

EC

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

## APPLICATION FOR PERMIT TO DRILL OR REENTER

|  |  |  |  |
|--|--|--|--|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER<br><b>SECRETARY'S POTASH</b>  |  | <b>CONFIDENTIAL</b>  |  |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone |  |  |  |
| 2. Name of Operator<br>FOREST OIL CORPORATION  |  | Contact: ANNA WALLS<br>E-Mail: AVWalls@forestoil.com   |  |
| 3a. Address<br>1600 BROADWAY SUITE 2200<br>DENVER, CO 80202  |  | 3b. Phone No. (include area code)<br>Ph: 303.812.1400<br>Fx: 303.812.1602  |  |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)<br>At surface SWNE 2180FNL 2180FEL<br>At proposed prod. zone  |  | 10. Field and Pool, or Exploratory<br>Livingston Ridge, Delaware, South<br>14. Sec., T., R., M., or Blk. and Survey or Area<br>Sec 1 T23S R31E Mer NMP<br>SME: BLM |  |
| 14. Distance in miles and direction from nearest town or post office*<br>30 MILES SOUTHEAST OF CARLSBAD, NEW MEXICO  |  | OCT 05 2004  |  |
| 15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)<br>2,180' - LEASE   |  | 16. No. of Acres in Lease<br>1280.00   |  |
| 18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.<br>1,100' - BARCLAY FEDERAL #21  |  | 19. Proposed Depth<br>8400 MD  |  |
| 21. Elevations (Show whether DF, KB, RT, GL, etc.)<br>3510 GL  |  | 22. Approximate date work will start<br>09/21/2004   |  |
|  |  | 23. Estimated duration<br>45-60 DAYS   |  |

## 24. Attachments

CARLSBAD CONTROLLED WATER BASIN

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

|  |  |                     |
|--|--|---------------------|
| 25. Signature<br>(Electronic Submission)           | Name (Printed/Typed)<br>KATHY L. SCHNEEBECK Ph: 303.820.4480 | Date<br>08/20/2004  |
| Title<br>AGENT                                     |  |                     |
| Approved by (Signature)<br>/s/ Linda S. C. Rundell | Name (Printed/Typed)<br>/s/ Linda S. C. Rundell              | Date<br>29 SEP 2004 |
| Title<br>STATE DIRECTOR                            |  |                     |
| Office<br>NM STATE OFFICE                          |  |                     |

Application approval does not warrant or certify 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.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, 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.

## Additional Operator Remarks (see next page)

Electronic Submission #34845 verified by the BLM Well Information System  
For FOREST OIL CORPORATION, sent to the Carlsbad  
Committed to AFMSS for processing by LINDA ASKWIG on 08/23/2004 (04LA0753AE)APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
AND SPECIAL STIPULATIONS  
ATTACHED

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

**Additional Operator Remarks:**

Please find attached in two Adobe files:

- 1) Cover Letter, New Mexico APD form, New Mexico Pit Permit Form, Drilling Program, Casing Design, BOP Diagram, Surface Use Plan, Table 1 Nearby Wells
- 2) Survey Plat, Offset Plat, Drill Pad Dimensions Plat, Location Verification Map, and Area Map.

Per BLM in Carlsbad, a Cultural Resources block study was conducted and no further arch work is required for this location.

Please send a copy of all correspondence to Banko Petroleum Management Inc. at 385 Inverness Parkway, Suite 420, Englewood, CO 80112-5849. Please contact David Banko or Kathy Schneebeck at 303-820-4480, or at [david@banko1.com](mailto:david@banko1.com) or [kathys@banko1.com](mailto:kathys@banko1.com), respectively, if you have any questions. Thank you.

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C-144  
June 1, 2004

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: Forest Oil Corporation Telephone: 303-812-1400 e-mail address: \_\_\_\_\_  
Address: 1600 Broadway, Suite 2200, Denver, CO 80202  
Facility or well name: Barclay Federal #29 API #: \_\_\_\_\_ U/L or Qtr/Qtr SWNE Sec 1 T 23S R 31E  
County: Eddy Latitude 32° 20' 04.57"N Longitude 103° 43' 46.29" W NAD: 1927 ☐ 1983 ☒ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

| Pit  | Below-grade tank  |             |
|--|---|-------------|
| Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/><br>Workover <input type="checkbox"/> Emergency <input type="checkbox"/><br>Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/><br>Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/><br>Pit Volume <u>±12,000</u> bbl | Volume: _____ bbl Type of fluid: _____<br>Construction material: _____<br>Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____ |             |
| Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)   | Less than 50 feet   | (20 points) |
|  | 50 feet or more, but less than 100 feet   | (10 points) |
|  | 100 feet or more  | (0 points)  |
| Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)  | Yes   | (20 points) |
|  | No  | (0 points)  |
| Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)  | Less than 200 feet  | (20 points) |
|  | 200 feet or more, but less than 1000 feet   | (10 points) |
|  | 1000 feet or more   | (0 points)  |
| Ranking Score (Total Points)   |   | 0 points    |

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility \_\_\_\_\_. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface \_\_\_\_\_ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

|                      |
|----------------------|
| Additional Comments: |
|                      |
|                      |
|                      |
|                      |
|                      |

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 09/08/04

Printed Name/Title Kathy L. Schneebeck Signature Kathy L. Schneebeck

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval: [Signature] Printed Name/Title \_\_\_\_\_ Signature [Signature] Date: SEP 14 2004

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III  
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV  
P.O. Box 2088, Santa Fe, N.M. 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

|                        |   |  |
|------------------------|---|--|
| API Number             | Pool Code<br>96149                      | Pool Name<br>Livingston Ridge (Delaware) |
| Property Code<br>20761 | Property Name<br>BARCLAY FEDERAL        | Well Number<br>29                        |
| OGRID No.<br>8041      | Operator Name<br>FOREST OIL CORPORATION | Elevation<br>3510'                       |

Surface Location

|               |         |          |       |         |               |                  |               |                |        |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| G             | 1       | 23-S     | 31-E  |         | 2180'         | NORTH            | 2180'         | EAST           | EDDY   |

