

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

2005 MAR 15 PM 3:35

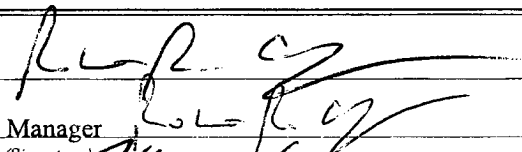
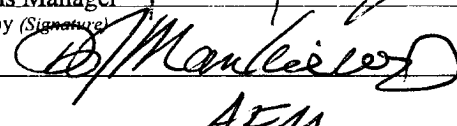
RECEIVED

010 FARMINGTON NM

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF-080000-A	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name n/a	
2. Name of Operator D.J. Simmons, Inc.		7. If Unit or CA Agreement, Name and No.	
3a. Address 1009 Ridgeway Place, Suite 200, Farmington N.M. 87401		8. Lease Name and Well No. Simmons 2R	
3b. Phone No. (include area code) (505) 326-3753		9. API Well No. 30-048-32970	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1871' FNL x 604' FEL At proposed prod. zone same		10. Field and Pool, or Exploratory Fruitland Coal / Blanco PC	
14. Distance in miles and direction from nearest town or post office* 5 miles southeast of Blanco, NM		11. Sec., T., R., M., or 131k. and Survey or Area Section 26, T29N, R9W	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 604'	16. No. of Acres in lease 516.02	17. Spacing Unit dedicated to this well 146.13 Blanco P.C. 400, Fruitland Coal 329	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 905.7'	19. Proposed Depth 2446'	20. BLJIA/BIA Bond No. on file L/C No. BOK04SDF01984 Bank of Oklahoma	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5873' GL	22. Approximate date work will start* 04/01/05	23. Estimated duration 20 days	
24. Attachments drilling plan			

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 	Name (Printed/Typed) Robert R. Griffie	Date 03/14/05
Title Operations Manager		
Approved by (Signature) 	Name (Printed/Typed) AFM	Date 3-24-05
Title AFM	Office FFO	

Application approval does not warrant or certify the 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 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.

\*(Instructions on reverse)

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS".

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

NMCCD

HOLD C104 FOR NSL  
change of status to  
simmons # 2  
change of status to  
ATB Garrett # 8

DISTRICT I  
P.O. Box 1980, Hobbs, N.M. 88241-1980

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

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-32970	<sup>2</sup> Pool Code 71629/72359	<sup>3</sup> Pool Name BASIN FRUITLAND COAL/BLANCO PICTURE CLIFFS
<sup>4</sup> Property Code 10171	<sup>5</sup> Property Name SIMMONS <del>PL</del>	<sup>6</sup> Well Number 2R
<sup>7</sup> OGRID No. 005578	<sup>8</sup> Operator Name D J SIMMONS	<sup>9</sup> Elevation 5872.68

<sup>10</sup> Surface Location

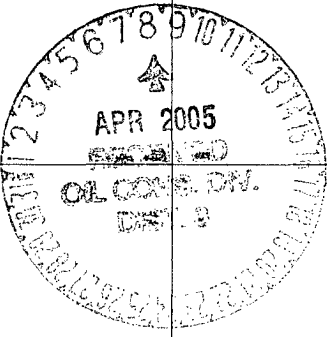
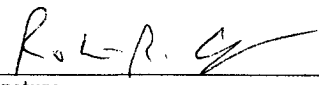
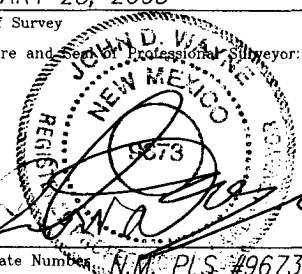
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	26	29N	9W		1871.38	NORTH	604.07	EAST	SAN JUAN

