#### SUBMIT IN TRIPLICATE.

(Other instructions on reverse side)

FORM APPROVED OMB NO. 1004-0136 Expires: February 28, 1995

### UNITED STATES DEPARTMENT OF THE INTERIOR

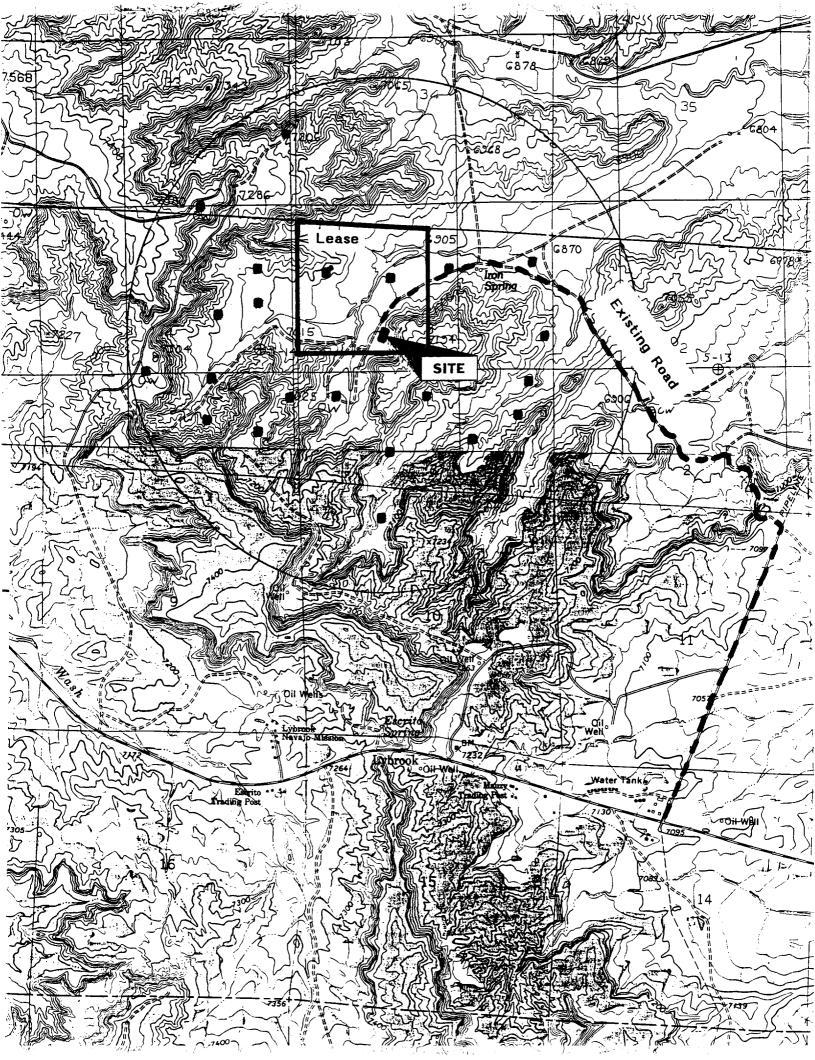
|  | •  | 5. LEASE DESIGNATION AND SERIAL NO.  NMSF-078272A        |  |   |  |  |  |
|--|--|--|--|---|--|--|--|
| APPLICATION FOR PERMIT TO DRILL OR DEEPEN  |  |  |  |   | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME                                     |  |  |
| a. Type of Work  | · E/-  | DEEPEN [   | 200 HO 14 CM 1:  | 15  | N/A  . UNIT AGREEMENT :  |  |  |
| b. TYPE OF WELL  |  | N/A 3386  8. FARM OR LEASE NAMES WELL NO 3 #4            |  |   |  |  |  |
| OIL GAS WELL 2. NAME OF OPERATOR   | E  |  |  |   |  |  |  |
| Questar Explora  |  |  | <u> </u>   | -6916                                     | ). API WELL NO.  | 2/6:0  |  |
| 33T 17th St.,  | 1  | 30-039-26510 10. FEY brook "Gattup-                      |  |   |  |  |  |
| . LOCATION OF WELL (Report At surface  |  | n accordance with any & 1639' FWI                        |  |   |  | _  |  |
| At proposed prod. zone   | 1.   | 3-23n-7w NMPM  |  |   |  |  |  |
|  |  |  |  |   |  |  |  |
| 4. DISTANCE IN MILES AND AIR MILES AND   |  |  | ice*   |   | 2. COUNTY OR PARISH  | NM   |  |
| 5. DISTANCE FROM PROPOSEI<br>LOCATION TO NEAREST<br>PROPERTY OR LEASE LINE<br>(Also to nearest drig. U | D*   |  | NO. OF ACRES IN LEASE 321.78   | 17. No. of<br>TO THIS                     | ACRES ASSIGNED<br>WELL   | 40   |  |
| S. DISTANCE FROM PROPOSE<br>TO NEAREST WELL, DRILL<br>OR APPLIED FOR, ON THIS L                        | ED LOCATION*<br>LING, COMPLETED,   | 997'   | PROPOSED DEPTH 5,675"  | 20. ROTARY OR CABLE TOOLS ROTARY          |  | 1  |  |
|  |  |  | · · · · · · · · · · · · · · · · · · ·  |   | Sept. 1, 2   |  |  |
| tural review pursuant to   | o 43 CFR 3165.3  |  |  | <u> </u>                                  |  |  |  |
| SIZE OF HOLE   | GRADE, SIZE OF CASING  | WEIGHT PER FOOT  | ND CEMENTING PROGRAM   | ·<br>                                     | QUANTITY OF CEMENT   |  |  |
| (122 01 133  |  | •  |  |   |  |  |  |
| 12-1/4"<br>7-7/8"  | 8-5/8" (K-55)<br>4-1/2" (J-55)   | 24#<br>11.6#   | 300'<br>5,675'/  |   | ≈265 cu ft<br>≈ 2,110 cu ft  | & to surface   |  |
| Archaeolog   | vy report #: LA  | AC 2000-41   | (5578)   | <b>S</b> Ub910                            | ot to compliance<br>Ral requirement                                      | ITHORIZED ARE<br>WITH ATTACHE<br>ST.                           |  |
| Archaeolog   | gy report #: LA  | AC 2000-41   | 007 2000<br>007 2000<br>007 2000<br>007 2000<br>007 2000<br>007 2000               | <b>S</b> Ub910                            | 21 TO COMPLIANCE   | WITH ATTACHE   |  |
