

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires: January 31, 2004

**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.  
Contract 451  
6. If Indian, Allottee or Tribe Name  
Jicarilla Apache  
7. If Unit or CA/Agreement, Name and/or No.  
8. Well Name and No.  
Jicarilla 451-10 #14  
9. API Well No.  
30-039-29460  
10. Field and Pool, or Exploratory Area  
Pictured Cliffs  
11. County or Parish, State  
Rio Arriba, NM

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

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Black Hills Gas Resources, Inc. Contact: Lynn H. Benally

3a. Address

3200 N 1st Street PO Box 249 Bloomfield, NM 87413

3b. Phone No. (include area code)

505-634-1111 ext 27

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

Surface: NE/NE 960' FNL 535' FEL Bottom Hole: NW/NW 960' FNL 660' FWL  
NE/NE Sec. 10, Township 29 North, Range 3 West

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other Convert Vertical  
well to Horizontal well

3. 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.)

The initial APD to drill a Pictured Cliff (PC) well was approved on July 12, 2006. The well was given API number 30-039-29460. After evaluation of data from recently drilled wells in the immediate area, it was determined that the PC formation is best developed in this area, using Horizontal Drilling Technology. Black Hills Gas Resources is submitting an updated drilling plan, a new C-102, and a revised NM State Form C-101, to change the well from a vertical well to a horizontal well. Black Hills Gas Resources also request that if tests of the tertiary and PC formations are favorable that we will also complete these formations and submit comingling applications if needed.

The surface location of the well remains the same but the new bottom hole will be NW/NW 960' FNL 660' FWL.

Surface disturbance will not change from the initial APD, therefore the Surface Use Plan will not be updated or modified.

**CONDITIONS OF APPROVAL**  
Adhere to previously issued stipulations.

**HOLD C104 FOR**

*Directional Survey*  
*C-102 for Cabresto Canyon Tertiary - if added*

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Lynn H. Benally

Title Regulatory Compliance Coordinator

Signature

Date

8-25-06

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by (Signature)

Name  
(Printed/Typed)

Title

*Reg. Eng.*

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

Date

9/8/06

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.

DISTRICT I  
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II  
1301 W. Grand Ave., Artesia, N.M. 88210

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

DISTRICT IV  
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-039-29460	<sup>2</sup> Pool Code 72400	<sup>3</sup> Pool Name E. Blanco/Pitured Cliffs
<sup>4</sup> Property Code 23930	<sup>5</sup> Property Name JICARILLA 451-10	<sup>6</sup> Well Number 14
<sup>7</sup> OGRID No. 013925	<sup>8</sup> Operator Name BLACK HILLS GAS RESOURCES	<sup>9</sup> Elevation 7124'

<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	10	29-N	3-W		960	NORTH	535	EAST	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
D	10	29-N	3-W		960	NORTH	660'	WEST	RIO ARRIBA

<sup>12</sup> Dedicated Acres 320-N/2	<sup>13</sup> Joint or Infill	<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

<p><sup>16</sup> FD. 2 1/2" BC. U.S.G.L.O. 1917</p> <p>960'</p> <p>660' B.H.L.</p> <p>270' AZ.</p> <p>4085'</p>	<p>S 87-57-24 W</p> <p>5280.87' (M) FD. 2 1/2" BC. U.S.G.L.O. 1917</p> <p>LAT. 36.74417° N (NAD 83) LONG. 107.13108° W (NAD 83)</p> <p>10</p>	<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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Daniel Manus</i> 8/25/06 Signature Date Daniel Manus Printed Name</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>2004 Date of Survey Signature of Professional Surveyor 14831 28-0 REGISTERED PROFESSIONAL SURVEYOR Certificate Number</p>

**Black Hills Gas Resources (BHGR)**

**Jicarilla 451-10 #14**

Surface Location: 960' FNL 535' FEL (NE/NE)

Bottom Hole Location: NW/NW 960' FNL 660' FWL

Sec.10 T29N R3W

Rio Arriba County, New Mexico

Lease: Contract 451

**DRILLING PROGRAM**

(Per Rule 320)

This Application for Permit to Drill (APD) was initiated under the NOS process as stated in Onshore Order No. 1 and supporting Bureau of Land Management (BLM) documents. This APD process includes an onsite meeting which was held on October 12, 2004 as determined by Bureau of Land Management (BLM), Bureau of Indian Affairs (BIA) and Jicarilla Oil & Gas Administration (JOGA), and at which time the specific concerns of Black Hills Gas Resources (BHGR) were discussed.

