

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SF078243	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Roddy Production Company Inc.		7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. P. O. Box 2221, Farmington, NM, 87499 (505) 325-5750		8. FARM OR LEASE NAME, WELL NO. Owen No. 2B	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1250' FNL - 2035' FEL, Section 19, T31N, R12W, NMPM At proposed prod. zone Same		9. API WELL NO. 30-045-31146	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 7 miles northwest of Flora Vista, NM		10. FIELD AND POOL, OR WILDCAT Blanco Mesa Verde	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 1250' (Also to nearest ddg unit line, if any)		11. SEC., T., R., M., OR BLK AND SURVEY OR AREA Section 19, T31N, R12W, NMPM	
16. NO. OF ACRES IN LEASE 318.24		12. COUNTY San Juan	
17. NO. OF ACRES ASSIGNED TO THIS WELL 318.24		13. STATE New Mexico	
18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1300'		19. PROPOSED DEPTH 5183	
20. ROTARY OR CABLE TOOLS Rotary		21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5941' GL This action is subject to technical and procedural review pursuant to 43 CFR 3165.3	
22. APPROX. DATE WORK WILL START* August 2002		23. and appeal pursuant to 43 CFR 3165.4	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	
12.250"	8.625", J-55	24	300'	247.8 cf, circulate to surface
7.875"	4.500", J-55	10.5	5183'	1773.5 cf in two stages, circulate to surface
DV tool set at 3500'				

Roddy Production Company Inc. proposes to spud in the Nacimiento formation. Drill 12.250" surface hole to 300' using fresh water mud. Run and cement surface casing with adequate volume to circulate to surface. WOC 12 hours. Nipple up casing head and BOPE. Pressure test BOPE to minimum of 600 psig for 15 minutes. Drill 7.875" hole to Total Depth using fresh water mud. No abnormal pressure or poisonous gas is anticipated. Run open hole logs from TD to surface casing shoe. Run and cement production casing in two stages with adequate cement volume to circulate to surface. Release drilling rig. Move in completion rig. Run cased hole correlation logs. Pressure test casing to 3000 psig for 15 minutes. Perforate select Mesa Verde intervals and stimulate with fresh water base fluid and 1500 # per foot sand. Install production equipment.

Surface is Federal, BLM.

IN ABOVE SPACE DESCRIBE PROPOSED 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 true vertical depths. Give blowout preventer program, if any.

24.

SIGNED *Robert E. Filds* TITLE Business Manager DATE July 4, 2002

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

APPROVED BY **/s/ David J. Mankiewicz** TITLE **AFM** DATE **9/17/02**

NMOCD