

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

2006 APR 12 PM 1 40

RECEIVED

NEW FARMINGTON NM

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER			5. Lease Serial No. <b>NMNM 101057</b>		
b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone			6. If Indian, Allottee or Tribe Name		
2. Name of Operator <b>Westerly Exploration</b>			7. If Unit or CA Agreement, Name and No.		
3A. Address <b>c/o Walsh Engineering, 7415 E. Main, Farmington, NM 87402</b>			8. Lease Name and Well No. <b>Romero Federal 34 #1</b>		
3b. Phone No. (include area code) <b>(505) 327-4892</b>			9. API Well No. <b>30-043-21019</b>		
4. Location of Well (Report location clearly and in accordance with any State requirements. *) <b>At surface 405' FSL and 1255' FWL</b>			10. Field and Pool, or Exploratory <b>WC 23N/W - Wildcat 34 minus oil</b>		
14. Distance in miles and direction from nearest town or post office* <b>One mile southeast of Regina, NM</b>			11. Sec., T., R., M., or Blk. and Survey or Area <b>M Sec. 34, T23N, R1W</b>		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>405'</b>		16. No. of Acres in lease <b>80</b>		17. Spacing Unit dedicated to this well <b>SW SW 39.89 (40 acres)</b>	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>&gt; 2 miles</b>		19. Proposed Depth <b>7500' +/-</b>		20. BLM/BIA Bond No. on file <b>NMB 000191</b>	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>7703' GR</b>		22. Approximate date work will start* <b>May 15, 2006</b>		23. Estimated duration <b>3 weeks</b>	

24. Attachments

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.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).   |
| 2. A Drilling Plan.   | 5. Operator certification.  |
| 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). | 6. Such other site specific information and/or plans as may be required by the authorized office. |

25. Signature <i>Paul C. Thompson</i>	Name (Printed/Typed) <b>Paul C. Thompson, P.E.</b>	Date <b>4/12/2006</b>
Title <b>Agent</b>		
Approved by (Signature) <i>D. M. Mankie</i>	Name (Printed/Typed)	Date <b>3/1/06</b>
Title <b>AFM</b>	Office <b>FED</b>	

Application approval 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.

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.

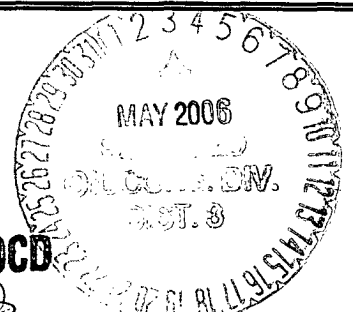
\*(Instructions on reverse)

HOLD C104 FOR NSL

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

NMOCB



District II  
PO Drawer 00, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

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

☐ AMENDED REPORT

2005 APR 12 PM 1 40

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30-43-21019</b>	*Pool Code <b>97521</b>	*Well Name <b>WILDEAT MANCOS WC 23NW34; Manas oil</b>
*Property Code <b>35673</b>	*Property Name <b>ROMERO FEDERAL 34</b>	*Well Number <b>1</b>
*GRID No. <b>22568</b>	*Operator Name <b>WESTERLY EXPLORATION, INC.</b>	*Elevation <b>7703'</b>