This well was originally permitted and approved as a vertical PC well. This new drilling plan addresses changing the un-drilled well to a horizontal PC well.

**SURFACE FORMATION** – San Jose

**GROUND ELEVATION** – 7,124'

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

San Jose	Surface	Sandstone, shales & siltstones
Nacimiento	1,977'	Sandstone, shales & siltstones
Ojo Alamo	3,185'	Sandstone, shales & siltstones
Fruitland	3,611'	Sandstone, shales & siltstones
Pictured Cliffs	3,700'	Sandstone, shales & siltstones
Lewis	3,808'	Sandstone, shales & siltstones

<b>TOTAL DEPTH</b>	<b>4,000'</b>	<b>TVD</b>
	<b>4,085'</b>	<b>Vertical Length of Bore</b>

Estimated depths of anticipated fresh water, oil, or gas:

**Tertiary**

San Jose	surface	Gas
Nacimiento	1,977'	Gas
Ojo Alamo	3,185'	Gas
Fruitland	3,611'	Gas
Pictured Cliffs	3,700'	Gas

**HORIZONTAL DRILLING PROGRAM**

Kick Off Point is estimated to be  $\pm$  3702' TVD

**CASING PROGRAM**

Depth	Hole Diameter	Casing Diameter	Casing Weight and Grade	Cement
0-250' TVD	12-1/4"	8 5/8"	J-55 24# ST&C New	To surface ( $\pm$ 175 sxs Standard cement containing 2% CaCl <sub>2</sub> and 0.25lb/sx LCM) **
0-4000' TVD	7-7/8"	5 1/2 "	J-55 15.5# LT&C New	TD to surface (Lead: $\pm$ 300 sxs lite standard cement. Tail: 400 sxs 50:50 poz containing 0.25 lb/sx LCM) * **
3702' TVD (KOP) End of Lateral Bore	4-3/4"	2-7/8"	PH-6 Liner	None

\* Actual cement volume to be determined by caliper log.

\*\* Cement will be circulated to surface

**Yields:**

Surface: Standard cement yield = 1.2 ft<sup>3</sup>/sx (mixed at 15.6 lb/gal)

Production: Lite Standard Cement yield: = 1.59 ft<sup>3</sup>/sx (mixed at 13.4 lb/gal)  
50:50 poz yield = 1.27 ft<sup>3</sup>/sx (mixed at 14.15 lb/gal)

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and protected.

**PRESSURE CONTROL**

BOPs and choke manifold will be installed and pressure tested before drilling out under surface casing (subsequent pressure test will be performed whenever pressure seals are broken), and then will be checked daily as to mechanical operating conditions. BOP's will be pressure tested at least once every 30 days. Ram type preventors and related pressure control equipment will be pressure tested to 1,000 psi. Annular type preventor will be pressure tested to 50% of the rated working pressure, not to exceed 1,000 psi. All casing strings will be pressure tested to 0.22 psi/ft. or 1,000 psi, whichever is greater, not to exceed 70% of internal yield.

BOP to be either double gate rams or an annular preventor as per Onshore Order No. 2.

**Statement on Accumulator System and Location of Hydraulic Controls**

The drilling rig has not yet been selected for this well. Selection will take place after approval of this application. Manual and/or hydraulic controls will be in compliance with Onshore Order No. 2 for 2M systems.

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

**MUD PROGRAM**

0'	-	300'	Fresh water – M.W. 8.5 ppg, Vis 30-33
300'	-	TD'	Clean Faze - Low solids non-dispersed
			M.W. 8.5 – 9.2 ppg
			Vis – 28 – 50 sec
			W.L. 15cc or less

Sufficient mud materials to maintain mud properties, control lost circulation and to contain “kick” will be available at well site.

