

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SF-079364
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. NAME OF OPERATOR Pure Resources		7. UNIT AGREEMENT NAME Rincon Unit
3. ADDRESS AND TELEPHONE NO. 463 Turner Dr. Ste 101, Durango CO. 81303		8. FARM OR LEASE NAME, WELL NO. Rincon Unit 149Q
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement)* At surface 2514' FSL and 2519' FWL At proposed prod. zone Same as Surface		9. API WELL NO. 3003927522
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 40 miles Southeast from Bloomfield NM.		10. FIELD AND POOL OR WILDCAT Basin Dakota/ Mesa Verde
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE F.T. (Also to nearest drg. Unit line, if any) 6380'	16. NO. OF ACRES IN LEASE 2645.09	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA K Sec. 30, T-27-N, R-6-W
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR, ON THIS LEASE, FT. 1490'	19. PROPOSED DEPTH 7850'	12. COUNTY OR PARISH Rio Arriba
21. ELEVATIONS (Show whether DF, RT, GR, ) 6674'		13. STATE NM
22. APPROX. DATE WORK WILL START* ASAP		

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	H-40 9-5/8"	32.3#	350'	200 SACKS "B" TOC @ SURFACE
8-3/4"	K-55 7"	20#	2734'	405 SACKS TYPE III TOC @ SURFACE
6-1/4"	N-80 4-1/2"	11.6#	7850'	610 SACKS 65/35 POZ TYPE III TOC TIED INTO
				7" casing

"Expedited APD/ROW"

Pure plans to drill the Rincon Unit 149Q, and complete in the Mesa Verde and the Basin Dakota and downhole commingle the two formations. This well will be an infill 80 acre.

BOP- One double gate BOP with 3-1/2" pipe and blind rams, one choke manifold with adjustable and positive chokes, an accumulator will hydraulically operate BOP with 1 1/2 times the necessary capacity to close the rams and retain a minimum of 200 psi above recharge.

Rotating head will be utilized during the drilling of the 6-1/4" hole.

(Schematics are attached)

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

This application is subject to technical and  
environmental review pursuant to 43 CFR 3165.3  
and 43 CFR 3165.4

IN ABOVE SPACE DESCRIBED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Mike C. Phillips TITLE San Juan Basin Area Drig Prod Foreman DATE 10/11/03

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

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 application to conduct operations thereon.  
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY David J. Mankiewicz TITLE \_\_\_\_\_ DATE NOV 14 2003

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, 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.

NMOC

DISTRICT I  
1626 N. French Dr., Hobbs, N.M. 88240

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised August 15, 2000

DISTRICT II  
811 South First, Artesia, N.M. 88210

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

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30-039-27522</b>		*Pool Code <b>71599</b>	*Pool Name <b>Basin Dakota</b>
*Property Code <b>26629</b>	*Property Name <b>RINCON UNIT</b>		*Well Number <b>149Q</b>
*OGUID No. <b>189071</b>	*Operator Name <b>PURE RESOURCES</b>		*Elevation <b>6674'</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot kdn	Feet from the	North/South line	Feet from the	East/West line	County
K	30	27-N	6-W		2514'	SOUTH	2519'	WEST	RIO ARriba

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot kdn	Feet from the	North/South line	Feet from the	East/West line	County
*Dedicated Acres <b>320319.08</b>					*Joint or Infill		*Consolidation Code		*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

<b>16</b>		<b>17 OPERATOR CERTIFICATION</b>	
LOT 1		I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
LOT 2 FD 3 1/4" B.L.M. BC 1955		Signature <i>Mike Phillips</i> Printed Name <b>Mike Phillips</b> Title <b>Completion Foreman</b> Date <b>10/13/03</b>	
LOT 3 2519'		Date of Survey <b>10/13/03</b>	
LOT 4 2514'		Signature and Seal of Professional Surveyor: <b>DAVID A. JOHNSON</b> <b>14827</b> Certificate Number <b>14827</b>	
FD 3 1/4" B.L.M. BC 1955 S 85-19-34 E 2641.60'		RECEIVED OCT 14 PM 1:45 FD 3 1/4" B.L.M. BC 1955	

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Santa Fe, NM 87505

☐ AMENDED REPORT

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code <b>7Z319</b>	*Pool Name <b>BLANCO MESA Verde</b>
*Property Code <b>26629</b>	*Property Name RINCON UNIT		*Well Number 149Q
*OGRID No.	*Operator Name PURE RESOURCES		*Elevation 6674'

