UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

DRILL NM-012708 Unit Reporting, Number GAS C. Operator PO Box 4289, Farmington, NR 87499 4. Location of Well 775' FSL, 775' FEL Latitude 36° 48.3844'N , Longitude 107° 3822597 W Distance in Miles from Nearest Town 14. Distance in Miles Blanco Post Office NM-012708 Unit Reporting, Number 6. If Indian, All. or Tribe 8. Fam or Lease Name Howell E 9. Well Number 3005 10. Field, Pool, Wildcat Basin Fruitland Coal 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 14, T-30-N, R-8-W API# 30-045- 3/2 93 14. Distance in Miles from Nearest Town 14.6 Miles Blanco Post Office NM-012708 15. Sec. 14, T-30-N, R-8-W API# 30-045- 3/2 93 16. If Indian, All. or Tribe	1a.	Type of Work	· · · · · · · · · · · · · · · · · · ·	5. Lease Number 350 18 AM 10: 2
15. Type of Well GAS 2. Operator PO Box 4289, Farmington, MAR 2003 3. Address & Phone No. of Operator PO Box 4289, Farmington, MAR 2003 4. Location of Well 775'FSL, 775'FEL Latitude 36° 48.3844'N, Longitude 107° 3812207W 10. Field, Pool, Wildcat Basin Fruitland Coal 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 14, T-30-N, R-8-W API# 30445-3 / 2 9 3 14. Distance in Miles from Nearest Town 14.6 Miles Blanco Post Office San Juan NM 15. Distance from Proposed Location to Nearest Property or Lease Line 775' 16. Acres in Lease 17. Acres Assigned to Well 284. 2 P 18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 20' 19. Proposed Depth 3000 20. Rotary or Cable Tools Rotary 21. Elevations (DF, FT, GR, Etc.) 6100' GR 22. Approx. Date Work will Start Authorized by: Regulatory/Compliance Supervisor BAPROVAL DATE MAR - 4 200 MAR - 4 200 APPROVAL DATE	•			NM-012708 Unit Reporting Number
2. Operator RESOURCES Oil & Gas Company 3. Address & Phone No. of Operator PO Box 4289, Farmington, M. 87499 A (505) 326-9700 4. Location of Well 775'FSL, 775' FEL Latitude 36° 48.3844'N , Longitude 1070 381230 W API # 30045- 3 / 2 / 3 14. Distance in Miles from Nearest Town 14.6 Miles Blanco Post Office San Juan NM 15. Distance from Proposed Location to Nearest Property or Lease Line 775' 16. Acres in Lease 17. Acres Assigned to Well 284. 2 FP 18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 20' 19. Proposed Depth 3000 Rotary 21. Elevations (DF, FT, GR, Etc.) 6100' GR 22. Approx. Date Work will Start 6100' GR 23. Proposed Casing and Cementing Program See Operations Plan attached APPROVAL DATE MAR - 4 200		Town actiful		
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Rowell E Swell Number South State Stat	2.	BURLINGTON		7. Unit Agreement Name
## Howell E Well Number 300S Well Number 300S Well Number 30S Well Number	3.	Address & Phone No. of Operator	78	8. Farm or Lease Name
4. Location of Well 775' FSL, 775' FEL Latitude 36° 48.3844'N, Longitude 1070 88.259 W Sec. 14, T-30-N, R-8-W API # 30-045- 3 / 2 9 3 14. Distance in Miles from Nearest Town 12. County 13. State San Juan NM 15. Distance from Proposed Location to Nearest Property or Lease Line 775' 16. Acres in Lease 17. Acres Assigned to Well 284.2 CP 18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 20' 19. Proposed Depth 20. Rotary or Cable Tools Rotary 21. Elevations (DF, FT, GR, Etc.) 6100' GR 22. Approx. Date Work will Start 23. Proposed Casing and Cementing Program See Operations Plan attached 24. Authorized by: Regulatory/Compliance Supervisor APPROVAL DATE MAR - 4 200				
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Archaeological Report to be submitted

Threatened and Endangered Species Report to be submitted

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

Title 18 U.S.C. Section 1001, makes 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 presentations as to any matter within its jurisdiction.

