PO Box 1980, Hoobs, NM 88241-1980 District II 1000 Rio Brazos Rd., Azzec, NM 87410 District IV

February 25, 2001

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

PO Box 2088 Santa Fe, NM 87504-2088

Form C-101 Revised February 10, 1994 Instructions on back Submit to Appropriate District Office State Lease - 6 Copies

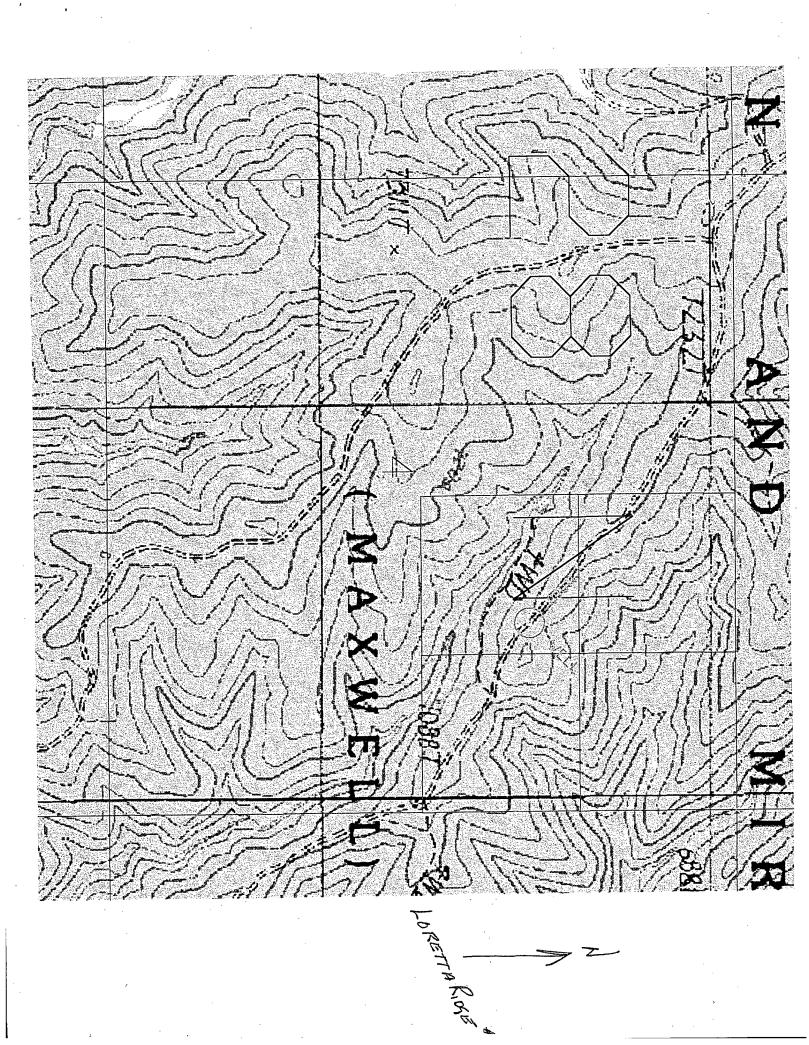
AMENDED REPORT

#### PO Drawer DD, Artesia, NM 88211-0719 OIL CONSERVATION DIVISION Fee Lease - 5 Copies PO Box 2088, Santa Fe, NM 87504-2088 APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE Operator Name and Address. OGRID Number PACIFIC WESTERN LAND COMPANY c/o Phelps Dodge Corporation Field Rep .: 2600 N. Central, Suite Il0 Phoenix AZ 85004 Don Riggs 30-007-20260 520-587-0966 Property Code 5 Property Name Well No. LORETTA RIDGE <sup>7</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 NORTH T28N R20E 1736.7 1582.0 EAST COLFAX G G <sup>8</sup> Proposed Bottom Hole Location If Different From Surface UL or lot no. Section Lot Idn Feet from the North/South line Feet from the County NA NA NA ΝÀ NA NA NA · NA NA NA Proposed Pool I 15 Proposed Pool 2 WILDCAT Work Type Code 12 Well Type Code 13 Cable/Rotary <sup>15</sup> Ground Level Elevation Lease Type Code G 7159.83 R " Contractor " Mulüple 17 Proposed Depth " Formation 28 Spud Date N VERMEJO 935 STEWART BROS. 3/5/2001-Proposed Casing and Cement Program Hole Size Casing Size Casing weight/foot Setting Depth Sacks of Cement Estimated TOC 12 1/4" 8 5/8" 20 300 60 SXS. CIRC. 7 7/8" 5 1/2" 14 935 135 SXS. CIRC. Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary. Pacific Western proposes to air drill below surface casing to 300 feet above total Pacific will then core the rest of the hole. If productive 5 1/2 casing If non-productive, the well will be plugged and abandoned in a manner consistent with the State of New Mexico Regulations. 23 I hereby certify that the information given above is true and complete to the best MON DIVISION of my knowledge and belief. Signature: Printed name: Chandley Title: Vice President Approval Date 02