| N ABOVE SPACE DESCRIBE PR<br>eepen directionally, give pertinent                                       | ROPOSED PROGRAM: If n  | roposal is to deepen, give da                            | ata on present productive zone at ital depths. Give blowout preven                 | nd proposed ne                            | CC: BLM w productive zone. If p  | MITH ATTACHE  ST.  M, OGCC, Ohle  Troposal is to drill of      |  |
| N ABOVE SPACE DESCRIBE PR<br>eepen directionally, give pertinent                                       | ROPOSED PROGRAM: If n  | roposal is to deepen, give da                            | ata on present productive zone a   | nd proposed ne                            | CC: BLM w productive zone. If p  | MITH ATTACHE   |  |
| N ABOVE SPACE DESCRIBE PF<br>repen directionally, give pertinent                                       | ROPOSED PROGRAM If pr<br>t data on subsurface locations                    | roposal is to deepen, give da and measured and true vert | ata on present productive zone at ital depths. Give blowout preven                 | nd proposed neter program, if a           | cc: BLM w productive zone. If p iny.  BATE                               | MITH ATTACHEST,  |  |
| N ABOVE SPACE DESCRIBE PRESENTED (This space for Federal PERMIT NO.                                    | ROPOSED PROGRAM If per t data on subsurface locations or State office use) | roposal is to deepen, give dand measured and true vert   | ata on present productive zone acical depths. Give blowout prevenonsultant (505)   | nd proposed neter program, if a           | cc: BLN w productive zone. If p iny.  8-  DATE                           | MITH ATTACHEST,  M, OGCC, Ohleroposal is to drill of           |  |
| N ABOVE SPACE DESCRIBE PER PER DESCRIBE PER PER PER PER PER PER PER PER PER PE                         | ROPOSED PROGRAM: If pet data an subsurface operations or State office use) | roposal is to deepen, give dand measured and true vert   | ata on present productive zone artical depths. Give blowout preventonsultant (505) | nd proposed neter program, if a           | cc: BLN w productive zone. If p iny.  8-  DATE                           | MITH ATTACHEST,  M, OGCC, Ohli  Proposal is to drill or  12-00 |  |
| N ABOVE SPACE DESCRIBE PER REPORT NO.  Application approval does not we CONDITIONS OF APPROVAL, IF     | or State office use) warrant or certify that the applications              | roposal is to deepen, give de and measured and true vert | ata on present productive zone acical depths. Give blowout prevenonsultant (505)   | nd proposed netter program, if a 466-8120 | cc: BLN w productive zone. If parts  DATE  d entitle the applicant to co | M, OGCC, Ohli roposal is to drill or 12-00                     |  |