10 Surface Location

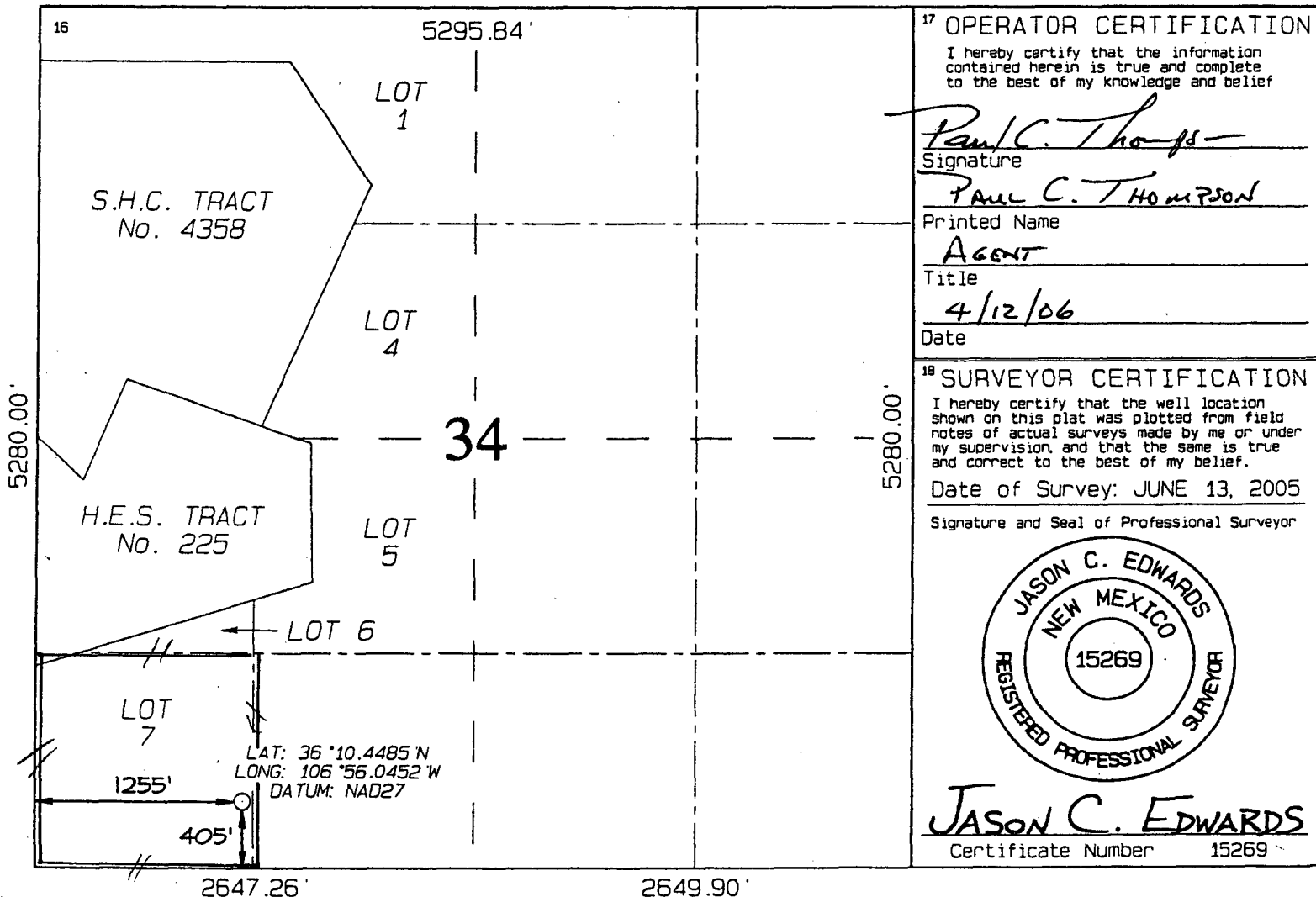
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	34	23N	1W		405	SOUTH	1255	WEST	SANDOVAL

11 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

12 Dedicated Acres <b>SW/SW 39.89 40 Acres</b>	13 Joint or Infill <b>N</b>	14 Consolidation Code	15 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



P<sub>LAT</sub> #2

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM 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 reenter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Westerly Exploration c/o Walsh Engineering

3a. Address

7415 E. Main, Farmington, NM, 87402

3b. Phone No. (include area code)

505-327-4892

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

405' FSL and 1255' FWL Section 34, T23N, R1W

5. Lease Serial No.

NMNM 101057

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Romero Federal 34 #1

9. API Well No.

3004321019

10. Field and Pool, or Exploratory Area

WC 23N 34W 10E 10S 1000' x 1000' Mancos oil

11. County or Parish, State

Sandoval 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 type="checkbox"/> Other
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (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.)

Westerly Expolration proposes to change the casing and cementing program for this well. The changes are described on the attached operations plan. All other aspects of the APD package will remain the same.



2006 APR 24 AM 9 06  
RECEIVED  
070 FARMINGTON NM

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

Name (Printed/Typed)

Paul C. Thompson, P.E.

Title

Agent

Signature

Paul C. Thompson

Date

April 21, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

H. Mantecor

Title

AFM

Date

5/1/08

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

PFO

Title 18 U.S.C. Section 1001, 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.