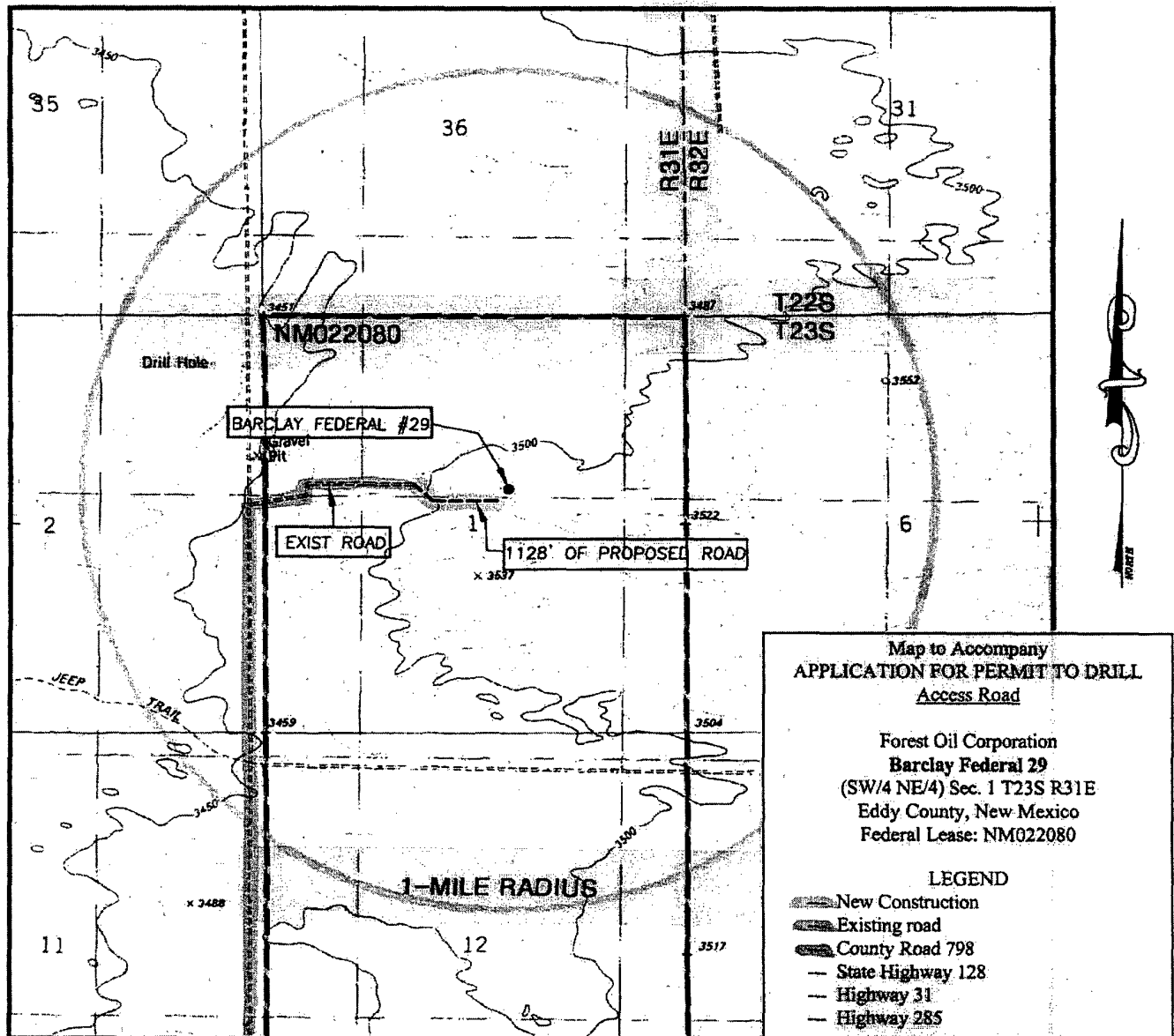
Bottom Hole Location If Different From Surface

|                       |                 |                    |           |         |               |                  |               |                |        |
|-----------------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot No.         | Section         | Township           | Range     | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|                       |                 |                    |           |         |               |                  |               |                |        |
| Dedicated Acres<br>40 | 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

|  |         |   |         |
|--|---------|---|---------|
| LOT 4  | LOT 3   | LOT 2   | LOT 1   |
| 40.00AC  | 40.00AC | 40.00AC   | 40.00AC |
| GEODETIC COORDINATES<br>NAD 27 NME<br><br>Y=485970.2 N<br>X=686495.6 E<br><br>LAT.=32°20'04.57" N<br>LONG.=103°43'46.29" W   |         | 2180'<br>3505.6'<br>3505.1'<br>600'<br>600'<br>3511.5'<br>3508.1' |         |
| <b>OPERATOR CERTIFICATION</b><br><br>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.<br><br><u>Kathy L. Schneebeck</u><br>Signature<br>Kathy L. Schneebeck<br>Printed Name<br>Agent for Forest Oil Corp.<br>Title<br>August 19, 2004<br>Date   |         |   |         |
| <b>SURVEYOR CERTIFICATION</b><br><br>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.<br><br>MAY 3, 2004<br>Date Surveyed<br>Signature & Seal of Professional Surveyor<br>GARY EIDSON<br>5/13/04<br>04-11-0493<br>Certificate No. GARY EIDSON 12841 |         |   |         |

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
BOOTLEG RIDGE, N.M. - 10'

SEC. 1 TWP. 23-S RGE. 31-E

SURVEY N.M.P.M.

COUNTY EDDY

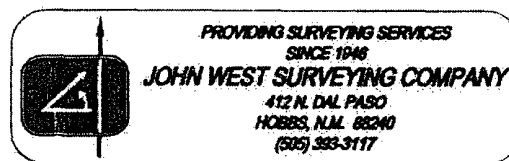
DESCRIPTION 2180' FNL & 2180' FEL

ELEVATION 3510'