DECEIVED

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

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102 Revised August 15, 2000

DISTRICT II \$ 811 South First, Artesia, N.M. 88210

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

2040 South Pacheco Santa Fe, NM 87505 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

☐ AMENDED REPORT

2040 South Pacheco, Santa Fe, NM 87505

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⁴ Property Code				Property Name						Well Number			
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OPERATIONS PLAN

Well Name: Howell E 300S

Location: 775'FSL, 775'FEL, Section 14, T-30-N, R-08-W

San Juan County, NM

Formation: Basin Fruitland Coal

Elevation: 6100 GR

Formation:	Тор	Bottom	Contents
Surface Ojo Alamo Kirtland Fruitland Fruitland Coal TOP	San Jose 1820' 1991' 2687' 2707'	1820' 1991' 2687' 2707' 2990'	aquifer gas gas
Intermediate TD Fruitland Coal Base Total Depth T/Pictured Cliffs	2 724' 2990' 3000 ' 30 04	3000′	gas

Logging Program: None

Mud Program:

Interval	Type	Weight	Vis.	Fluid Loss
0- 120'	Spud	8.4-9.0	40-50	no control
120-2724'	Non-dispersed	8.4-9.0	30-60	no control

2724-3000: Air/Mist

Casing Program:

Hole Size	Depth Interval	Csg.Size	Wt.	Grade
$\frac{1323}{12}$ $\frac{3123}{14}$ "	0' - 120'	9 5/8"	32.3#	H-40
8 3/4"	0' - 2724'	7"	20.0#	K-55
6 1/4"	2624' - 3000'	5 1/2"	15.5#	K-55

Tubing Program:

0' - 3000' 2 3/8" 4.7# J-55

Float Equipment: 9 5/8" surface casing - saw tooth guide shoe. Centralizers will be run in accordance with Onshore Order #2.

7" intermediate casing - guide shoe and self-fill insert float collar.

Standard centralizers run every other joint above shoe. Run insert float one joint above guide shoe. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1991'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

5 1/2" production liner - Pre-drilled liner run from total depth to the 7" casing with an overlap. Liner hanger is a slip grip type.

Wellhead Equipment: 9 5/8" x 7" x 2 3/8" x 11" 3000 psi xmas tree assembly.

Cementing:

9-5/8" surface casing - cement with 32 sxs Class A, B Portland Type I, II cement (38 cu.ft. of slurry, bring cement to surface through 3/4" line) or equivalent.

WOC 24 hours for pre-set holes or 8 hours for conventionally set holes before pressure testing or drilling out from under surface casing.

7" intermediate Casing - lead w/323 sacks Premium Lite with, 3% calcium chloride, 1/4#/sack flocele, 5 pps Lcm-1, 0.4% FL-52, 0.4% sms. Tail with 9O Type III cement with 1% calcium chloride and ¼ pps flocele and 0.2% FL-52 (813 cu.ft., 100% excess to circulate to surface).

Note: If open hole logs are run, cement volumes will be based on 25% excess over caliper volumes.

BOP and tests:

Surface to intermediate TD - 11" 2000 psi (minimum) double gate BOP stack (Reference Figure #1). Prior to drilling out surface casing, test rams to 600#/30 min.

Intermediate TD to Total Depth - 7 1/6" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to drilling out intermediate casing, test blind rams and casing to 2500 psi for 30 minutes; all pipe rams and casing to 2500 psi for 30 minutes each.

From surface to TD - choke manifold (Reference Figure #3).

Pipe rams will be actuated at least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional information:

- * The Fruitland Coal formation will be completed.
- * Anticipated pore pressure for the Fruitland is 500 psi.
- * This gas is dedicated.
- * The East half of Section 14 is dedicated to the Fruitland Coal.

Drilling Engineer

12/17/02 Date