Bureau of Land Management Application for Permit to Drill Worksheet Revolver 7 Federal Com, Well No. 1 Eddy County, New Mexico

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2. DEPTH OF ANTICIPATED WATER, OIL, GAS, ETC.

All fresh water and prospectively valuable minerals (as described by Bureau of Land Management) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be evaluated to determine commercial potential.

The primary objective is the Morrow formation(s) estimated to be at 10,485' MD. The secondary objective is the Atoka formation(s) estimated to be at 10,070' MD.

3. PRESSURE CONTROL PROGRAM

A double gate hydraulic BOP, 13-5/8", 5000 psi WP with pipe rams and blind rams will be installed on the 8-5/8" casinghead. The BOP stack will be tested to 2000 psi prior to drilling below surface casing and as follows. Operational checks will be made daily or on trips.

<u>CASING STRING</u> SURFACE	<u>REQUIREMENTS</u> 1 ANNULAR 1 BLIND RAM 1 PIPE RAM	<u>TEST PRESSURE, psi</u> 250/1000 250/2000 250/2000
INTERMEDIATE & PRODUCTION	1 ANNULAR 1 BLIND RAM 1 PIPE RAM	250/3500 250/5000 250/5000
DOD TROTING WILL DE DONE EVERY 14 DAVS		

BOP TESTING WILL BE DONE EVERY 14 DAYS.

SCHEMATIC ATTACHED AS EXHIBIT "A"

The BOP system will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventor controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The following is a list of Auxiliary Equipment:

- 1. Upper Kelly Valve
- 2. Lower Kelly Valve
- 3. Drill Pipe Inside BOP