

NR0000

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

DISTRICT II  
911 South First, Artesia, N.M. 88210

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

DISTRICT IV  
8040 South Pacheco, Santa Fe, NM 87504-8088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-102

Revised February 21, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30039-27254</b>		Pool Code <b>71629</b>	Pool Name <b>Basin Fruitland Coal</b>
Property Code <b>009258</b>	Property Name <b>SAN JUAN 30-5 UNIT</b>		Well Number <b>266A</b>
OGHD No. <b>017654</b>	Operator Name <b>PHILLIPS PETROLEUM COMPANY</b>		Elevation <b>6429</b>

<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
E	10	30N	5W		1750	NORTH	950	WEST	RIO ARRIBA

<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
K									

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
320 W/2	Y	U	

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

	<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Patsy Clugston</i> Signature Patsy Clugston Printed Name SHEAR Administrative Asst. Title 11/26/02 Date</p>	
	<p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p>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.</p> <p>11/15/02 Date of Survey Signature and Seal of Professional Surveyor: </p>	

[illegible]

This image is a dark, heavily textured, and noisy horizontal band. It appears to be a scan artifact or a very poor quality image of a document page. The texture is grainy and mottled, with varying shades of gray and black. There are no discernible features, text, or figures.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**5. Lease Serial No.  
NMSF078997

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**1. Type of Well  
☐ Oil Well ☐ Gas Well ☒ Other: COAL BED METHANE8. Well Name and No.  
SAN JUAN 30-5 UNIT 266A2. Name of Operator  
PHILLIPS PETROLEUM COMPANYContact: PATSY CLUGSTON  
E-Mail: pclugs@ppco.com9. API Well No.  
30-045-31208-00-X13a. Address  
5525 HIGHWAY 64 NBU 3004  
FARMINGTON, NM 874013b. Phone No. (include area code)  
Ph: 505.599.3454  
Fx: 505-599-344210. Field and Pool, or Exploratory  
BASIN FRUITLAND COAL

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 10 T30N R5W SWNW 1750FNL 950FWL  
36.82972 N Lat, 107.34970 W Lon

11. County or Parish, and State

RIO ARRIBA COUNTY, NM

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

More details on the drilling prognosis submitted with the APD.

#9. Cement Program: Liner-if the coal is NOT clefted, a 4-1/2" 11.6#, J/K-55 liner will be run & set @ TD and tie 200' into the 7" shoe. It then would be cement in place. The well will be completed by fracture stimulation.

Will cement the Lead Slurry with Type III cement - 150% excess casing hole annular volume with Type III cement + 0.25#/sx Cello-flake + 5#/sx Gilsonite + 6% bwoc Bentonite + 10#/sx CSE + 3% bwow KCl + 4% bwoc FL-25 mixed + 0.2#/sx static free mixed at 10. ppg (2.52 cf/sx yield).

Tail - 50 sx Type III cement + 0.2#/sx Cello-flake + 1% CaClum Chloride mixed at 14.5 ppg (1.40 cf/sx yield = 70 cf).

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #16872 verified by the BLM Well Information System  
For PHILLIPS PETROLEUM COMPANY, sent to the Farmington  
Committed to AFMSS for processing by Adrienne Garcia on 12/13/2002 (03AXG0403SE)

Name (Printed/Typed) PATSY CLUGSTON

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 12/12/2002

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By **/s/ David J. Mankiewicz**

Title

AFM

DEC

date 12/8 2002

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

FFO

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.

**\*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\***

**PHILLIPS PETROLEUM COMPANY -**

**WELL NAME:** San Juan30-5 Unit #266A

**DRILLING PROGNOSIS**

1 Location of Proposed Well: Unit E, 1750' FNL & 950' FWL  
Section 10, T30N, R5W

2 Unprepared Ground Elevation: @ 6429'

3 The geological name of the surface formation is San Jose.

4 Type of drilling tools will be rotary

5 Proposed drilling depth is 3224'.

6 The estimated tops of important geologic markers are as follows:

<u>Nacimiento - 1274'</u>	
<u>Ojo Alamo - 2519'</u>	<u>Base of Coal - 3224'</u>
<u>Kirtland - 2679'</u>	<u>Picture Cliffs - 3229'</u>
<u>Fruitland - 2999'</u>	<u>Interm. Casing - 3079'</u>
<u>Top of Coal - 3099'</u>	<u>T. D. - 3224'</u>

7 The estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

Water:	<u>Ojo Alamo - 2519' - 2679'</u>
Oil:	<u>none</u>
Gas:	<u>Fruitland Coal - 3099' - 3224'</u>
Gas & Water:	<u>Fruitland Coal - 3099' - 3224'</u>

8 The proposed casing program is as follows:

Surface String: 9-5/8", 32.3#, H-40 @ 200' \*

Intermediate String: 7", 20#, J/K-55 @ 3079'

Production Liner: 5-1/2", 15.5# J/K-55 @ 3059' - 3224' (see details below)

\* The surface casing will be set at a minimum of 200', but could be set deeper if required to maintain hole stability.