#### AUXILIARY EQUIPMENT

- A) A Kelly cock will be kept in the drill string at all times
- B) Inside BOP or stab-in valve (available on rig floor)
- C) Mud monitoring will be visually observed

#### LOGGING, CORING, TESTING PROGRAM

- A) Logging: DIL- CNL-FDC-GR - TD - BSC (GR to surface)  
Sonic (BSC to TD)
- B) Coring: None
- C) Testing: Possible DST – None anticipated. Drill stem tests may be run on shows of interest

#### ABNORMAL CONDITIONS

- A) Pressures: No abnormal conditions are anticipated  
Bottom hole pressure gradient – 0.31 psi/ft
- B) Temperatures: No abnormal conditions are anticipated
- C) H<sub>2</sub>S: See attached H<sub>2</sub>S plan in event H<sub>2</sub>S is encountered.
- D) Estimated bottomhole pressure: 1,240 psi

#### ANTICIPATED START DATE

October 1, 2006

#### COMPLETION

The location pad will be of sufficient size to accommodate all completion activities and equipment. A string of 2-7/8” PH-6 tubing will be run for a flowing string. A Sundry Notice will be submitted with a revised completion program if warranted.



1724-B Townhurst Dr, Houston, Tx 77043  
(713) 827-8302  
www.nevisenergy.com

Job Number: 61xxx  
Company: Black Hills E&P  
Lease/Well: Jicarilla 451-10 #14  
Location: Rio Arriba Co., NM  
Rig Name: ☐  
RKB: ☐  
G.L. or M.S.L.: ☐

State/Country: NM/USA  
Declination: ☐  
Grid: ☐  
File name: C:\BHEP451-10-145110#14.SVY  
Date/Time: 26-Jul-06 / 19:06  
Curve Name: 451-10- #14 Plan 7-26-06

WINSERVE PROPOSAL REPORT  
Minimum Curvature Method  
Vertical Section Plane 270.00  
Vertical Section Referenced to Wellhead  
Rectangular Coordinates Referenced to Wellhead