<sup>11</sup> Bottom Hole Location If Different From Surface

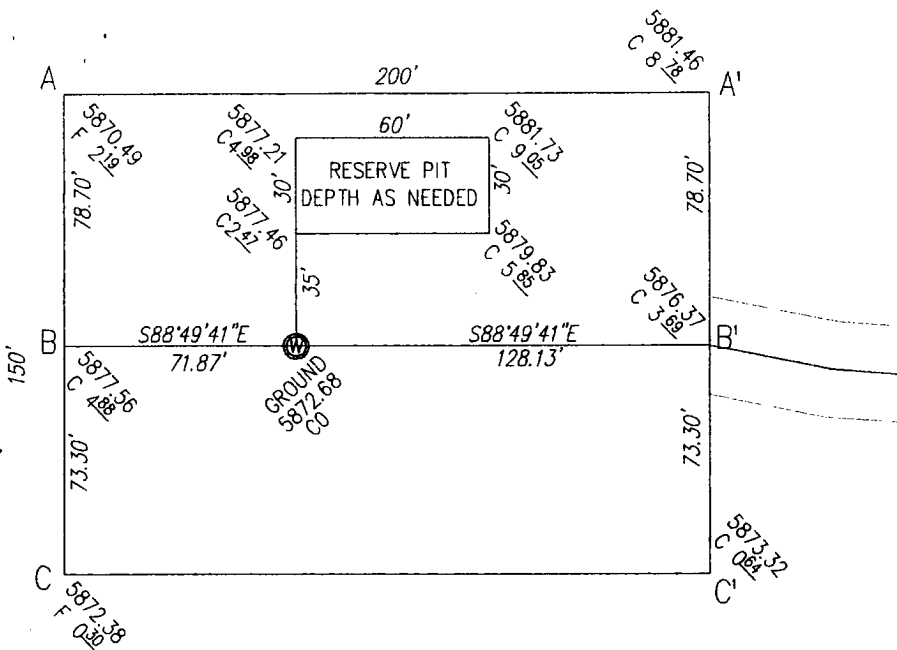
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres FC 297.31E PL 146.13	<sup>13</sup> Joint or Infill I	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

<div>16</div> <div></div> <div>SECTION 26</div>	<div>71629</div> <div>72359</div> <div>1871.38'</div> <div>604.07'</div>	<div>17 OPERATOR CERTIFICATION</div> <div>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</div> <div></div> <div>Signature Robert R. Griffiee</div> <div>Printed Name Operations Manager</div> <div>Title March 14, 2005</div> <div>Date</div>
		<div>18 SURVEYOR CERTIFICATION</div> <div>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.</div> <div>JANUARY 25, 2005</div> <div>Date of Survey</div> <div>Signature and Seal of Professional Surveyor: </div> <div>Certificate Number N.M. PLS #9673</div>

SCALE: 1" = 60'



D.J. SIMMONS, INC.  
OPERATOR

Simmons-P.C. 2R  
WELL NAME and NUMBER

1871.38' F/NL 604.07' F/EL  
FOOTAGES

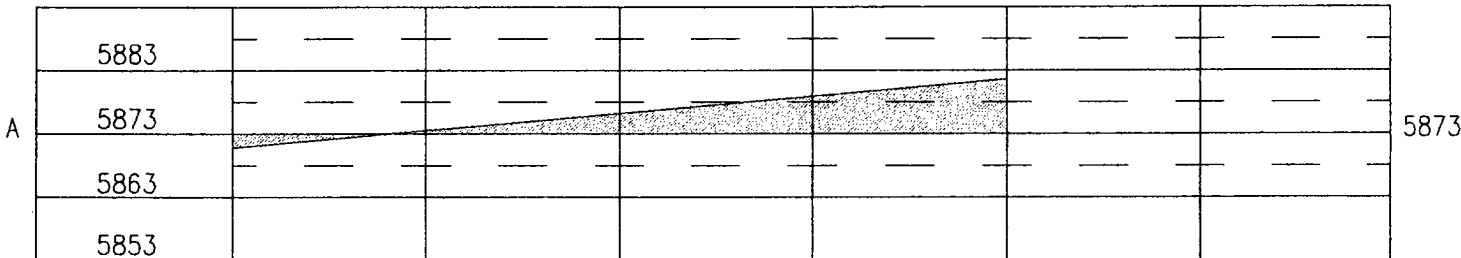
26 29N 9W  
SEC. TWP. RGE.