9. Cement Program:

Surface String: 102.7 sx Type III cement. Cement to surface w/110% excess of casing/hole annulus volume w/Type III cement + 2% bwoc Calcium Chloride + 0.25#/sx Cello-flake + 60.6% Fresh water (14.5 ppg). (1.41 cf/sx yield = 145 cf)

## 9. Cement program: (continued from Page 1)

Intermediate String: Lead Cement: 349.3 sx Type III cement. Cement to surface - 110% excess casing/hole annular volume w/ Type III cement + 0.25#/sx Cello-flake + 5#/sx Gilsonite + 6% bwoc Bentonite + 10#/sx CSE + 3% bwow KCL + 0.4% bwoc FL-25 mixed + 0.02#/sx static free mixed at 12.0 ppg. (2.52 cf/sx yield = 880cf)

Tail: 50 sx Type III cement + 0.25#/sx Cello-flake + 1% Calcium Chloride mixed at 14.5 ppg. (1.40 cf/sx yield = 70 cf)

Note: Phillips Petroleum continually works to improve the cement slurries on our wells. BJ Services is currently trying to improve what we are using now and before we would use a new cement program it would have to have stronger properties than we are currently using.

Centralizer Program:

Surface: Total four (4) - 10' above shoe and top of 2<sup>nd</sup>, 3<sup>rd</sup>, & 4<sup>th</sup> jts.

Intermediate: Total seven (7) - 10' above shoe and top of 1<sup>st</sup>, 2<sup>nd</sup>, 4<sup>th</sup>, 6<sup>th</sup>, 8<sup>th</sup>, & 1<sup>st</sup> jt. into shoe.

Turbulators: Total three (3) - one at 1<sup>st</sup> jt below Ojo Alamo and next 2 jts up.

Liner :

If the coal is cleated a 5 ½" 15.5# liner will be run in the open hole without being cemented.

If the coal is not cleated, a 4-1/2" 11.6# liner will be run & cemented. The well will then be completed by fracture stimulation.

10. The minimum specifications for pressure control equipment which are to be used, a schematic diagram thereof showing sizes, pressure ratings (or) API series and the testing procedure and testing frequency are enclosed within the APD packet.

- 1 Drilling Mud Prognosis: Surface - spud mud on surface casing.  
Intermediate - fresh water w/polymer sweeps. Bentonite as required for viscosity.  
Below Intermediate - air drilled.

12. The testing, logging, and coring programs are as follows:  
D.S.T.s or cores:  
Logs: Mud logs only

13. Anticipated no abnormal pressures or temperatures to be encountered or any other potential hazards such as Hydrogen Sulfide Gas. Low risk H<sub>2</sub>S equipment will be used.

Estimated Bottomhole pressures: Fruitland Coal - +/- 700 psi

14. The anticipated starting date is sometime around January 1, 2003 with duration of drilling operations for approximately 30 days thereafter.

2003drill\ 305#266A drill prog.doc

San Juan 30-5 Unit #266A

SURFACE CASING :

Drill Bit Diameter	12.25 "	
Casing Outside Diameter	9.625 "	8.989
Casing Weight	32.3 ppf	
Casing Grade	H-40	
Shoe Depth	200 '	30 '
Cement Yield	1.41 cuft/sk	
Excess Cement	110 %	

Casing Capacity	0.0785 bbl/ft	0.4407 cuft/ft
Hole / Casing Annulus Capacity	0.0558 bbl/ft	0.3132 cuft/ft

Cement Required 102.7 sx

SHOE 200 ', 9.625 ", 32.3 ppf, H-40

INTERMEDIATE CASING :

Drill Bit Diameter	8.75 "	
Casing Outside Diameter	7 "	6.455
Casing Weight	20 ppf	
Casing Grade	J-55	
Shoe Depth	3079 '	
Lead Cement Yield	2.52 cuft/sk	
Lead Cement Excess	110 %	
Tail Cement Length	200 '	30 '
Tail Cement Yield	1.4 cuft/sk	
Tail Cement Excess	110 %	

Casing Capacity	0.0405 bbl/ft	0.2272 cuft/ft
Casing / Casing Annulus Capacity	0.0309 bbl/ft	0.1734 cuft/ft
Hole / Casing Annulus Capacity	0.0268 bbl/ft	0.1503 cuft/ft