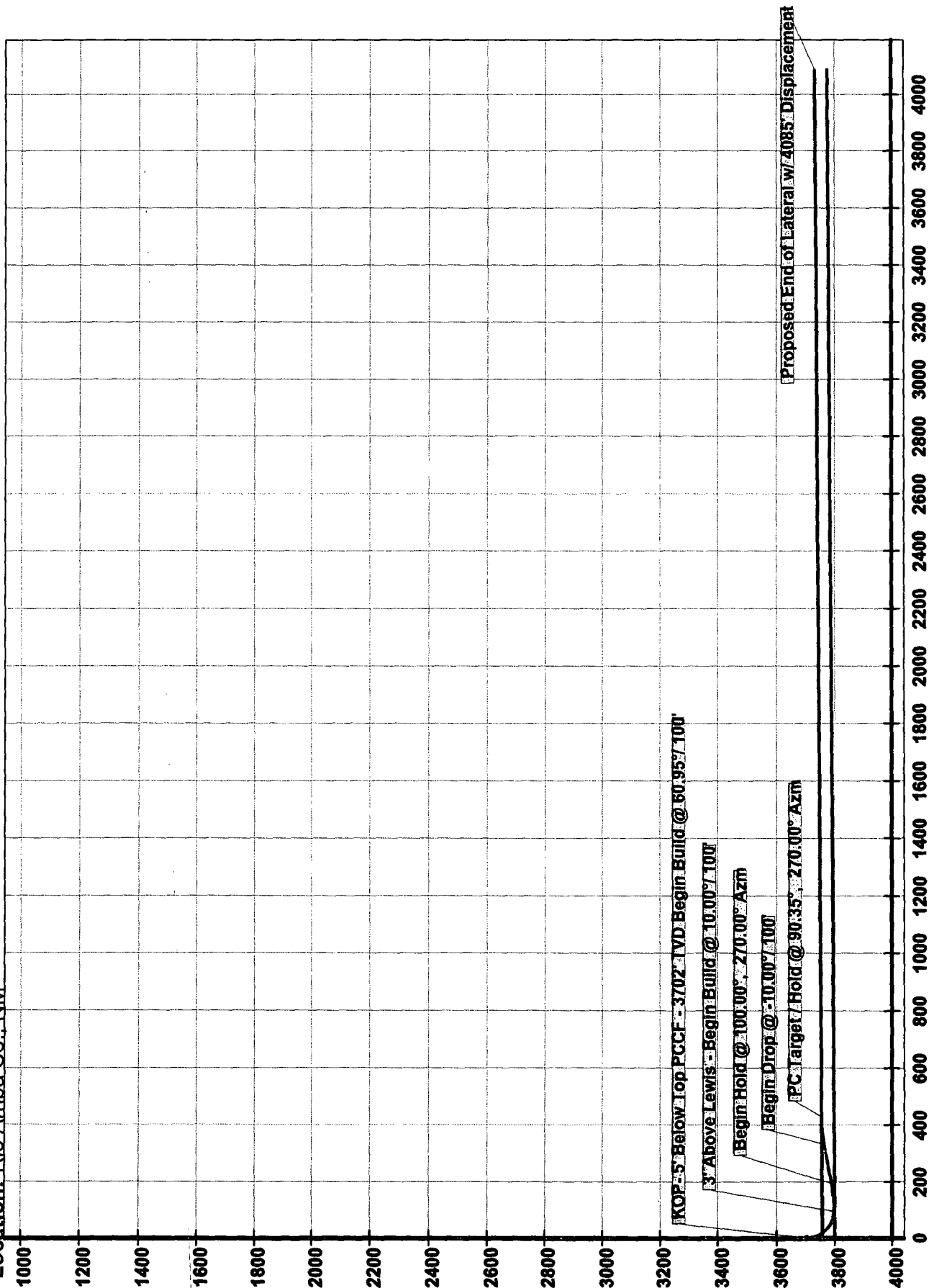
Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	CLOSURE Distance FT	Direction Deg	Dogleg Severity Deg/100
KOP- 5' Below Top PCCF - 3702' TVD Begin Build @ 60.95°/ 100'									
3702.00	.00	270.00	3702.00	.00	.00	.00	.00	.00	.00
3712.00	6.10	270.00	3711.98	.53	.00	-.53	.53	270.00	60.95
3722.00	12.19	270.00	3721.85	2.12	.00	-2.12	2.12	270.00	60.95
3732.00	18.29	270.00	3731.49	4.75	.00	-4.75	4.75	270.00	60.95
3742.00	24.38	270.00	3740.80	8.38	.00	-8.38	8.38	270.00	60.95
3752.00	30.48	270.00	3749.68	12.99	.00	-12.99	12.99	270.00	60.95
3762.00	36.57	270.00	3758.01	18.51	.00	-18.51	18.51	270.00	60.95
3772.00	42.67	270.00	3765.71	24.88	.00	-24.88	24.88	270.00	60.95
3782.00	48.76	270.00	3772.69	32.04	.00	-32.04	32.04	270.00	60.95
3792.00	54.86	270.00	3778.87	39.89	.00	-39.89	39.89	270.00	60.95
3802.00	60.95	270.00	3784.18	48.36	.00	-48.36	48.36	270.00	60.95
3812.00	67.05	270.00	3788.56	57.34	.00	-57.34	57.34	270.00	60.95
3822.00	73.14	270.00	3791.96	66.74	.00	-66.74	66.74	270.00	60.95
3832.00	79.24	270.00	3794.35	76.45	.00	-76.45	76.45	270.00	60.95
3842.00	85.33	270.00	3795.69	86.35	.00	-86.35	86.35	270.00	60.95
3' Above Lewis - Begin Build @ 10.00°/ 100'									
3849.65	90.00	270.00	3796.00	93.99	.00	-93.99	93.99	270.00	60.95
3859.65	91.00	270.00	3795.91	103.99	.00	-103.99	103.99	270.00	10.00
3869.65	92.00	270.00	3795.65	113.99	.00	-113.99	113.99	270.00	10.00
3879.65	93.00	270.00	3795.22	123.98	.00	-123.98	123.98	270.00	10.00
3889.65	94.00	270.00	3794.61	133.96	.00	-133.96	133.96	270.00	10.00
3899.65	95.00	270.00	3793.82	143.93	.00	-143.93	143.93	270.00	10.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	C L O S U R E		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
3909.65	96.00	270.00	3792.87	153.89	.00	-153.89	153.89	270.00	10.00
3919.65	97.00	270.00	3791.73	163.82	.00	-163.82	163.82	270.00	10.00
3929.65	98.00	270.00	3790.43	173.74	.00	-173.74	173.74	270.00	10.00
3939.65	99.00	270.00	3788.95	183.63	.00	-183.63	183.63	270.00	10.00
<b>Begin Hold @ 100.00°, 270.00° Azm</b>									
3949.65	100.00	270.00	3787.30	193.49	.00	-193.49	193.49	270.00	10.00
4049.65	100.00	270.00	3769.94	291.97	.00	-291.97	291.97	270.00	.00
<b>Begin Drop @ -10.00°/ 100'</b>									
4090.00	100.00	270.00	3762.94	331.71	.00	-331.71	331.71	270.00	.00
4100.00	99.00	270.00	3761.29	341.57	.00	-341.57	341.57	270.00	10.00
4110.00	98.00	270.00	3759.81	351.46	.00	-351.46	351.46	270.00	10.00
4120.00	97.00	270.00	3758.51	361.38	.00	-361.38	361.38	270.00	10.00
4130.00	96.00	270.00	3757.38	371.31	.00	-371.31	371.31	270.00	10.00
4140.00	95.00	270.00	3756.42	381.26	.00	-381.26	381.26	270.00	10.00
4150.00	94.00	270.00	3755.64	391.23	.00	-391.23	391.23	270.00	10.00
4160.00	93.00	270.00	3755.03	401.21	.00	-401.21	401.21	270.00	10.00
4170.00	92.00	270.00	3754.59	411.21	.00	-411.21	411.21	270.00	10.00
4180.00	91.00	270.00	3754.33	421.20	.00	-421.20	421.20	270.00	10.00
<b>PC Target / Hold @ 90.35°, 270.00° Azm</b>									
4186.48	90.35	270.00	3754.25	427.69	.00	-427.69	427.69	270.00	10.00
4200.00	90.35	270.00	3754.17	441.21	.00	-441.21	441.21	270.00	.00
4300.00	90.35	270.00	3753.56	541.20	.00	-541.20	541.20	270.00	.00
4400.00	90.35	270.00	3752.95	641.20	.00	-641.20	641.20	270.00	.00
4500.00	90.35	270.00	3752.34	741.20	.00	-741.20	741.20	270.00	.00
4600.00	90.35	270.00	3751.73	841.20	.00	-841.20	841.20	270.00	.00
4700.00	90.35	270.00	3751.11	941.20	.00	-941.20	941.20	270.00	.00
4800.00	90.35	270.00	3750.50	1041.19	.00	-1041.19	1041.19	270.00	.00
4900.00	90.35	270.00	3749.89	1141.19	.00	-1141.19	1141.19	270.00	.00
5000.00	90.35	270.00	3749.28	1241.19	.00	-1241.19	1241.19	270.00	.00
5100.00	90.35	270.00	3748.67	1341.19	.00	-1341.19	1341.19	270.00	.00
5200.00	90.35	270.00	3748.06	1441.19	.00	-1441.19	1441.19	270.00	.00
5300.00	90.35	270.00	3747.45	1541.18	.00	-1541.18	1541.18	270.00	.00
5400.00	90.35	270.00	3746.84	1641.18	.00	-1641.18	1641.18	270.00	.00
5500.00	90.35	270.00	3746.23	1741.18	.00	-1741.18	1741.18	270.00	.00
5600.00	90.35	270.00	3745.62	1841.18	.00	-1841.18	1841.18	270.00	.00
5700.00	90.35	270.00	3745.01	1941.18	.00	-1941.18	1941.18	270.00	.00
5800.00	90.35	270.00	3744.40	2041.18	.00	-2041.18	2041.18	270.00	.00
5900.00	90.35	270.00	3743.78	2141.17	.00	-2141.17	2141.17	270.00	.00
6000.00	90.35	270.00	3743.17	2241.17	.00	-2241.17	2241.17	270.00	.00
6100.00	90.35	270.00	3742.56	2341.17	.00	-2341.17	2341.17	270.00	.00
6200.00	90.35	270.00	3741.95	2441.17	.00	-2441.17	2441.17	270.00	.00
6300.00	90.35	270.00	3741.34	2541.17	.00	-2541.17	2541.17	270.00	.00
6400.00	90.35	270.00	3740.73	2641.16	.00	-2641.16	2641.16	270.00	.00
6500.00	90.35	270.00	3740.12	2741.16	.00	-2741.16	2741.16	270.00	.00