San Juan, New Mexico  
COUNTY STATE

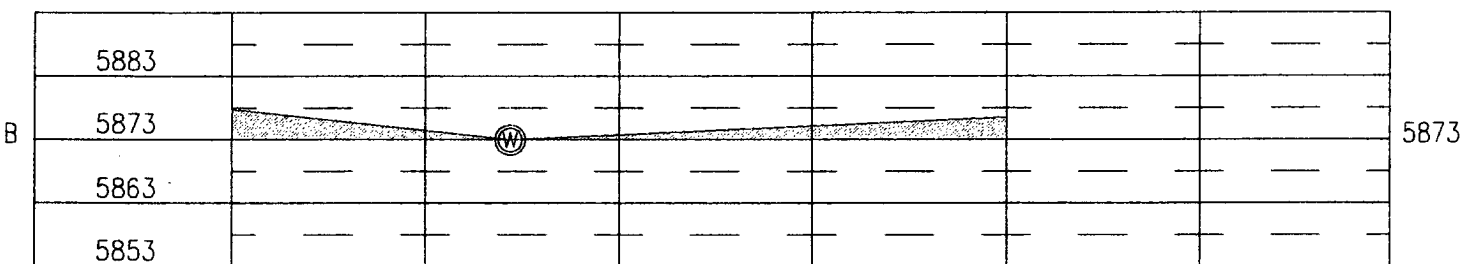
January 25, 2005  
DATE

SCALE  
Horiz. 1" = 50'  
Vert. 1" = 30'

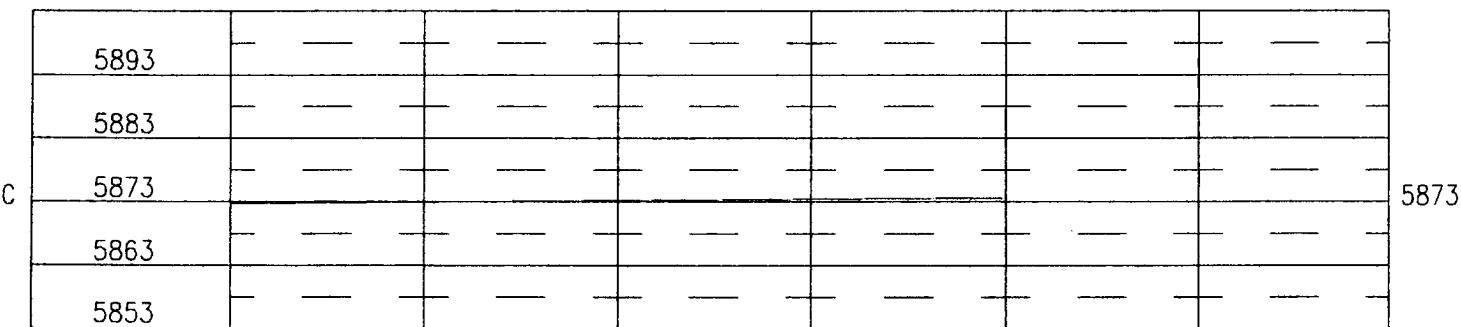
A - A'

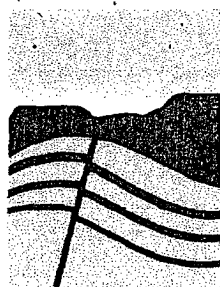


B - B'



C - C'



**DJ SIMMONS, INC.**

1009 Ridgeway Place  
Suite 200  
Farmington,  
New Mexico 87401

505-326-3753  
505-327-4659 FAX  
info@djssimmonsinc.com  
www.djssimmonsinc.com

**Drilling Plan**

**Well Name:** Simmons 2R  
**Operator:** D.J. Simmons, Inc.  
**Location:** 1871' FNL. x 604' FEI., Section 26, T29N, R9W  
San Juan County, NM  
**Formation:** Pictured Cliffs / Fruitland Coal  
**Elevation:** 5873' GL

**Geology:**

Formation	Top	Probable Content
Nacimiento	Surface	
Ojo Alamo	1300'	salt water
Kirtland	1430'	gas/water
Fruitland	2088'	gas
Pictured Cliffs	2350'	gas
TD	2446'	

