

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 20005. Lease Serial No.
NMSF-0783606. If Indian, Allottee or Tribe Name
N/A7. If Unit or CA Agreement, Name and No.
N/A8. Lease Name and Well No.
LYBROOK YARD WDW #19. API Well No.
30-039- 2753310. Field and Pool, or Exploratory
POINT LOOKOUT SWD-Mesuvide11. Sec., T., R., M., or Blk. and Survey or Area
14-23n-7w NMPM12. County or Parish
RIO ARRIBA13. State
NM1a. Type of Work: ☒ DRILL☐ REENTER1b. Type of Well: ☐ Oil Well ☐ Gas Well ☒ Other WATER DISPOSAL WELL ☒ Single Zone ☐ Multiple Zone

2. Name of Operator

ELM RIDGE RESOURCES, INC.3a. Address **P. O. BOX 189****FARMINGTON, NM 87499**

3b. Phone No. (include area code)

(505) 632-3476

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface **988' FNL & 2035' FEL**At proposed prod. zone **SAME**

14. Distance in miles and direction from nearest town or post office*

1 MILE NORTHEAST OF LYBROOK15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)**988'**

16. No. of Acres in lease

2,565.24

17. Spacing Unit dedicated to this well

N/A18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft.**401'**

19. Proposed Depth

4,900'

20. BLM/BIA Bond No. on file

#886201C (BLM - NATION WIDE)

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

7,080' GL

22. Approximate date work will start*

UPON APPROVAL

23. Estimated duration

3 WEEKS

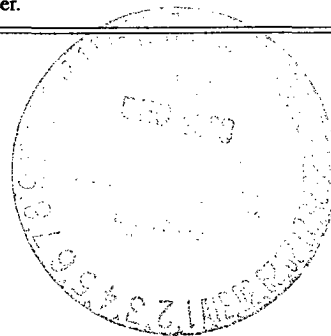
24. Attachments

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.
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.

Comments

Only other well in quarter-quarter is an Elm Ridge Gallup well.

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

cc: BLM (&OCD), Elm (D & F)

25. Signature

Name (Printed/Typed)

BRIAN WOOD

Date

11-11-03

Title

CONSULTANT**PHONE: 505 466-8120****FAX: 505 466-9682**

Approved by (Signature)

Name (Printed/Typed)

Date

DEC 15 2003

Title

Office

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.

NMOCD

State of New Mexico
Energy, Minerals & Mining Resources Department
OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C - 102

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APA Number 30-039-27533	Pool Code 96160	Pool Name SWD; Mesuverde
Property Code 33246	Property Name LYBROOK YARD WDW	Well Number 1
OGSD No. 149052	Operator Name ELM RIDGE RESOURCES	Elevation 7080'

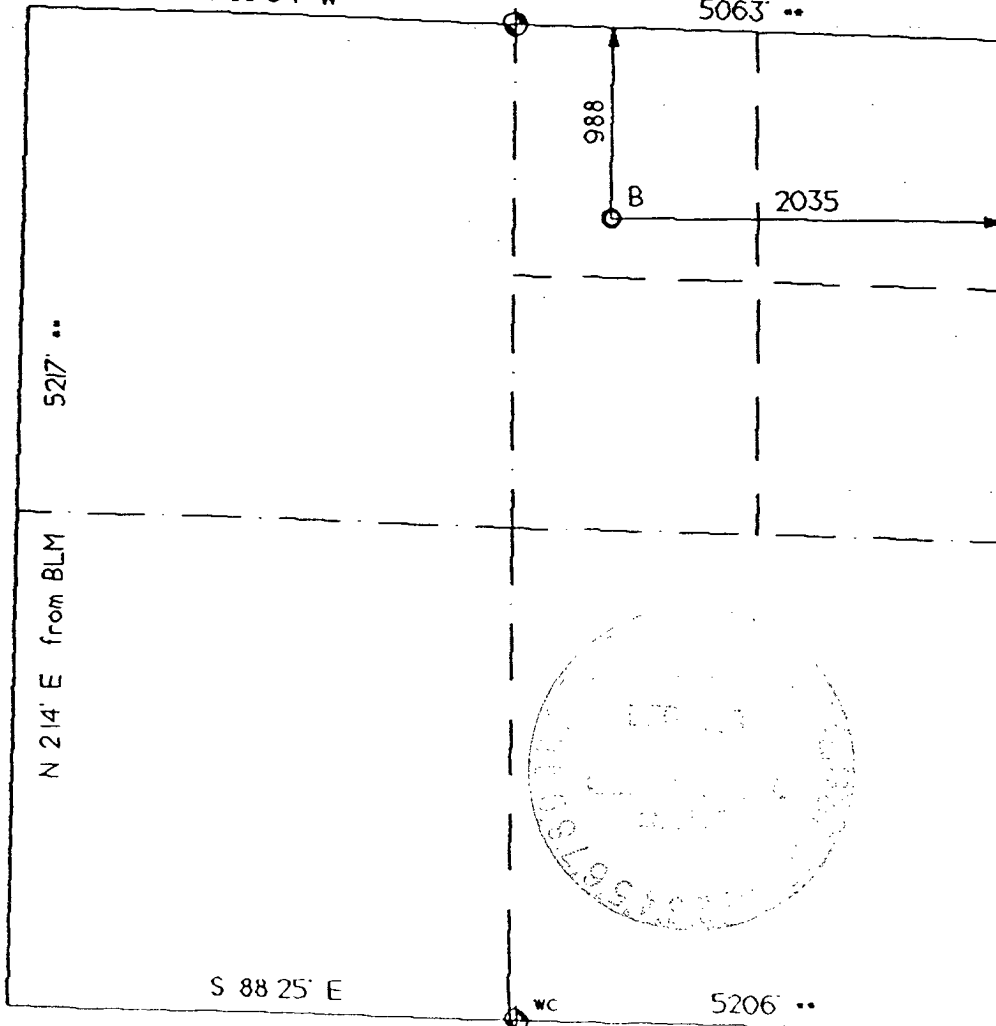
Surface Location									
UL or Lot B	Sec. 14	Twp. 23 N.	Rge. 7 W.	Lot Idn.	Feet from 988'	North/South NORTH	Feet from 2035'	East/West EAST	County RIO ARriba