# State of New Mexico Energy. Minerals & Mining Resources Department

### OL CONSERVATION DIVISION 2040 South Pacheco Santa Fe. NM 87505

MENDED REPORT

| APA Number Pool Code  | Po   |  |  |  |  |  |  |  |
|---|--|--|--|--|--|--|--|--|
| (1 - 0)(1 - | APA Number Pool Code Pool Name  30-039-26(71) 42289 LYBROOK GALLUP |  |  |  |  |  |  |  |
| Property Code Property Name  23868 NAGEEZI FEDERAL 3  | ty Name  |  |  |  |  |  |  |  |
| OCRID No.  23846  QUESTAR EPLORATION & PRODUCT  | Bevalian 6990'—  |  |  |  |  |  |  |  |
| Surface Location  |  |  |  |  |  |  |  |  |
| U. or Lot Sec. Twp. Rge. Lat Idn. Feet from North/South Feet F. 3. 23 N. 7 W. 2173 NORTH 163  |  | County  ST . RIO ARRIBA  |  |  |  |  |  |  |
| Bottom Hole Location If Different From Su   |  |  |  |  |  |  |  |  |
| UL or Lat Sec. Twp. Rge. Lat Idn. Feet from North/South Feet f  | rom >   East   | /West County   |  |  |  |  |  |  |
| Dedication Joint ? Consolidation  | Order No.  |  |  |  |  |  |  |  |
| NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIMISION  \$ 87.36' E 2562.54 \$ \$ 87.36' E  |  |  |  |  |  |  |  |  |
| N 13000. W  N 86 12. W  S 87.36. E  2562.78  CST 2800  CST 2800  N 86 12. W  N 86 12. W   | N 124' W N 124' W 2607.00  | OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature  Printed NameBRIAN WOOD  Title  CONSULTANT  Date AUG. 12, 2000  SURVEYOR CERTIFICATION I hereby certify that the well location 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  30  INFORMATION  Research  Resea |  |  |  |  |  |  |



Questar Exploration and Production Company Nageezi Federal 3 #4 2173' FNL & 1639' FWL Sec. 3, T. 23 N., R. 7 W. Rio Arriba County, New Mexico

#### 3. PRESSURE CONTROL

The drilling contract has not yet been awarded, thus the exact BOP model to be used is not yet known. A typical 2,000 psi model is on PAGE 3.

A minimum 2,000 psi BOP and choke manifold system will be installed and tested to 2,000 psi before drilling surface casing plug. Test will consist of initially pressuring BOP and ancillary equipment to 250 psi for 5 minutes and then to 2,000 psi for 10 minutes. Casing will be tested for 30 minutes. System will remain in use until the well is completed or abandoned. A safety valve and sub with a 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.

All BOP mechanical and pressure tests will be recorded on the driller's log. BOPs will be inspected and opened and closed at least daily to assure good mechanical working order. Inspections will be recorded on the daily drilling report. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place.

## 4. CASING & CEMENT

| <u> Hole Size</u> | <u>O.D.</u> | Weight (lb/ft) | <u>Grade</u> | Type | <u>Age</u> | GL Setting Depth |
|-------------------|-------------|----------------|--------------|------|------------|------------------|
| 12-1/4"           | 8-5/8"      | 24             | K-55         | ST&C | New        | 300'             |
| 7-7/8"            | 4-1/2"      | 11.6           | J-55         | ST&C | New        | 5,675'           |

Surface casing equipment will include Texas pattern guide shoe, one shoe joint, float, and 3 bow spring centralizers. Centralizers will be set 10' above the shoe and on top of the 1st and 3rd joints. Lock bottom two joints and float equipment with thread lock compound. Reciprocate casing 20' while cementing. Land casing so casing head flange will be at ground level.