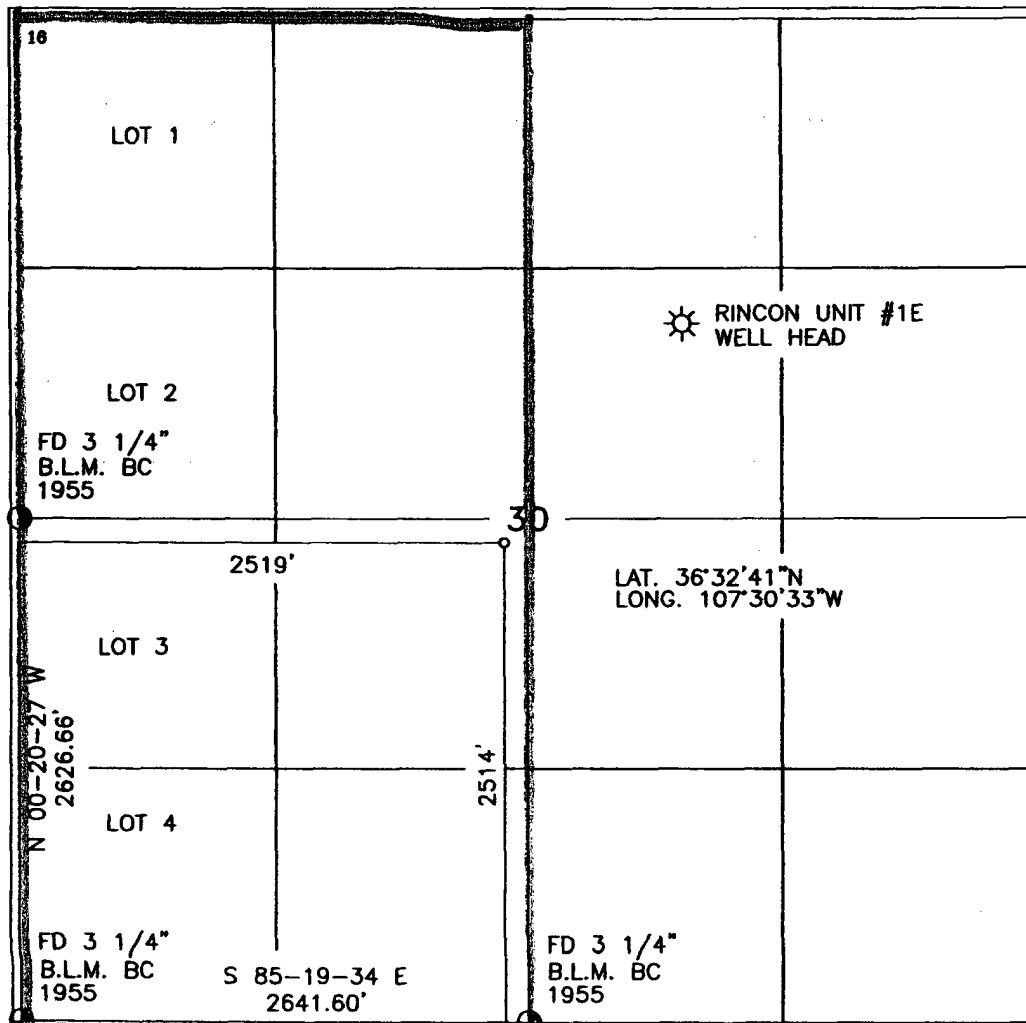
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	30	27-N	6-W		2514'	SOUTH	2519'	WEST	RIO ARRIBA

<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
<sup>12</sup> Dedicated Acres <b>320</b>			<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



<sup>17</sup> OPERATOR CERTIFICATION

I hereby certify that the information contained herein  
is true and complete to the best of my knowledge and  
belief.

Signature

Printed Name

Title

Date

<sup>18</sup> 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 of Survey

Signature and Seal of Professional Surveyor:

Certificate Number

**Minimum Safety Factors for Casing:**

Collapse = 1.125  
Burst = 1.1  
Tension = 1.8

Casing hardware for the production string is to include a guide shoe, float collar, centralized shoe joint, and the next five joints centralized. Centralizers will be placed across the production zones.

**2. PRESSURE CONTROL BOP'S AND RELATED EQUIPMENT**

Casing Head: 7" x 11" – 3000 psi WP.

BOP Stack and Related Equipment: (See Attachements).

One double-gate BOP with 4-1/2" and then 3-1/2" pipe and blind rams.

One choke manifold with adjustable and positive chokes.

An accumulator will hydraulically operate the BOP with 1-1/2 times the necessary capacity to close the rams and retain a minimum of 200 psi above recharge. The remote unit will be located in the bottom "dog house" or on the ground between the "dog house" and the toolpushers trailer. A rotating head on top of the BOP stack will be utilized when necessary.

Testing Procedure:

The BOP and related equipment will be tested in accordance with the provisions of Onshore Oil and Gas Order No. 2. BOP's will be operationally tested daily and each test will be logged in the IADC Daily Drilling Report.

Blooi Line:

The blooi line and related equipment will meet all requirements of Onshore Oil and Gas Order No. 2.

Auxiliary Equipment:

A kelly cock will be used with the handle available. A full opening safety valve will be used when the kelly is not on the drillstring. A rotating head will be used while air drilling. Vacuum diversion will be available on the blooi line.

**3. CORING, TESTING, & LOGGING PROGRAM**

DST's: None planned.

Logging: Cased hole GR/Dual Burst Thermal Decay

Cores: None planned.

Completion: During completion, the drilling rig will be removed and a completion rig will be moved in and BOP's of a similar pressure rating will be used. The Dakota and Mesa Verde will be selectively perforated and individually hydraulically stimulated. The wells will be commingled with 2-3/8" production string. A "Well Completion or Re-completion Report and Log" (Form 3160-4) will be submitted within 30 days after completion of the well per 43 CFR 3164. Two copies of all logs, geologic summaries, sample descriptions, and all other data obtained during the drilling, workover, and completion operations will be filed with form 3160-4.

**4. ABNORMAL PRESSURES, TEMPERATURES, AND POTENTIAL HAZARDS**

*Pressure* Due to numerous wells drilled in the unit, no above normal pressure zones are anticipated.

*Temperature* No above normal temperature zones are anticipated.

*Hydrogen Sulfide* No H<sub>2</sub>S is anticipated.

**5. ADDITIONAL INFORMATION****Starting Date**

Road and location work will begin as soon as approval has been received from the BLM. Drilling should commence immediately upon approval of the APD, weather permitting. The BLM will be notified 48 hours before dirt work begins and 24 hours before drilling operations begin.

**Duration of Operations**

Drilling will be approximately 8 days. Completion will be approximately 10 days.