**Logging Program:** Spectral Density, Epithermal Neutron, Induction Log from TD to surface casing shoe.

**Drilling Fluid Program:**

Interval Fluid Loss	Fluid Type	Weight	Viscosity
0' - 250'	fresh water spud mud	8.4 - 9.0 ppg	30 - 50 sec
250' - 2446'	fresh water polymer	8.4 - 9.0 ppg	30 - 50 sec

no control  
8 to 10

**Casing Program:**

Interval Thread	Hole Diameter	Csg Size	Wt.	Grade
0' - 250'	8 3/4"	7"	20 ppf	J-55 STC
0' - 2446'	6 1/4"	4 1/2"	10.5 ppf	J-55 STC

**Tubing Program:** 0 - 2400', 2 3/8", 4.7 ppf, J55, EUE

### **BOPE and Wellhead Specifications and Testing:**

From surface casing shoe to TD: 7 1/16" 2000 psi threaded casing head with two 2" outlets.

7 1/16", 2000 psi double gate BOP and 2000 psi choke manifold (see figures 1 and 2).

Pressure test BOPE to 2000 psi and 7" surface casing to 600 psi prior to drilling surface casing shoe.

For completion operations: 7" x 2 3/8", 2000 psi tree assembly. 7 1/16", 2000 psi double gate BOP system (see figure 3).

#### **General Operation:**

- Actuate pipe rams once each day during drilling operations. Actuate blind rams once each trip.
- An upper Kelly cock valve, with handle, will be available on the rig floor to fit each drilling string.
- BOP pit level drill will be conducted weekly for each drilling crew.
- All BOP tests and drills will be recorded in the daily drilling report.
- Blind and pipe rams will be equipped with extension hand wheels.

#### **Cementing Program:**

7" Surface Casing String: Run casing with saw tooth guide shoe on bottom, insert float valve one joint from bottom, and install bowspring centralizers as per Onshore Order #2. Cement with 60 sks class 'G' with 1/4 #/sk flocele and 3% CaCl<sub>2</sub> (density = 15.8 ppg, yield = 1.16 cf/sk, water = 5.1 gals/sk). 100% excess to circulate to surface.

4 1/2" Production Casing String: Run casing with float shoe on bottom, float collar one joint from bottom and centralizers every other joint through out Fruitland section. Install one centralizer at the base of the Ojo Alamo and one centralizer inside the surface casing shoe. Cement with 110 sks Class 'G' + .25 lb/sk D29 + 3.0% D79 + 2.0% S1 + 0.2% D46 (density = 11.7 pg, yield = 2.66 cf.sk, wtr = 16.09 gals/sk) followed by 65 sks Class 'G' 50/50 poz + 5 lbs/sk D24 + 0.25 lbs/sk D29 + 2.0% D20 + 2.0% S1 + 0.1% D46 (density = 13.5 ppg, yield = 1.28 cf/sk, wtr = 5.255 gals/sk). All additives are Schlumberger products. Volumes based on open hole volume + 50% excess. The exact volume of slurry will be recalculated after open hole logs are run and based on the open hole caliper volume + 30%. Top of cement to be at surface.

#### **Special Drilling Operations:**

- Mud materials, equipment, and water will be available on location to maintain control of the well during all operations.

**Additional Information:**

- This well is to be completed in the Pictured Cliffs and Fruitland Coal formations.
- No abnormal temperature or pressure, or other hazards are anticipated.
- LCM will be added to the mud system as required to maintain circulation.
- Estimated formation pressures:
  - Fruitland Coal 300 psi
  - Pictured Cliffs 300 psi