Lead Cement Required 349.3 sx

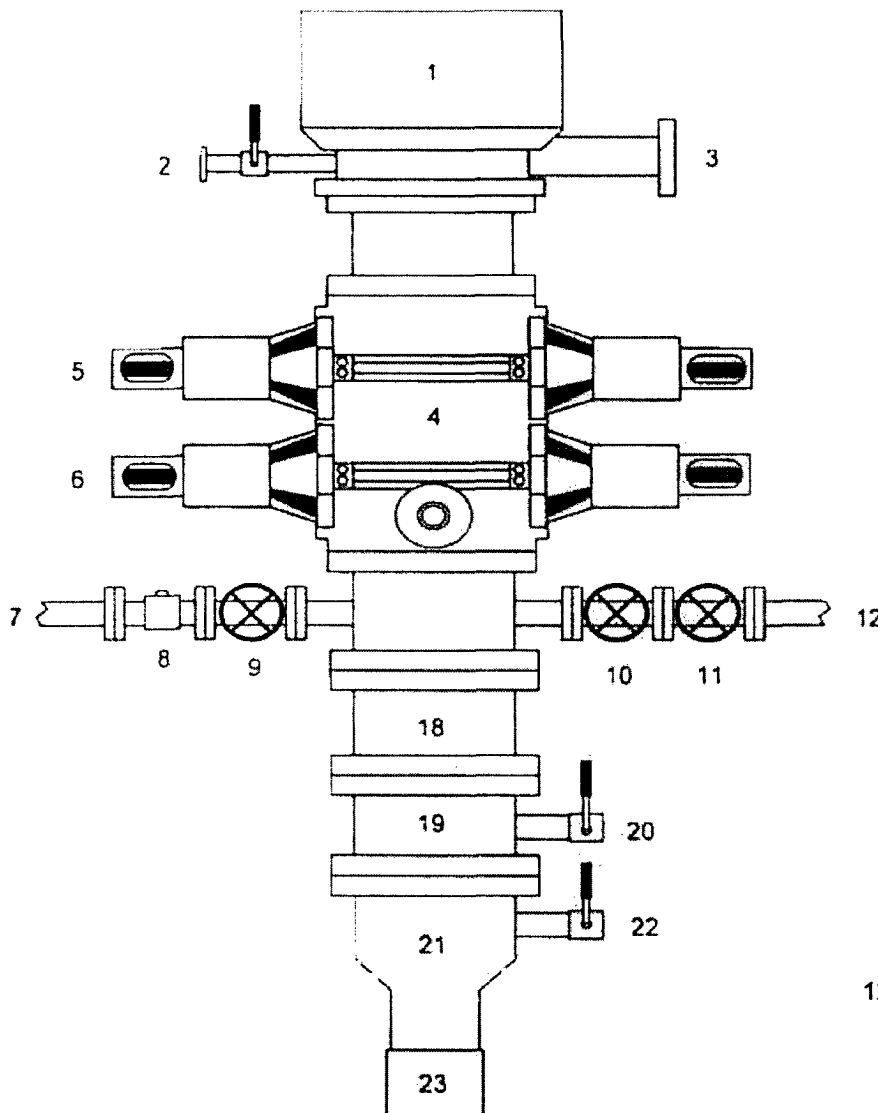
Tail Cement Required 50.0 sx

LINER TOP 3059 '

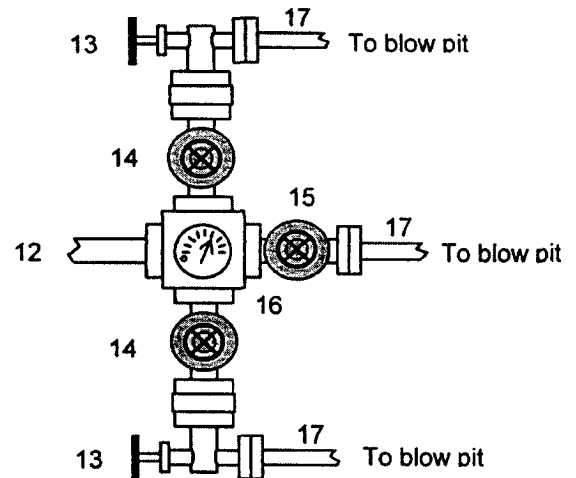
SHOE 3079 ', 7 ", 20 ppf, J-55

LINER BOTTOM 3224 '

# BLOWOUT PREVENTER HOOKUP



1. Rotating Head
2. Fill-up Line & valve
3. Flowline
4. Blowout Preventer (3000 psi)
5. Pipe Rams
6. Blind Rams
7. Kill Line
8. Kill Line Check Valve
9. Kill Line Valve
10. Inner Choke Line Valve (3")
11. Outer Choke Line Valve (3")
12. Choke Line (3")
13. Variable Choke
14. Choke Line Valve (2")
15. Panic Line Valve (3")
16. Choke Manifold Pressure Gauge
17. Choke Line (2")
18. Spacer Spool
19. Casing Spool "B" Section
20. Casing Spool "B" Section 2" Valve
21. Casing Head "A" Section
22. Casing Head "A" Section 2" Valve
23. 9 5/8" Casing Collar



Drilling contractors used in the San Juan Basin supply 3000 psi equipment, but cannot provide annular preventors because of sub-structure limitations. Maximum anticipated surface pressures for this well will not exceed the working pressure of the proposed BOP system. The above diagram of the BOP system details 2000 psi equipment according to Onshore Order No. 2 even though the equipment will test to 3000 psi. The 2000 psi system allows deletion of the annular preventor and fulfills your requirements.

In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

1. Upper Kelly cock Valve with handle
2. Stab-in TIW valve for all drillstrings in use