cement will be 165 sx Class B containing 2% CaCl and 1/4#/sx celloflake (Yield = 1.18 cuft/sx, Weight = 15.6 #/gal). Total cement = 545 cuft. Cement volume includes excess to circulate cement to surface. In the event cement is not circulated a temperature survey will be run to determine the actual cement top, as required. Cementing equipment will include a guide shoe, float collar and 10 centralizers. Class G or H cement may be used depending on availability of Class B.

## 5. Mud Program:

A native water based mud system (FW) will be used initially followed by a low-solids, non-dispersed gel system (LSND) to condition the hole for logs. Adequate amounts of lost circulation and weighting material will be on location if needed as well as sorbitive agents to handle potential spills of fuel or lubricants.

<u>Depth</u>	Type	Wt (ppq)	<u>Vis (sec)</u>	Wtr loss
0-300'	FW	± 8.5	30-33	NC
300'-TD	LSND	± 8.7-9.5	30-50	8-10 cc