| Form 3160-3 UNITED STATES (August 1999) DEPARTMENT OF THE INTE BUREAU OF LAND MANAGE   |  | FORM APPROVED OMB NO. 1004-0136 Expires: November 30, 2000  5. Lease Serial No. SF - 079329 |  |                          |  |
|--|--|---|--|--------------------------|--|
| APPLICATION FOR PERMIT TO DRILL  | 5.   |   |  |                          |  |
| la. Type of Work X DRILL REEN  | 6.   | 6. If Indian, Allotee or Tribe Name   |  |                          |  |
| 1b. Type of Well Oil Well Gas Well Other   | ne 7.  | 7. Unit or CA Agreement Name and No. San Juan 32 Federal 24                                 |  |                          |  |
| 2. Name of Operator Phillips Petroleum Company   | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1          |   | 8. Lease Name and Well No. SJ 32 Fed 24 #1 |                          |  |
| 3a. Address<br>5525 Highway 64, NBU 3004, Farmington, NM 8740  |  | ode) 9.   | 9. API Well No.<br>30-045-30303            |                          |  |
| <ol> <li>Location of Well (Report location clearly and in accordance with any<br/>At surface Unit B, 964' FNL &amp; 1531' FEL</li> </ol>   | <u> </u>                                       | 10. Field and Pool, or Exploratory Basin Fruitland Coal                                     |  |                          |  |
| At proposed prod. zone same as above   | <u> </u>                                       | 11. Sec., T., R., M., or Blk. and Survey o  Sec. 24, T32N, R9W                              |  |                          |  |
| 14. Distance in miles and direction from nearest town or post office* 18 miles from Azt  | ec, NM   | 12.   | County or Parish San Juan,                 | 13. State                |  |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any)   | 16. No. of Acres in lease 1652.40 acres        | this well   |  |                          |  |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.   | 19. Proposed Depth 3554'                       | 20. BLN   | . BLM/BIA Bond No. on file<br>ES0048       |                          |  |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc. 6689' GR  | 22. Approximate date work will s  3rd Qtr      | tart*   | 23. Estimated dur                          | timated duration 1 month |  |
| APD/ROW PROCESS  | 24. Attachments                                |   |  |                          |  |
| <ol> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan</li> <li>A Surface Use Plan (if the location is on National Forest System Land SUPO shall be filed with the appropriate Forest Service Office).</li> </ol> | 4. Bond to cover the operation ltem 20 above). | ions unles  | s covered by an exist                      | •                        |  |
| 25. Signuature Latsy Clegatin  | Name (Printed/Typed) Patsy Clugston            |   | Date 7/7/00                                |                          |  |
| Title Sr. Regulatory/Proration Clerk   |  |   |  | -                        |  |
| Approved by (Signautre)  (1) (1) (1) (SH)  | Name (Printed/Typed)                           |   | Date 9-23-6                                |                          |  |
| Title  | Office   |   | <del>.</del>                               |                          |  |

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 knowlingly 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)

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS" District I PO Hux 1980, Hubba, NM 88241-1980 District II 811 South First, Artesia, NM 88210 District III 1000 Rio Bruzos Rd., Aztec, NM 87410 District IV

## State of New Mexico Energy, Minerals & Natural Remuneren Department

Form C-102 Revised October 18, 1994 Instructions on back Submit to Appropriate District Office

## OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

| 2040 Souti                              | h Pachee     | o, Sunta Fe | , NM #7505 |              |          |  |            |                                |           | 1 · *  |  | <b>اللہ</b>                      | J AME               | ENDÉD I           | REPORT     |
|---|--------------|-------------|------------|--------------|----------|--|------------|--------------------------------|-----------|--|--|----------------------------------|---------------------|-------------------|------------|
|   |              |             |            |              | CATIO    | 1A NC  | D ACE      | REAC                           | GE DEDI   | CAT  | TION PL  | AT                               |                     |                   |            |
| 30                                      | 04           | Number      | 0 30       | 3            | 71629    |  | Bas        | sin l                          | Fruitlan  | d Co   | 'Pool Na<br>al   | a Unic                           |                     |                   |            |
| 4 Property Code<br>24297                |              |             |            |              |          | <sup>4</sup> Property N<br>SAN JIIAN 32 F    |            |                                |           |  |  |                                  | * Well Number<br>1  |                   |            |
| OGRID No.                               |              |             |            |              |          |  | * Operator | Name                           |           | =  |  |                                  |                     | Elevation<br>6689 | ;          |
| 017654 PHILLIPS PETROLEUM COMPANY 6689' |              |             |            |              |          |  |            |                                |           |  |  |                                  |                     |                   |            |
| Ul. or lut no. Section Township Ra      |              |             | Range      | e Lot Idn    |          | Feet from the                                |            | North/South line Feet from the |           | t from the   | East/West line   |                                  | County              |                   |            |
|   | В            | 24          |            |              |          | 964"   |            |                                |           | 531 EAST   |  | NAUL NAS                         |                     |                   |            |
| ULork                                   | ol no        | Section     | Township   | Range        | tom H    | m Hole Loca                                  |            | <del>-</del>                   |           | of from the East/Wor                                     |  | t line County                    |                     |                   |            |
| В                                       | ot no.       | Steady      | Township   |              |          |  |            |                                |           |  |  |                                  |                     |                   |            |
| 12 Dedica                               |              | 1 -         |            | Consolidatio | n Code   | u Order N                                    | lo.        |                                |           |  |  |                                  |                     |                   |            |
| 310.1                                   |              |             |            | SIGNED '     | то тні   | S COM  | PLETION    | UNT                            | IL ALL IN | TERE   | STS HAV  | E BEEN                           | CONSC               | LIDATE            | D OR A     |
| NO AL                                   | LOWA         | TOLL WI     | N          | ON-STAN      | DARD     | UNIT I                                       | IAS BEE    | N APP                          | ROVEDB    | YTH  | E DIVISIO  | N                                |                     |                   |            |
| 16                                      | 16           |             |            | N87°40'W     |          |  | 98'        |                                | ,         |  | <sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is |                                  |                     |                   | 16         |
| 4                                       |              |             |            | 1            | 2        | <u>.                                    </u> | 1          |                                | .95       | true and complete to the best of my knowledge and belief |  |                                  |                     |                   |            |
|   |              |             |            |              |          |  | 796        |                                |           | 15   |  |                                  |                     |                   |            |
|   |              |             |            |              | 1        | `  | J          | 1                              | 531'      | 25   |  | ),                               | O I                 | 4                 | /          |
| <b> </b>                                | <del> </del> |             |            | ···          | SF.      | -07932                                       | 9          | •                              |           | -1   | Signature  | ilsy                             | Su                  | 1911.             | W          |
|   |              |             | (1576278)  | 8.70         | i i      | 52.40 acres                                  |            |                                |           |  | Patsy  | Clugst                           | on                  | <i>V</i>          |            |
| .56                                     | 5            |             |            | 1            | 7        | 7  |            | 8                              | 7'E       | Printed Name Sr. Regulatory/Proration Cler               |  |                                  |                     | Clerk             |            |
| 5257.                                   |              |             | SEL 500,   | /            | /        |  | 4          |                                | N00°07    | Title<br>June  | 30, 20   | 00                               |                     |                   |            |
| 52                                      |              |             |            | Sect         | ion 2    | 24   | ·,         |                                |           | 2  | Date   |                                  |                     |                   |            |
|   |              |             | <b>,</b>   | DGC          |          |  | C          |                                |           |  | 18SUR  | VEYOR                            | CER                 | TIFIC             | ATION      |
| 7                                       |              | ٠,          |            |              |          |  |            |                                |           | .,   | was plotted  | tify that the w<br>from field no | les of acu          | uai surveys i     | nade by me |
| N00°02'W                                | 12           |             |            | 11           | 1        | 10   | ·          | h                              | 9         | 9.9  | or under my<br>correct to th   | supervision,<br>he best of my    | and that<br>belief. | ihe same is       | true and   |
| 00N                                     |              |             |            |              |          |  |            |                                |           | 2576   |  | 11/9                             | /99                 |                   |            |
|   |              |             |            |              |          |  |            |                                |           |  | Date of Sur<br>Signature as  | vey<br>nd Seal of Pro            | ofcasional          | Surveyer:         |            |
|   |              |             |            |              |          |  |            |                                | _         |  |  |                                  |                     |                   |            |
|   |              |             |            | 17           | 1        | 15   |            |                                | 16        | 12.1   |  | , ,                              | BRAA                | ייאם              |            |
|   | 13           |             |            | 14           | <b>,</b> | 15   | Ĺ          | 1                              | 16        | KD0 02   | 4  |                                  |                     |                   |            |
|   |              |             | MOOG       | '56'W        | 1        | 5229.8                                       | 4.1 .      |                                | , .       | . Z  | Certificate  | Named                            |                     |                   | <u>æ</u> \ |
| <u> </u>                                |              |             | 1 400      | JU #         |          | 7  | +          | <u> </u>                       | 1 1       |  | J]   |                                  | <del>) 1137</del>   | <del>"</del>      | \$         |