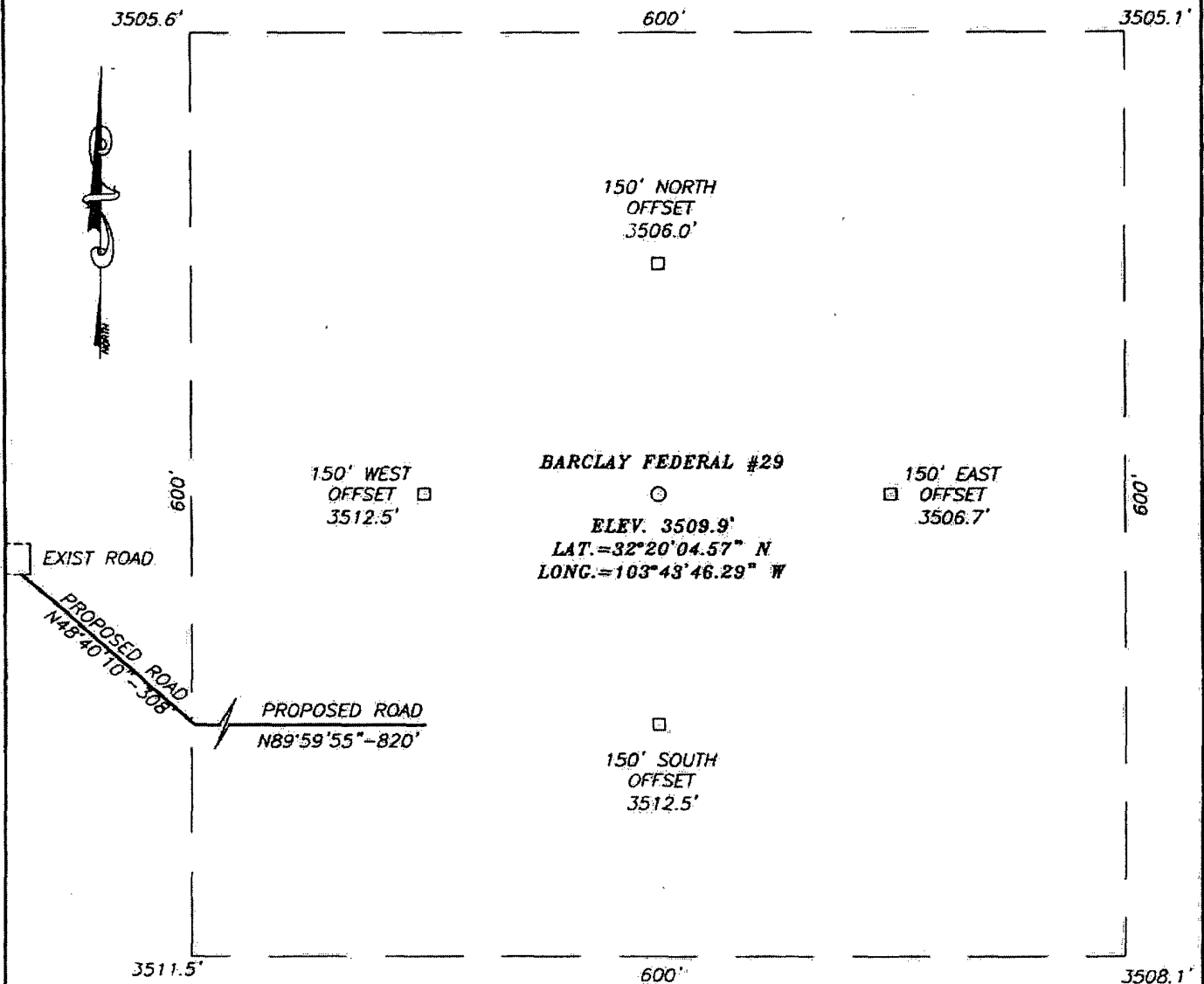
OPERATOR FOREST OIL CORPORATION

LEASE BARCLAY FEDERAL

U.S.G.S. TOPOGRAPHIC MAP  
BOOTLEG RIDGE, N.M.

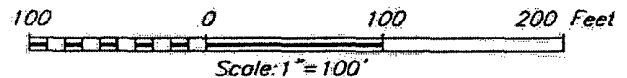


**SECTION 1, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.,**  
 EDDY COUNTY, NEW MEXICO



**DIRECTIONS TO LOCATION**

START AT RED ROAD (CO. RD. 798) AND MILLS RANCH ROAD. GO SOUTH ON C-789 1.5 MILES, TURN LEFT AND GO 0.4 MILES TO STAKED ROAD, FOLLOW STAKED ROAD 0.2 MILES TO LOCATION.



**FOREST OIL CORPORATION**

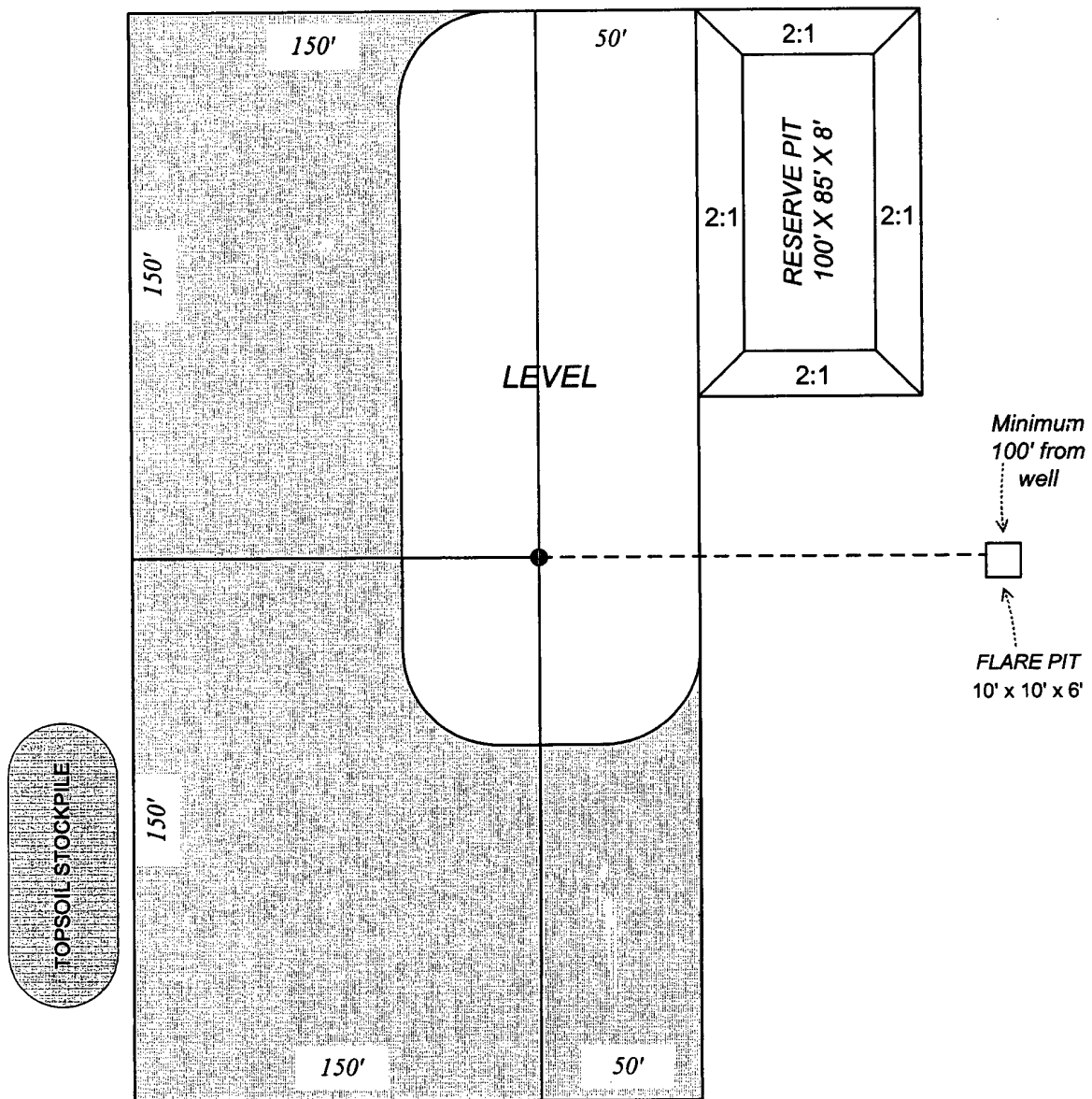
BARCLAY FEDERAL #29 WELL  
 LOCATED 2180 FEET FROM THE NORTH LINE  
 AND 2180 FEET FROM THE EAST LINE OF SECTION 1,  
 TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M.,  
 EDDY COUNTY, NEW MEXICO.