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Vertical Section FT	N-S FT	E-W FT	CLOSURE		Dogleg Severity Deg/100
							Distance FT	Direction Deg	
6600.00	90.35	270.00	3739.51	2841.16	.00	-2841.16	2841.16	270.00	.00
6700.00	90.35	270.00	3738.90	2941.16	.00	-2941.16	2941.16	270.00	.00
6800.00	90.35	270.00	3738.29	3041.16	.00	-3041.16	3041.16	270.00	.00
6900.00	90.35	270.00	3737.68	3141.16	.00	-3141.16	3141.16	270.00	.00
7000.00	90.35	270.00	3737.07	3241.15	.00	-3241.15	3241.15	270.00	.00
7100.00	90.35	270.00	3736.45	3341.15	.00	-3341.15	3341.15	270.00	.00
7200.00	90.35	270.00	3735.84	3441.15	.00	-3441.15	3441.15	270.00	.00
7300.00	90.35	270.00	3735.23	3541.15	.00	-3541.15	3541.15	270.00	.00
7400.00	90.35	270.00	3734.62	3641.15	.00	-3641.15	3641.15	270.00	.00
7500.00	90.35	270.00	3734.01	3741.14	.00	-3741.14	3741.14	270.00	.00
7600.00	90.35	270.00	3733.40	3841.14	.00	-3841.14	3841.14	270.00	.00
7700.00	90.35	270.00	3732.79	3941.14	.00	-3941.14	3941.14	270.00	.00
7800.00	90.35	270.00	3732.18	4041.14	.00	-4041.14	4041.14	270.00	.00
Proposed End of Lateral w/ 4085' Displacement									
7843.86	90.35	270.00	3731.91	4085.00	.00	-4085.00	4085.00	270.00	.00