## PHILLIPS PETROLEUM COMPANY SAN JUAN 32 FEDERAL 24 No. 1 42' 30" SOUTHERN 964' FNL, 1531' FEL NE/4 SEC. 24, T-32-N, R-09-W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO GROUND LEVEL ELEVATION: 6689' Lower Pinto Spring )0 :T 0"

ANASTACIO SPRINGS QUADRANGLE

1302 T

## PHILLIPS PETROLEUM COMPANY

| WEL  | L NAME:                             | San Ju        | uan 32 Fed 2               | <u> 4 No. 1</u>    |               |                 |           |  |  |  |
|------|-------------------------------------|---------------|----------------------------|--------------------|---------------|-----------------|-----------|--|--|--|
| DRIL | LING PROGNO                         | SIS           |                            |                    |               |                 |           |  |  |  |
| 1.   | Location of Prop                    | posed Well:   | Unit B, 964<br>Section 24. |                    |               | _               |           |  |  |  |
| 2.   | Unprepared Gro                      | und Elevatio  | n:                         | @ 6689             | <del>)'</del> |                 |           |  |  |  |
| 3.   | The geological r                    | name of the s | urface forma               | tion is <u>San</u> | Jose .        |                 |           |  |  |  |
| 4.   | Type of drilling                    | tools will be | rotary.                    |                    |               |                 |           |  |  |  |
| 5.   | Proposed drillin                    | g depth is    | 3554' .                    |                    |               |                 |           |  |  |  |
| 6.   | The estimated to Naciamento -       | 1089'         |                            |                    |               |                 |           |  |  |  |
|      | Ojo Alamo -                         | 2284'         |                            | se of Coal -       |               |                 |           |  |  |  |
|      | Kirtland -                          | 2349'         |                            | ture Cliffs        |               | _               |           |  |  |  |
|      | Fruitland -                         | 3184'         |                            | erm. Casing        |               | _               |           |  |  |  |
|      | Top of Coal -                       | 3239'         | <u>T. I</u>                | <u>D</u>           | 3554'         | <del></del>     |           |  |  |  |
| 7.   | The estimated formations are e      | -             | _                          |                    |               | other mineral   | bearing   |  |  |  |
|      | Water:                              | Oio A         | lamo -                     | 2284' -            | - 2349'       |                 |           |  |  |  |
|      | Oil:                                | <u> </u>      | non                        |                    |               | _               |           |  |  |  |
|      | Gas:                                | Fruitla       | and Coal -                 |                    | - 3504'       | _               |           |  |  |  |
|      | Gas & Water:                        |               | and Coal -                 |                    | - 3504'       | <del>-</del>    |           |  |  |  |
| 8.   | The proposed ca                     | asing progran | n is as follow             | vs:                |               |                 |           |  |  |  |
|      | Surface String:                     | 9-5/8", 36#   | t, J/K-55 @                | 200' *             |               | _               |           |  |  |  |
|      | Intermediate Str                    | _             |                            |                    |               |                 |           |  |  |  |
|      | Production Line                     | _             |                            |                    |               |                 |           |  |  |  |
|      |                                     |               |                            |                    |               |                 |           |  |  |  |
|      |                                     |               |                            | <u>minimum</u>     | of 200', but  | could be set of | deeper if |  |  |  |
|      | required to maintain hole stablity. |               |                            |                    |               |                 |           |  |  |  |