PROVIDING SURVEYING SERVICES  
 SINCE 1948  
**JOHN WEST SURVEYING COMPANY**  
 412 N. DAL PASO  
 HOBBS, N.M. 88240  
 (505) 383-3117

|                         |                     |
|-------------------------|---------------------|
| Survey Date: 05/03/04   | Sheet 1 of 1 Sheets |
| W.O. Number: 04.11.0493 | Dr By: J. RIVERO    |
| Date: 05/12/04          | Scale: 1"=100'      |

Forest Oil Corporation  
**Barclay Federal 29**  
2,180' FNL 2,180' FEL (SW/4 NE/4)  
Sec. 1 T23S R31E  
Eddy County, New Mexico  
Federal Lease: NM022080

## DRILL PAD DIMENSIONS



**BANKO  
PETROLEUM  
MANAGEMENT INC.**

**Via Electronic Submission #34845**

Ms. Leslie Theiss  
Bureau of Land Management  
Carlsbad Field Office  
Bureau of Land Management  
620 E. Greene Street  
Carlsbad, NM 88220

August 20, 2004

RE: Application for Permit to Drill - **CONFIDENTIAL**  
Forest Oil Corporation  
**Barclay Federal 29**  
2,180' FNL 2,180' FEL (SW/4 NE/4)  
Sec. 1 T23S R31E  
Eddy County, New Mexico  
Federal Lease: NM022080

Dear Ms. Theiss:

Enclosed please find originals of the Application for Permit to Drill (APD) for the above-referenced well filed on behalf of Forest Oil Corporation (Forest). Originals were submitted under separate cover to the State of New Mexico, Energy, Mineral & Natural Resources Department, Oil Conservation Division (NMOCD) in Artesia, New Mexico.

**Forest respectfully requests that all information regarding this well be kept confidential.**

An APD for the Barclay Federal 29 location was applied for by ARCO Permian and was cancelled on August 7, 2001. The original location was at 1,980' FNL 1,980' FEL (SW/4 NE/4) Sec. 1 T23S R31E. The well was given API #30-015-31095 by NMOCD. The well was never drilled. We understand that Forest has been declared the designated operator for this location.

An on-site meeting was held on June 17, 2004. Present were Barry Hunt (previously inspected 06/08/04) – Bureau of Land Management; Mike Cason and Brian Baiz – John West Surveying Company; Jerry Boswell, Roy Muniz – Forest Oil Corporation; Paul Carrasco – Key Energy (dirt contractor) and Dave Banko – Permit Agent, Banko Petroleum.

We are sending this APD electronically to your office via the Well Information System (WIS). This filing contains the following attachments: the drilling program, the surface use plan, the On-shore Order #2 casing



Ms. Leslie Theiss  
August 20, 2004  
Page 2

calculations, BOP diagram, the wells within a one-mile radius, survey plats, cross-sections, cut and fills, and area road/access maps.

Your early attention to this application is greatly appreciated. Thank you for your concern.

Very truly yours,

*/s/ Kathy L. Schneebeck*

Kathy L. Schneebeck  
Agent for Forest Oil Corporation

KLS:tpk

Enclosures

cc: State of New Mexico, Energy, Mineral & Natural Resources Department, Oil Conservation Division  
Forest Oil Corporation

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 13004

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 13004

Form C-101  
Revised March 17, 1999

Submit to appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

|   |   |                                   |
|---|---|-----------------------------------|
| <sup>1</sup> Operator Name and Address<br>Forest Oil Corporation<br>1670 Broadway, Suite 2800, Denver, CO 80202 |   | <sup>2</sup> OGRID Number<br>8041 |
|   |   | <sup>3</sup> API Number           |
| <sup>3</sup> Property Code<br>20761   | <sup>5</sup> Property Name<br>Barclay Federal | <sup>6</sup> Well No.<br>29       |

<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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| G             | 1       | 23-S     | 31-E  |         | 2,180'        | North            | 2,180'        | East           | Eddy   |