**Completion Information:**

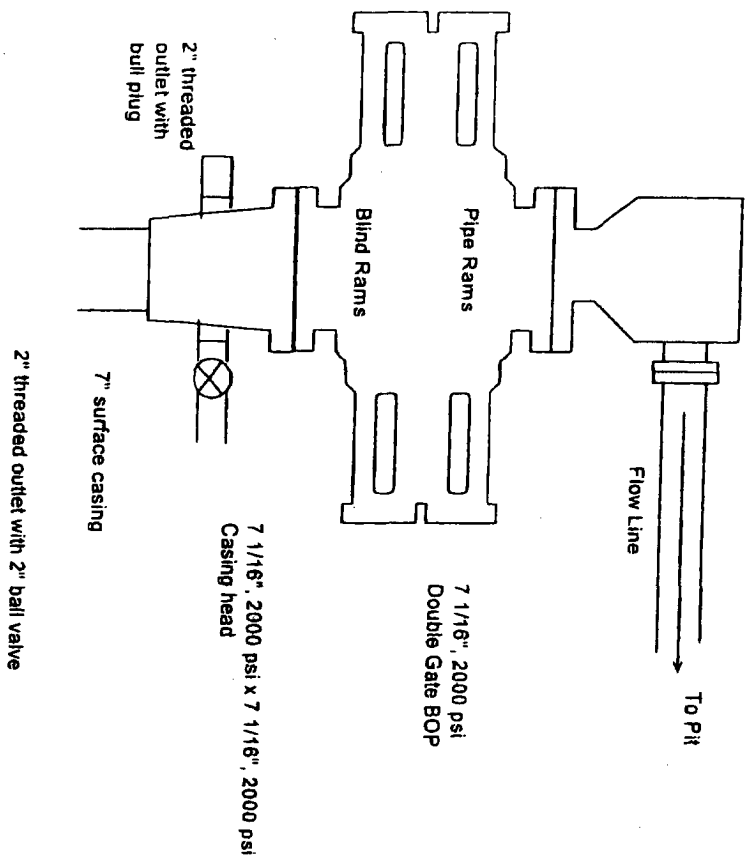
The completion procedure will be prepared after open hole logs are analyzed. The well will probably be completed by hydraulic frac in two stages.

Prepared by: Robert R. Griffiee  
Operations Manager

Date: 02/16/05

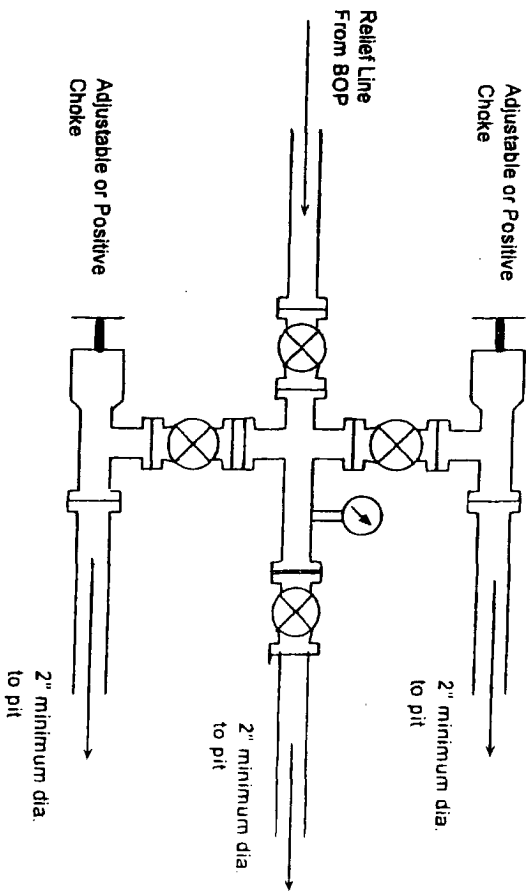
Figure 1

7 1/16", 2000 psi Drilling BOP System



BOP Installation for Completion operations. 7 1/16", 2000 psi double gate BOP equipped with blind and pipe rams. All equipment rated at 2000 psi or greater working pressure.