Conditions of Approval:

Attached

602-234-4896



District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 South First, Artesia, NM 88210 District III

## State of New Mexico Energy, Minerals & Natural Resources

Revised March 17, 1994

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

Submit to Appropriate District Office State Lease - 4 Copies

Fee Lease - 3 Copies

Form C-102

1000 Rio Brazos Rd., Aztec, NM 87410 District IV AMENDED REPORT 2040 South Pacheco, Santa Fe, NM 87505 WELL LOCATION AND ACREAGE DEDICATION PLAT 3 Pool Name <sup>1</sup> API Number <sup>2</sup> Pool Code <sup>6</sup> Well Number <sup>4</sup> Property Code <sup>5</sup> Property Name LORETTA RIDGE Loretta Ridge #1 Elevation OGRID No. \*Operator Name
PACIFIC WESTERN LAND COMPANY 7159.8 10 Surface Location UL or lot no. Township Lot Idn Feet from the North/South line Feet from the East/West line County Range R 20 E 1736.7 1582.0 Colfax T 28 N East G G North 11 Bottom Hole Location If Different From Surface UL or lot no. Township Range Lot Idn Feet from the North/South line Feet from the East/West line Colfax 13 Joint or Infill 16 Order No. 12 Dedicated Acres <sup>14</sup> Consolidation Code 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 16 <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 15829 • 18SURVEYOR 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. February 8, 2001 Date of Survey Signature and Seal of Professional Surveyor

306 Airport Road
Post Office Box 2067
Milan, New Mexico 87021
Phone 505-287-2986
Fax 505-287-7660





From: David H. Stewart

david@stewartbrothers.com

To: John Worrall

Firm: Scott Exploration

Date: February 23, 2001

Fax: (505) 622-6671

Pages: 1 Including cover page

John,

## Equipment:

Drilling Rig: Failing CF 2500 equipped as follows:

- 54 foot 90,000 lb mast. (Our mast will handle Range 2 casing up to 46 feet in length)
- 18" Rotary Table
- Double drum draw-works with makeup and breakout catheads
- Two Gardner Denver 5" X 10" mud pumps mounted on the rig carrier
- 5 hydraulic leveling jacks
- Substructure (60" Drive on sub –two float loads)

## Drilling Tools:

- 3 1/2 inch drill pipe with 3 1/2 inch IF box to pin connections
- 61/4 inch drill collars total 200 feet with 41/2 inch X-Hole connections
- 8" drill collars for drilling and setting surface casing or drilling into abandon mines.
- Slips, elevators, and tongs for our drilling tools.
- Rotating Head and blooie-line.
- Double gate blowout preventer and hydraulic closing unit.

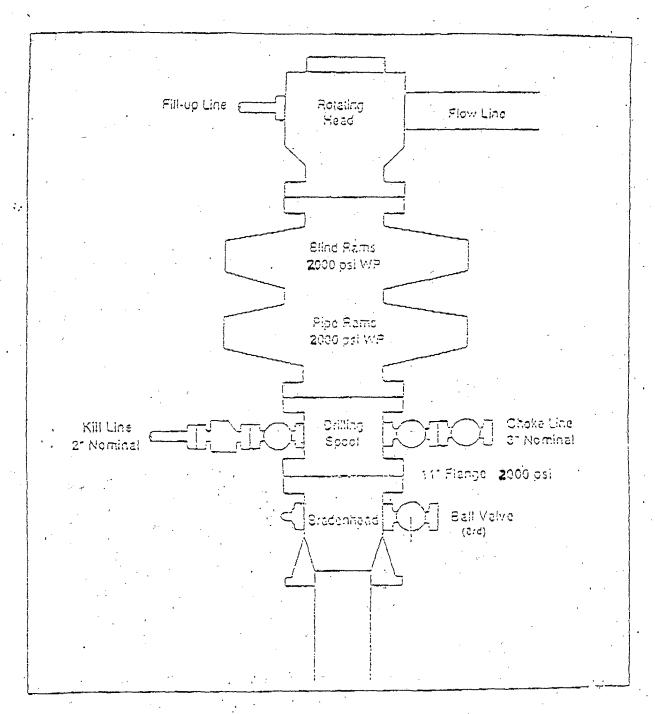
Pipe Trucks (for transportation of our drill-pipe and drill-collars)

Water Truck (we can supply more than one if needed) tandem-axle self-loading Air Compressor (900/350) we supply the fuel

Booster Compressor (our booster will boost the air pressure from the primary to 600 psi).

Doghouse (crew and tool quarters) Aluminum van mounted on single axle truck Crew and supply transportation via crew pickups.

Toolpusher pickup (equipped with welder and cutting torch)



All ram type preventers and related equipment will be hydraulically tested at nipple-up and after any use under pressure to 600 psi. The blind rams will be hydraulically activated and checked for operational readiness each time pipe is pulled out of the hole. All checks of the BOP stack and equipment will be noted on the daily drilling report. The BOP equipment will include a kelly cock, floor safety valve, and choke manifold all rated to 2000 psi.