<sup>8</sup> Proposed 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>9</sup> Proposed Pool 1<br>Livingston Ridge South (Delaware) 96149 |         |          |       |         | <sup>10</sup> Proposed Pool 2 |                  |               |                |        |

|                                   |  |                                     |                                    |   |
|-----------------------------------|--|-------------------------------------|------------------------------------|---|
| <sup>11</sup> Work Type Code<br>N | <sup>12</sup> Well Type Code<br>O      | <sup>13</sup> Cable/Rotary<br>R     | <sup>14</sup> Lease Type Code<br>S | <sup>15</sup> Ground Level Elevation<br>3,510' GR |
| <sup>16</sup> Multiple<br>No      | <sup>17</sup> Proposed Depth<br>8,400' | <sup>18</sup> Formation<br>Delaware | <sup>19</sup> Contractor           | <sup>20</sup> Spud Date<br>September 21, 2004     |

<sup>21</sup> Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement                            | Estimated TOC |
|-----------|-------------|--------------------|---------------|--|---------------|
| 17-1/2"   | 13-3/8"     | K-55 54.5# Butt    | 900'          | ±470 sxs 35:65 "C"<br>±200 sxs Class "C"   | Surface       |
| 12-1/4"   | 8-5/8"      | K-55 24# LT&C      | 4,500'        | ±1,040 sxs 50:50 Poz<br>±200 sxs Class "C" | Surface       |
| 7-7/8"    | 5-1/2"      | N-80 17# LT&C      | 8,400'        | ±240 sxs 35:65<br>±375 sxs Class "H"       | Surface       |

<sup>22</sup> 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.

See attached drilling program and surface use plan

**FOREST RESPECTFULLY REQUESTS THAT ALL INFORMATION REGARDING THIS WELL BE KEPT CONFIDENTIAL.**

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Kathy L. Schneebeck*

Printed name: Kathy L. Schneebeck

Title: Agent for Forest Oil Corporation

Date: August 20, 2004

Phone: 303-820-4480

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-144  
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

|  |  |             |
|--|--|-------------|
| Operator: <u>Forest Oil Corporation</u> Telephone: <u>303-812-1400</u> e-mail address: _____   |  |             |
| Address: <u>1600 Broadway, Suite 2200, Denver, CO 80202</u>  |  |             |
| Facility or well name: <u>Barclay Federal #29</u> API #: _____ U/L or Qtr/Qtr: <u>SWNE</u> Sec <u>1</u> T <u>23S</u> R <u>31E</u>  |  |             |
| County: <u>Eddy</u> Latitude <u>32° 20' 04.57"N</u> Longitude <u>103° 43' 46.29" W</u> NAD: 1927 <input type="checkbox"/> 1983 <input checked="" type="checkbox"/> Surface Owner Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>   |  |             |
| <b>Pit</b><br>Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/><br>Workover <input type="checkbox"/> Emergency <input type="checkbox"/><br>Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/><br>Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>&lt;12</u> mil Clay <input type="checkbox"/><br>Pit Volume <u>±12,000</u> bbl | <b>Below-grade tank</b><br>Volume: _____ bbl Type of fluid: _____<br>Construction material: _____<br>Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____ |             |
| Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)   | Less than 50 feet  | (20 points) |
|  | 50 feet or more, but less than 100 feet  | (10 points) |
|  | <u>100 feet or more</u>  | ( 0 points) |
| Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)  | Yes  | (20 points) |
|  | <u>No</u>  | ( 0 points) |
| Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)  | Less than 200 feet   | (20 points) |
|  | 200 feet or more, but less than 1000 feet  | (10 points) |
|  | <u>1000 feet or more</u>   | ( 0 points) |
| Ranking Score (Total Points)   |  | 0 points    |

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility: \_\_\_\_\_. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface \_\_\_\_\_ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 08/20/04

Printed Name/Title Kathy L. Schneebeck

Signature Kathy L. Schneebeck

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Printed Name/Title \_\_\_\_\_

Signature \_\_\_\_\_

Date: \_\_\_\_\_

Forest Oil Corporation  
**Barclay Federal 29**  
2,180' FNL 2,180' FEL (SW/4 NE/4)  
Sec. 1 T23S R31E  
Eddy County, New Mexico  
Federal Lease: NM022080

**CONFIDENTIAL**

**DRILLING PROGRAM**

This Application for Permit to Drill (APD) is filed under the Notice of Staking (NOS) process as stated in Onshore Order No. 1 and supporting Bureau of Land Management (BLM) documents. This NOS process included on-site meetings on June 17, 2004, prior to the submittal of the application, at which time the specific concerns of Forest Oil Corporation (Forest) and the BLM were discussed. All specific concerns of the BLM representatives are addressed herein, as are specific stipulations from the BLM.

**FOREST RESPECTFULLY REQUESTS THAT ALL INFORMATION REGARDING THIS WELL BE KEPT CONFIDENTIAL.**

SURFACE FORMATION – Rustler

GROUND ELEVATION – 3,510'

ESTIMATED FORMATION TOPS - (Water, oil, gas and/or other mineral-bearing formations)

|                             |        |                                |
|-----------------------------|--------|--------------------------------|
| Rustler                     | 764'   | Sandstone, shales & siltstones |
| Castile Anhydrite/Salt      | 1,189' | Sandstone, shales & siltstones |
| Delaware – Lamar Sh         | 4,529' | Shales & siltstones            |
| Delaware – Bell Canyon      | 4,559' | Sandstone, shales & siltstones |
| Delaware – Cherry Canyon    | 5,434' | Sandstone, shales & siltstones |
| Delaware – Brushy Canyon    | 7,054' | Sandstone, shales & siltstones |
| Delaware – L. Brushy Canyon | 8,154' | Sandstone, shales & siltstones |

TOTAL DEPTH 8,400'

CASING PROGRAM

| Depth       | Hole Diameter | Casing Diameter | Casing Weight and Grade | Cement  |
|-------------|---------------|-----------------|-------------------------|---|
| 0' – 900'   | 17-1/2"       | 13-3/8"         | K-55 54.5# Butt         | To surface (Lead: ±470 sxs 35:65 Class "C" Tail: ±200 sxs Class "C" with additives) |
| 0' – 4,500' | 12-1/4"       | 8-5/8"          | K-55 24# ST&C New       | To surface (Lead: ±1,040 sxs 50:50 Poz; Tail: ±200 sxs Class C with additives) **   |
| 0' – 8,400' | 7-7/8"        | 5-1/2"          | N-80 17# LT&C New       | To surface (±240 sxs 35:65 Class "C"; Tail: ±375 sxs Class "H" with additives) **   |