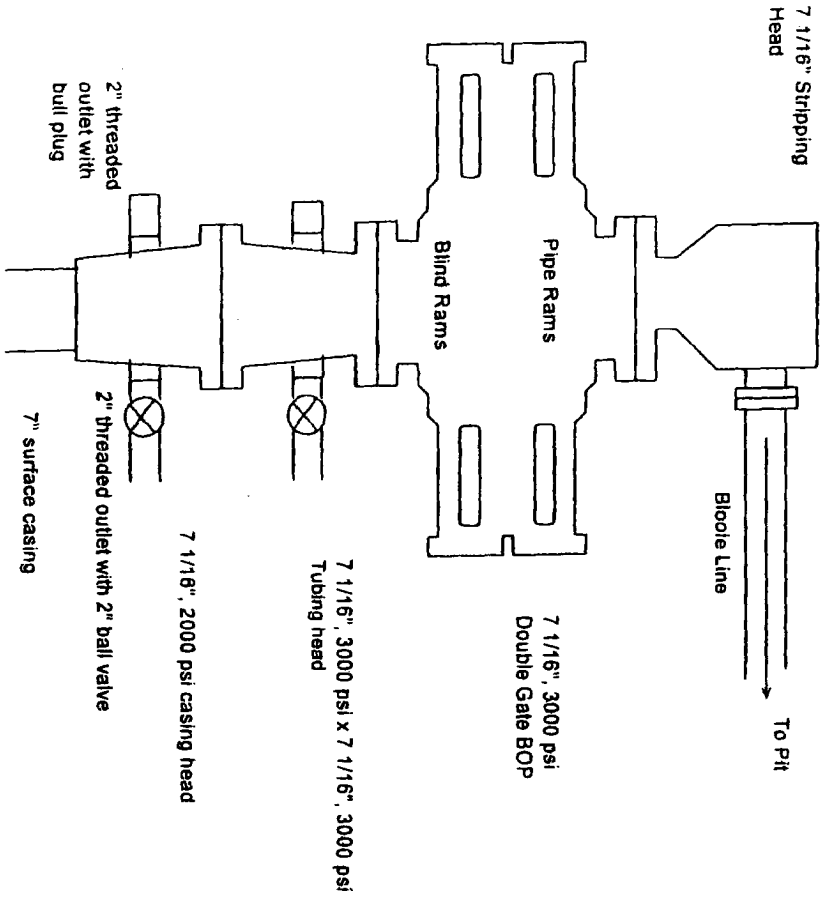
Figure 2



Choke manifold for BOP system shown in Figure 5. All equipment to be rated at 2000 psi or greater.

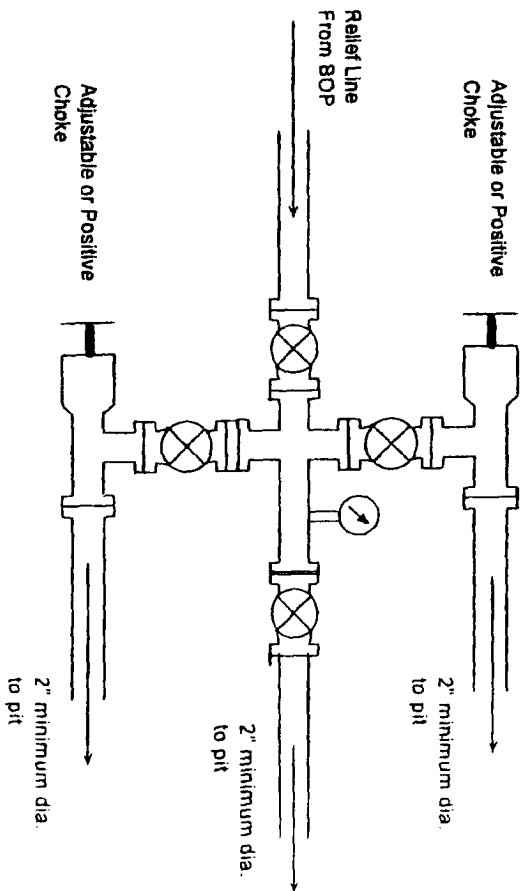
Figure 3

7 1/16", 3000 psi Completion Rig BOP System



BOP installation for Completion operations. 7 1/16", 3000 psi double gate BOP equipped with blind and pipe rams. All equipment rated at 3000 psi or greater working pressure.

Figure 4



Choke manifold for BOP system shown in Figure 5. All equipment to be rated at 3000 psi or greater.