NMOC

WESTERELY EXPLORATION  
OPERATIONS PLAN  
ROMERO FEDERAL 34 #1

2006 APR 24 AM 10 14

I. Location: 405' FSL & 1255' FWL  
Sec 34 T23N R1W  
San Juan County, NM

Date: April 24, 2006  
070 FARMINGTON NM

Field: Wildcat Mancos  
Surface: Fee  
Minerals: Federal NMNM101057

Elev: GL 7703'

II. Geology: Surface formation \_ Nacimiento

A. Formation Tops	Depths
Ojo Alamo	2600'
Pictured Cliffs	3000'
Cliff House	4700'
Point Lookout	5240'
Gallup	6400'
Total Depth	7500'

Estimated depths of anticipated water, oil, gas, and other mineral bearing formations which are expected to be encountered:

Water and gas - 3000', 4700', 5240', and 6400'.

B. Logging Program: FDC/CNL/GR/SP and DIL logs at TD.

C. No over pressured zones are anticipated. No H2S zones will be penetrated in this well. Max. BHP = 3000 psig.

III. Drilling

A. Contractor:

B. Mud Program:

The surface hole will be drilled with a fresh water mud.

The intermediate hole will be drilled with a fresh water polymer mud. The weighting material will be drill solids or if conditions dictate, barite. The maximum mud weight expected is 8.5 ppg.

The production hole will be drilled with air or air/mist.

C. Minimum Blowout Control Specifications:

Double ram type 2000 psi working pressure BOP with a rotating head. See the attached Exhibit #1 for details on the BOP equipment. All ram type preventers and related equipment will be hydraulically tested at nipple-up and after any use under pressure to 1500 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.

IV. Materials

A. Casing Program:

Hole Size	Depth	Casing Size	Wt. & Grade
12-1/4"	250'	9-5/8"	36# J-55
8-3/4"	3200'	7"	20# J-55
6-1/4"	6800'	4-1/2"	10.5# J-55
6-1/4"	7500 - 6800'	4-1/2"	11.6# J-55

B. Float Equipment:

a) Surface Casing: Notched collar on bottom and 3 centralizers on the bottom 3 joints.

b) Intermediate Casing: 7" cement guide shoe and self fill insert float collar. Place float one joint above shoe. Five centralizers spaced every other joint above shoe and five turbolizers every fifth joint from 1500'.

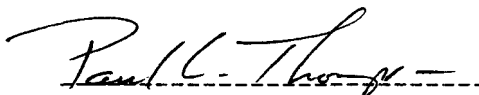
c) Production Casing: 4-1/2" whirler type cement nosed guide shoe and a float collar on top of the bottom joint.

V. Cementing:

**Surface casing:** <sup>9</sup> ~~8~~-5/8" - Use 135 sx (160 cu. ft.) of Cl "B" with ¼ #/sk celloflake and 3% CaCl<sub>2</sub> (Yield = 1.18 cu. ft./sk; slurry weight = 15.6 PPG). 100% excess to circulate cement to surface. WOC 12 hours. Pressure test surface casing to 1500 psi for 30 min.

**Intermediate Casing:** 7" - Before cementing circulate hole with at least 1-1/2 hole volumes of mud. Precede cement with 30 bbls of fresh water. **Lead** with 410 sx (845 cu.ft) of Cl "B" 65/35 poz with 8% gel, 1% CaCl<sub>2</sub>, ¼#/sk celloflake. (Yield = 2.06 cu.ft./sk; slurry weight = 12.1 PPG). **Tail** with 100 sx (118 cu.ft.) of Cl "B" with 1% CaCl<sub>2</sub>, ¼#/sk celloflake. (Yield = 1.18 cu. ft./sk; slurry weight = 14.5 PPG). Total cement volume is 962 cu.ft. (100% excess to circulate cement to surface). WOC for 12 hrs. Pressure test the BOP and casing to 1500 psi.

**Production Casing:** 4-1/2" - Blow hole clean. Precede cement with 20 bbls of gel water and 10 bbls of water. **Lead** with 300 sx (594 cu.ft.) of Premium Lite HS with 0.65% FL-52, 0.32% CD-32, ¼ #/sk celloflake, and 4% phenoseal. (Yield = 1.98 cu.ft./sk; slurry weight = 12.5 PPG). **Tail** with 100 sx (196 cu.ft.) of Premium Lite HS with 0.65% FL-52, and 0.32% CD-32. (Yield = 1.96 cu.ft./sk; slurry weight = 12.5 PPG). Total cement volume is 790 cu.ft. (75% excess to circulate 100' above the intermediate casing shoe).

  
Paul C. Thompson, P.E.

# Well Control Equipment Schematic for 2M Service

Attachment to Drilling Technical Program

## Typical BOP setup

EXHIBIT #1

Location: San Juan Basin, New Mexico

Date: August 20, 2001

By: John Thompson (Walsh E&P)