WITNESS

WITNESS

- \* Surface casing cement volume to be based on 100% excess calculations.
- \*\* Production casing cement volumes will be determined by caliper log plus 20% excess calculations.
  - Yields Surface:      Lead: 35:65 Class "C" yield = 1.89 ft<sup>3</sup>/sx  
                                  Tail: Class "C" yield = 1.34 ft<sup>3</sup>/sx
  - Intermediate: Lead: 50:50 yield = 2.45 ft<sup>3</sup>/sx  
                                  Tail: Class "C" yield = 1.34 ft<sup>3</sup>/sx
  - Production:      Lead: 35:65 Class "C" yield = 1.92 ft<sup>3</sup>/sx  
                                  Tail: Class "H" = 1.79 ft<sup>3</sup>/sx

Surface casing top 100' will use 1" tubing, with Class "G" cement with 3% CaCl<sub>2</sub> prior to nipping up BOP.

Production casing will be cemented from total depth back to surface.

#### PRESSURE CONTROL

- See attached blowout preventer diagram.
- BOP's and choke manifold will be installed and pressure tested before drilling out of surface casing (subsequent pressure test will be performed whenever pressure seals are broken), and then will be checked daily as to mechanical operating condition. BOP's will be pressure tested at least once every 30 days. Ram type preventers and related pressure control equipment will be pressure tested to related working pressure of the stack assembly if a test plug is used. If a plug is not used, the stack assembly will be tested to the rated working pressure of the stack assembly or 70% of the minimum internal yield of the casing, whichever is less. Annular type preventers will be pressure tested to 50% of their working pressure. All casing strings will be pressure tested to 0.22 psi/ft or 1,500 psi, whichever is greater, not to exceed 70% of the internal yield. The casing shoe will be tested by drilling 5-20' out from under the shoe and pressure tested to a maximum expected mud weight equivalent as shown in the mud program listed below.

A manual locking device (i.e. hand wheels) or automatic locking devices shall be installed on the BOP stack. Remote controls capable of both opening and closing all preventers shall be readily accessible to the driller.

The choke manifold and accumulator will meet or exceed NMOCD standards. The BOP equipment will be tested after any repairs to the equipment. Pipe rams, blind rams and annular preventor will be activated on each trip and weekly BOP drills will be conducted with each crew. All tests, maintenance, and BOP drills will be documented on rig "tower sheets".

#### Statement of Accumulator System and Location of Hydraulic Controls

*The drilling rig has not been selected for this well. Selection will take place after approval of this application is granted. Manual and/or hydraulic controls will be in compliance with NMOCD for 5,000 psi system.*

*A remote accumulator will be used. Pressures, capacities, location of remote hydraulic and manual controls will be identified at the time of the NMOCD supervised BOP test.*

#### MUD PROGRAM

|               |                       |
|---------------|-----------------------|
| 0' - 900'     | Fresh water w/ sweeps |
|               | MW: 8.5 ppg           |
| 900' - 4,500' | Brine                 |
|               | MW: 10 ppg            |

4,500' - TD      Fresh water polymer  
MW: 8.6 ppg – 9.0 ppg  
Visc: 35 sec  
WL: 20 cc or less

Sufficient mud materials to maintain mud properties, control lost circulation and to contain a “kick” will be available on location.

AUXILIARY EQUIPMENT

- A. Upper Kelly cock; lower Kelly cock will be installed while drilling.
- B. Inside BOP or stabbing valve with handle (available on rig floor).
- C. Safety valve(s) and subs to fit all string connections in use
- D. Electronic/mechanical mud monitoring will utilize a Pason Unit with a minimum: pit volume totalizer (PVT); stroke counter; flow sensor.

LOGGING, CORING TESTING PROGRAM

- A. Logging:      DIL-GR-SP-CAL: TD – 4,400'  
                     ND-GR-CAL: TD – 4,400'
- B. Coring:      None planned
- C. Testing:      No DST's are anticipated – Drill Stem tests may be run on shows of interest.

ABNORMAL CONDITIONS

- A. Pressures:      No abnormal conditions are anticipated  
                     Delaware pressure gradient – 0.43 psi/ft
- B. Temperatures: No abnormal conditions are anticipated
- C. H<sub>2</sub>S:      None Anticipated.
- D. Estimated bottom hole pressure: 3,612 psi at TD