Bottom Hole Location if Different From Surface									
UL or Lot	Sec.	Twp.	Rge.	Lot Idn.	Feet from	North/South	Feet from	East/West	County
Dedication NA	Joint ?	Consolidation	Order No.						

NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

N 88°04' W

5063' ..



OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature *B. Wood*

Printed Name **BRIAN WOOD**

Title **CONSULTANT**

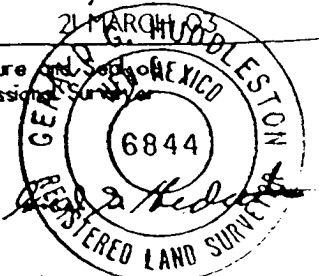
Date **NOV. 11, 2003**

SURVEYOR CERTIFICATION

I hereby certify that the well location 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.

Date of Survey

Signature and Seal of Professional Surveyor



Elm Ridge Resources, Inc.
 Lybrook Yard WDW #1
 988' FNL & 2035' FEL
 Sec. 14, T. 23 N., R. 7 W.
 Rio Arriba County, New Mexico

PAGE 1

Drilling Program

1. ESTIMATED FORMATION TOPS

<u>Formation Name</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Elevation</u>
San Jose	000'	12'	+7,080'
Nacimiento	100'	112'	+6,980'
Ojo Alamo	1,780'	1,792'	+5,300'
Kirtland - Fruitland	1,853'	1,865'	+5,227'
Pictured Cliffs Ss	2,330'	2,342'	+4,750'
Lewis Shale	2,380'	2,392'	+4,700'
Chacra Ss	2,720'	2,732'	+4,360'
Cliff House Ss	3,850'	3,862'	+3,230'
Menefee Shale	3,890'	3,902'	+3,190'
Pt. Lookout Ss	4,570'	4,582'	+2,510'
Mancos Shale	4,780'	4,792'	+2,300'
Total Depth	4,900'	4,912'	+2,180'

* all elevations reflect the ungraded ground level of 7,080'

2. NOTABLE ZONES

<u>Oil &/or Gas Zones</u>	<u>Water Zones</u>	<u>Coal Zone</u>
Fruitland	San Jose	Fruitland
Pictured Cliffs	Ojo Alamo	
<i>Menefee Fm</i>	Fruitland	
	Pictured Cliffs	

Water zones will be protected with casing, cement, and weighted mud. Fresh water encountered during drilling will be recorded by depth, cased, and cemented. Oil and gas shows will be tested for commercial potential based on the well site geologist's recommendations.

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Lybrook Yard WDW #1
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Rio Arriba County, New Mexico

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3. PRESSURE CONTROL

The exact drill rig and BOP model to be used are not yet known. (A typical 2,000 psi model is on PAGE 3.) BOP and choke manifold system will be installed and tested to 500 psi before drilling surface casing plug. It will remain in use until the well is completed or abandoned. A safety valve and sub with a full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when kelly is not in use.

All BOP mechanical and pressure tests will be recorded on the driller's log. BOPs will be inspected and opened and closed at least daily to assure good mechanical working order. Inspections will be recorded on the daily drilling report. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place.

4. CASING & CEMENT

<u>Hole Size</u>	<u>O. D.</u>	<u>Weight (lb/ft)</u>	<u>Grade</u>	<u>Type</u>	<u>Age</u>	<u>GL Setting Depth</u>
12-1/4"	9-5/8"	36	J-55	S T & C	New	400'
8-3/4"	5-1/2"	17	J-55	S T & C	New	4,900'

Surface casing will be cemented to the surface with ≈ 251 cubic feet (≈ 213 sx) Class G with 1/4# per sack Flocele + 2% CaCl₂. Cement will be mixed at 15.6 pounds per gallon and 1.18 cubic feet per sack. Volume is based on >100% excess. Centralizers will be installed on the middle of the shoe joint and every other centralizer thereafter. Thread lock the guide shoe and bottom of float collar only. Use API casing dope. Top will be determined by visual observation.

Long string will be cemented to the surface. Top will be determined by visual observation and bond log. Lead with ≈ 875 sacks Halliburton Light + gilsonite + Flocele + gel mixed at 12.3 pounds per gallon and 1.8 cubic feet per sack. Tail with ≈ 50 sacks 50/50 Poz + gilsonite + Flocele + gel mixed at 15.4 pounds per gallon and 1.30 cubic feet per sack. Volume is based on >30% excess.