Job Number: 61xxx  
 Company: Black Hills E&P  
 Lease/Well: Jicarilla 451-10 #14  
 Location: Rio Arriba Co., NM



VERTICAL SECTION (F1) @ 270.00°

Jicarilla 451-10 #14  
 960' FNL 535' FEL, ( NE 1/4 NE 1/4 )  
 Sec. 10 T 29 R 3W  
 Rio Arriba County, New Mexico  
 Contract 451

### SURFACE CASING AND CENTRALIZER DESIGN

Proposed Total Depth: 4,000 '  
 Proposed Depth of Surface Casing: 250 '  
 Estimated Pressure Gradient: 0.31 psi/ft  
 Bottom Hole Pressure at 4,000 '  
     0.31 psi/ft x 4,000 ' = 1,240 psi  
 Hydrostatic Head of gas/oil mud: 0.22 psi/ft  
     0.22 psi/ft x 4,000 ' = 880 psi

#### Maximum Design Surface Pressure

Bottom Hole Pressure      –      Hydrostatic Head      =  
 ( 0.31 psi/ft x 4,000 ' ) – ( 0.22 psi/ft x 4,000 ' ) =  
     1,240 psi                      –                      880 psi                      =      360 psi

#### Casing Strengths      8 5/8 J-55 24# ST&C

Wt.	Tension (lbs)	Burst (psi)	Collapse (psi)
24 #	244,000	2,950	1,370
32 #	372,000	3,930	2,530

#### Safety Factors

Tension (Dry):      1.8                      Burst:      1.0                      Collapse:      1.125

Tension (Dry):      24 # / ft x      250 '      =      6,000 #  
                                  Safety Factor =       $\frac{244,000}{6,000}$       =      40.67                      ok

Burst:                      Safety Factor =       $\frac{2,950 \text{ psi}}{360 \text{ psi}}$       =      8.19                      ok

Collapse:                      Hydrostatic = 0.052 x 9.0 ppg x      250 ' = 117 psi  
                                  Safety Factor =       $\frac{1,370 \text{ psi}}{117 \text{ psi}}$       =      11.71                      ok

Use    250 '    8 5/8 J-55 24# ST&C

Use 2,000 psi minimum casinghead and BOP's but will test to 1,000 psi

#### Centralizers

5 Total  
 1 near surface at    40'  
 2 -1 each at middle of bottom joint, second joint  
 2 -1 each at every other joint      40' spacing

Total centralized    ± 200 ' (      50 ' –    250 ' )

Note that field experience indicates that additional centralizers greatly increase the chance of "sticking" the surface casing prior to reaching surface casing total depth.