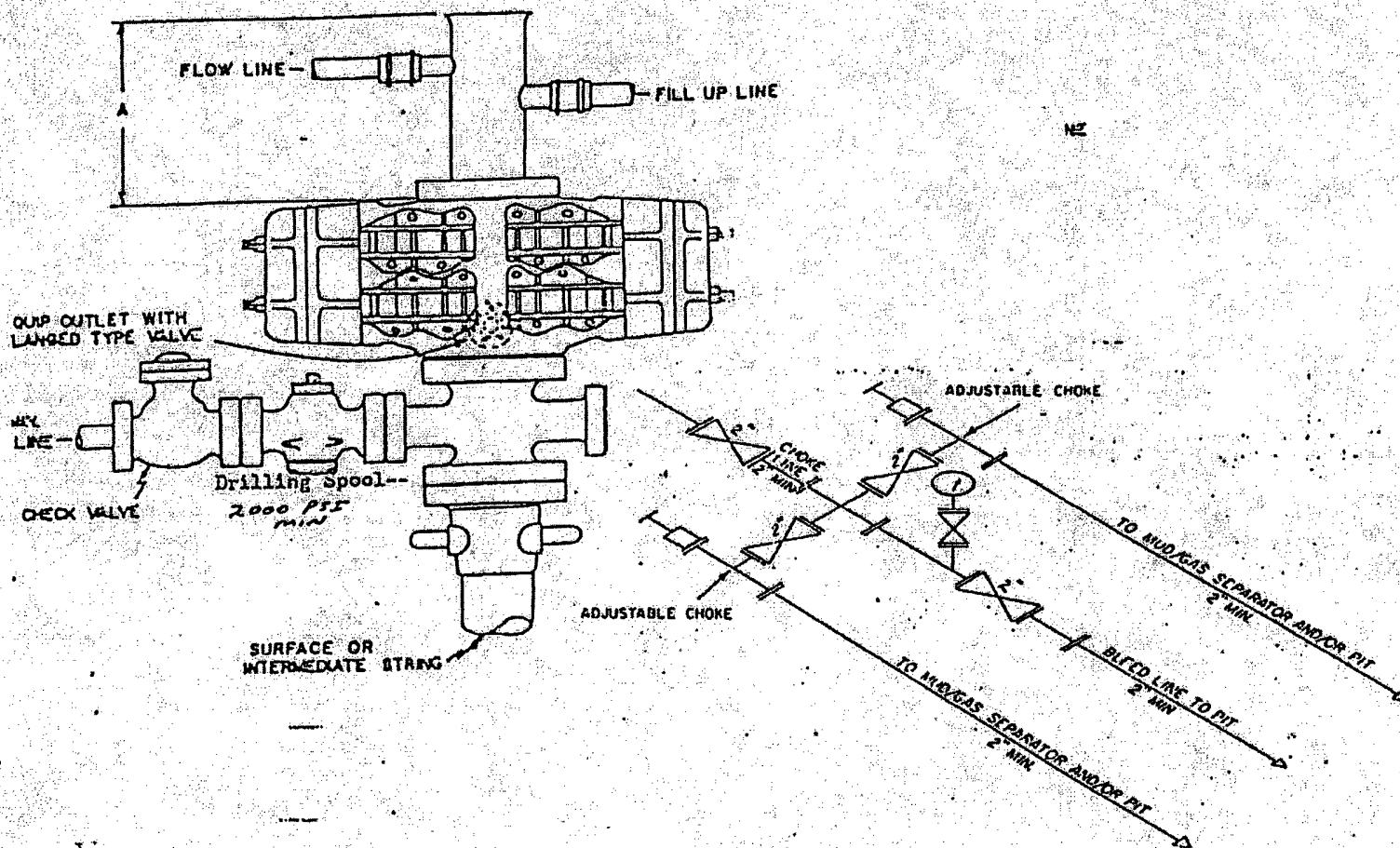
ANTICIPATED START DATE

September 21, 2004

COMPLETION

The location pad will be sufficient size to accommodate all completion equipment activities and equipment. A string of 2 3/8", 4.7#, N-80, EUE 8rnd will be run as production tubing. A Sundry Notice will be submitted with a revised completion program if warranted.

ANNULAR PREVENTOR MAY BE SUBSTITUTED FOR DOUBLE GATE PREVENTORS  
 ROTATING HEAD TO BE USED WHEN AIR/AIR MIST DRILLING



2M CHOKES MANIFOLD EQUIPMENT — CONFIGURATION MAY VARY

BLOWOUT PREVENTER

9-10 Inch 2000 psi MINIMUM

12) LESSEE'S OR OPERATOR'S REPRESENTATIVE:

Operator

Forest Oil Corporation  
1670 Broadway, Suite 2800  
Denver, CO 80202

Agent

Banko Petroleum Management, Inc.  
385 Inverness Parkway, Suite 420  
Englewood, CO 80112-5849  
(303) 820-4480

Ms. Anna Walls - Regulatory Specialist  
Western Division

Main Phone 303-812-1400  
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+ David Banko - Consulting Petroleum Engineer  
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Keith Dana - Range Mgmt. Consultant  
(307) 362-5822 - home  
(307) 389-8227 - mobile  
*krlcdana@fascination.com*

+ Contact for any questions or comments regarding this permit.

13) CERTIFICATION:

Forest Oil Corporation is responsible under the terms and conditions of the lease to conduct lease operations in conjunction with the application. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Forest Oil Corporation under their nationwide bond, BLM Bond #WIB00101.

I hereby certify that I, or persons under my direct supervision, have inspected the drill site and access road; that I am familiar with the conditions which presently exist; that the statements made in this plan area, to the best of my knowledge, are true and correct; and that the work associated with the operations proposed herein will be performed by Forest Oil Corporation and its contractors and sub-contractors in conformity with this plan and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

August 20, 2004

*Kathy L. Schneebeck*  
Kathy L. Schneebeck  
Agent for Forest Oil Corporation

Electronic Submission #34845



Nearby Wells

**TABLE 1**  
**Barclay Federal 29**  
**SWNE SEC. 1 T23S R31E**  
**Eddy County, New Mexico**

| API          | WELL NAME            | NS<br>FTG | EW<br>FTG | OGRID<br>CDE | OPERATOR                 | PROPE<br>RTY | WELL<br>TYPE | PLUG<br>DATE | ELEV | TVD<br>DEPTH | POOL<br>ID | 2003 PRODUCING POOL       | FORMATION AND NOTES         | CNTY | STATUS    | Sec. | T   | R   | UL |
|--------------|----------------------|-----------|-----------|--------------|--------------------------|--------------|--------------|--------------|------|--------------|------------|---------------------------|-----------------------------|------|-----------|------|-----|-----|----|
| 30-015-26171 | MEDANO STATE #001    | 1980S     | 1980W     | 8041         | FOREST OIL CORP          | 32709        | S            | 9999-12-31   | 4366 | 15120        | 96100      | SWD,DELAWARE              |                             | EDDY | ACTIVE    | 36   | 22S | 31E | K  |
| 30-015-29525 | MEDANO STATE #002    | 660S      | 1980W     | 8041         | FOREST OIL CORP          | 32709        | O            | 9999-12-31   | 3460 | 8355         | 39360      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 36   | 22S | 31E | N  |
| 30-015-24954 | BARCLAY FEDERAL #001 | 660S      | 1980W     | 8041         | FOREST OIL CORP          | 32710        | G            | 9999-12-31   | 3495 | 11549        | 0          |                           |                             | EDDY | T/A       | 1    | 23S | 31E | N  |
| 30-015-27998 | UNION FEDERAL #001   | 1980S     | 660W      | 16668        | OWENS PET INC            | 15171        | O            | 1995-06-09   | 3477 | 8450         | 0          |                           | DELAWARE                    | EDDY | ZONE ABAN | 1    | 23S | 31E | L  |
| 30-015-28119 | UNION FEDERAL #002   | 1910N     | 660W      | 16668        | OWENS PET INC            | 15171        | O            | 1995-06-08   | 3462 | 9999         | 0          |                           | DELAWARE                    | EDDY | ZONE ABAN | 1    | 23S | 31E | E  |
| 30-015-29787 | BARCLAY FEDERAL #009 | 660S      | 1980E     | 8041         | FOREST OIL CORP          | 32710        | O            | 9999-12-31   | 3506 | 8390         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 1    | 23S | 31E | O  |
| 30-015-30065 | BARCLAY FEDERAL #014 | 1980N     | 660W      | 8041         | FOREST OIL CORP          | 32710        | O            | 9999-12-31   | 3505 | 8450         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 1    | 23S | 31E | E  |
| 30-015-30066 | BARCLAY FEDERAL #015 | 660S      | 660W      | 8041         | FOREST OIL CORP          | 32710        | O            | 9999-12-31   | 3505 | 8450         | 0          |                           | DELAWARE                    | EDDY | ACTIVE    | 1    | 23S | 31E | M  |
| 30-015-30239 | BARCLAY FEDERAL #010 | 1980S     | 1980W     | 8041         | FOREST OIL CORP          | 32710        | O            | 9999-12-31   | 3520 | 8450         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 1    | 23S | 31E | K  |
| 30-015-30763 | BARCLAY FEDERAL #024 | 660N      | 1980W     | 778          | BP AMERICA PRODUCTION CO | 29381        | O            | 9999-12-31   | 3496 | 0            | 0          |                           | DELAWARE                    | EDDY | NO COMPL  | 1    | 23S | 31E | 3  |
| 30-015-30766 | BARCLAY FEDERAL #021 | 1980N     | 1980W     | 8041         | FOREST OIL CORP          | 32710        | O            | 9999-12-31   | 3496 | 8480         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 1    | 23S | 31E | F  |
| 30-015-30820 | BARCLAY FEDERAL #018 | 1800S     | 1720E     | 8041         | FOREST OIL CORP          | 32710        | O            | 9999-12-31   | 3517 | 8472         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 1    | 23S | 31E | J  |
| 30-015-30821 | BARCLAY FEDERAL #020 | 660S      | 660E      | 8041         | FOREST OIL CORP          | 32710        | O            | 9999-12-31   | 3506 | 8490         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 1    | 23S | 31E | P  |
| 30-015-30883 | BARCLAY FEDERAL #027 | 1980S     | 660E      | 8041         | FOREST OIL CORP          | 32710        | O            | 9999-12-31   | 3524 | 8480         | 96149      | LIVINGSTON RIDGE,DELAWARE | S LIVINGSTON RIDGE DELAWARE | EDDY | ACTIVE    | 1    | 23S | 31E | I  |
| 30-015-05840 | STATE AA-2 #001      | 660N      | 660E      | 8041         | FOREST OIL CORP          | 32712        | S            | 9999-12-31   | 3442 | 5800         | 96100      | SWD,DELAWARE              | DELAWARE                    | EDDY | ACTIVE    | 2    | 23S | 31E | 1  |
| 30-015-24112 | PRE-ONGARD WELL #001 | 1980S     | 1980E     | 214263       | PRE-ONGARD WELL OPERATOR | 30041        | O            | 1800-01-01   | 0    | 0            | 0          |                           | THE SUPERIOR OIL CO/DUNES   | EDDY | NO COMPL  | 2    | 23S | 31E | J  |
| 30-015-25534 | BARCLAY STATE #001   | 1980S     | 660E      | 8041         | FOREST OIL CORP          | 32711        | G            | 9999-12-31   | 3459 | 15136        | 0          |                           |                             | EDDY | ACTIVE    | 2    | 23S | 31E | I  |
| 30-015-29527 | BARCLAY STATE #003   | 1980N     | 660E      | 8041         | FOREST OIL CORP          | 32711        | O            | 9999-12-31   | 3444 | 8450         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 2    | 23S | 31E | H  |
| 30-015-29590 | BARCLAY STATE #002   | 1980S     | 1980E     | 8041         | FOREST OIL CORP          | 32711        | O            | 9999-12-31   | 3436 | 8470         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 2    | 23S | 31E | J  |
| 30-015-29926 | BARCLAY STATE #008   | 990N      | 470E      | 8041         | FOREST OIL CORP          | 32711        | O            | 9999-12-31   | 3447 | 8400         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 2    | 23S | 31E | 1  |
| 30-015-30809 | BARCLAY STATE #007   | 660S      | 660E      | 8041         | FOREST OIL CORP          | 32711        | O            | 9999-12-31   | 3454 | 8482         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 2    | 23S | 31E | P  |
| 30-015-30810 | BARCLAY STATE #009   | 660N      | 1980E     | 8041         | FOREST OIL CORP          | 32711        | O            | 9999-12-31   | 3439 | 8600         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 2    | 23S | 31E | 2  |
| 30-015-29685 | BARCLAY FEDERAL #005 | 1980N     | 1980E     | 8041         | FOREST OIL CORP          | 32710        | O            | 9999-12-31   | 3487 | 8450         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 12   | 23S | 31E | G  |
| 30-015-29828 | BARCLAY FEDERAL #012 | 660N      | 2055W     | 8041         | FOREST OIL CORP          | 32710        | O            | 9999-12-31   | 3473 | 8450         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 12   | 23S | 31E | C  |
| 30-015-30063 | BARCLAY FEDERAL #011 | 760N      | 660E      | 8041         | FOREST OIL CORP          | 32710        | O            | 9999-12-31   | 3499 | 8450         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 12   | 23S | 31E | A  |
| 30-015-30090 | BARCLAY FEDERAL #013 | 1980N     | 760E      | 8041         | FOREST OIL CORP          | 32710        | O            | 9999-12-31   | 3507 | 8450         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 12   | 23S | 31E | H  |
| 30-015-30284 | BARCLAY FEDERAL #019 | 700N      | 2100E     | 8041         | FOREST OIL CORP          | 32710        | O            | 9999-12-31   | 3517 | 8450         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 12   | 23S | 31E | B  |
| 30-015-30597 | BARCLAY FEDERAL #025 | 660N      | 660W      | 8041         | FOREST OIL CORP          | 32710        | O            | 9999-12-31   | 3463 | 8377         | 96149      | LIVINGSTON RIDGE,DELAWARE | DELAWARE                    | EDDY | ACTIVE    | 12   | 23S | 31E | D  |