UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BAC Type of Work 5. Lease Number 1a. NM-03583 DRILL Unit Reporting Number 891001051A 6. If Indian, All. or Tribe Type of Well 1b. GAS 7. Unit Agreement Name 2. Operator MAR 2002 Oil & Gas Company San Juan 28-6 Unit Address & Phone No. of Operator 8. Farm or Lease Name 3. 22 3 San Juan 28-6 Unit PO Box 4289, Farmington, 9. Well Number 236 (505) 326-9700 10. Field, Pool, Wildcat 4. Location of Well So Blanco Pict Cliffs 1900' FSL, 1600' FWL 11. Sec., Twn, Rge, Mer. (NMPM) K Sec. 6, T-27-N, R-6-W Latitude 36⁰ 36.06, Longitude 107⁰ 30.65 API # 30-039-26828 12. County 13. State Distance in Miles from Nearest Town Rio Arriba MM 40.2 miles from Blanco Distance from Proposed Location to Nearest Property or Lease Line 15. 1600' 17. Acres Assigned to Well 16. Acres in Lease 157.12 Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 18. 226' This action is subject to technical and Proposed Depth appeal pursuant to 43 CFR 3165.3 20. Rotary or Cable Tools 19. 3020' Rotary 22. Approx. Date Work will Start Elevations (DF, FT, GR, Etc.) 21. 6154' GR DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED 23. **Proposed Casing and Cementing Program** "GENERAL REQUIREMENTS" See Operations Plan attached 24. Authorized by: Regulatory/Compliance Supervisor APPROVAL DATE PERMIT NO. APPROVED B'

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.

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

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised February 21, 1994 Instructions on back omit to Appropriate District Office

DISTRICT II P.O. Drawer DD, Artesia, N.M. 88211-0719

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

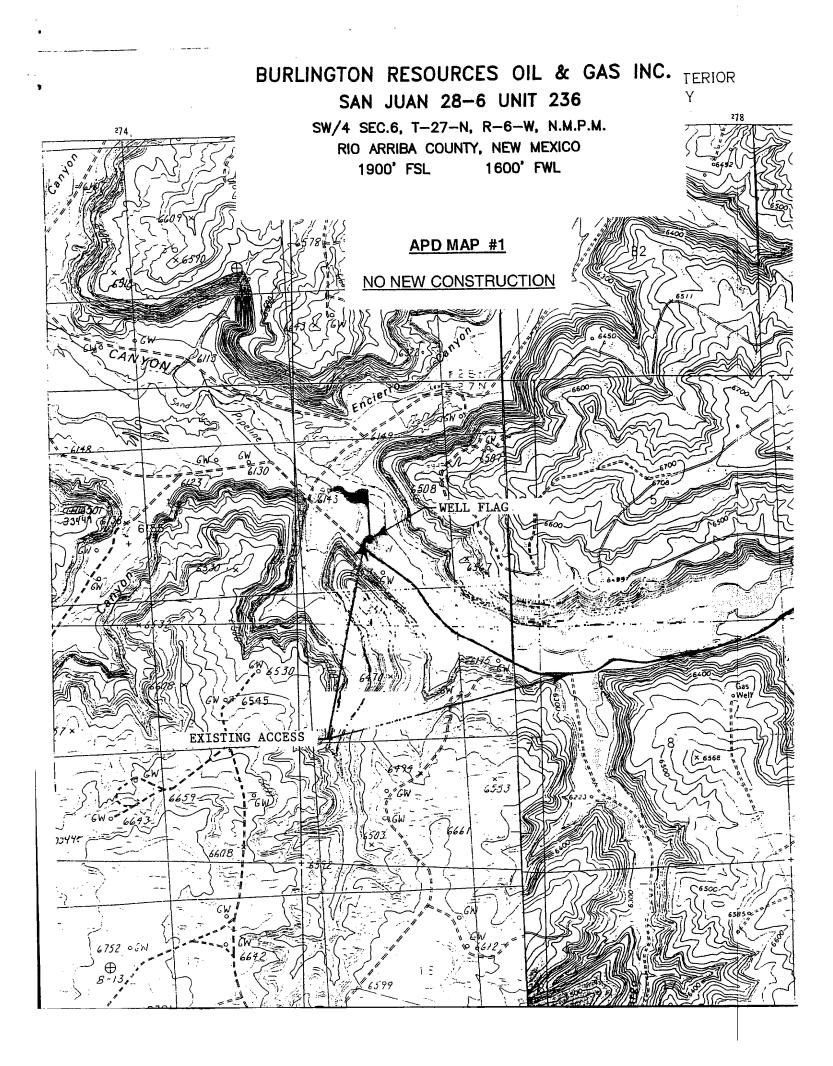
DISTRICT III 1000 Rio Brazos Rd., Aziec, N.M. 87410 DISTRICT IV PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

W

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹API Þ	lumber _			Pool Code	N AND A	CREAGE DED	Pool Name				
30-039- 68 *Property Code 7462		*Property Name						all Number 236			
⁷ OGRID No.			В	URLINGTO	*Operator Name URLINGTON RESOURCES OIL & GAS INC.				⁶ Elevation 6154		
14538					¹⁰ Surfac	e Location					
UL or let no.	Section 6	Township 27—N	Range 6-W	Lot Idn	Feet from the 1900	North/South line SOUTH	Feet from the 1600	East/Wee WES		RIO ARRIBA	
UL or lot no.	Section	Township	11 Botto Range	Lot Idin	Location Feet from the	If Different I	Feet from the	East/We	et line	County	
¹² Dedicated Acres		100	oint or Infill	L	¹⁴ Consolidation	Code	¹⁶ Order No.	.1		<u> </u>	
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LOT 4 CHAVEZ, JESUS M., ET		LOT 3						9			
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FD 3 1/4" BLM 1955 BRASS CAP	 <u> </u> <u> </u>	 	<u> </u>	 	6		Regu	9-13-01			
NMSF-07		238.	968'	 LAT: LONG	36'36.06' N ::107'30.65'	. w.	16 I heraby (certify that t id from field	he well loca notes of a	ERTIFICATIO ation shown on this ctual surveys made at the same is true	
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2605.07°	,	1900,					iuc I	T T	21 July		
FD 3 1/4" BUM 1955 BRASS CAP	S 89°0 2567.8	01'26" E 05'(M)	<u></u>	FD 3 BLM 1 BRASS	1/4" 955 : CAP		Cortific	ode Humber	8894		



OPERATIONS PLAN

Well Name: San Juan 28-6 Unit #236

1900'FSL, 1600'FWL, Section 6, T-27-N, R-6-W Location:

Rio Arriba County, New Mexico

Latitude 36° 3.06, Longitude 107° 30.65

Formation: South Blanco Pictured Cliffs

Elevation: 6154' GL

Гор	Bottom	Contents
San Jose 2126' 2181' 2624' 2816'	2126' 2181' 2624' 2816'	aquifer gas gas gas
	San Jose 2126' 2181' 2624'	San Jose 2126' 2126' 2181' 2181' 2624' 2624' 2816'

Logging Program:

Open hole - Surface to TD - ARI, 2020' to TD - CNL-CDL Cased hole - Surface to TD - CBL-CCL-GR

Coring Program: None

Mud Program:

Interval	Type	Weight	Vis.	Fluid Loss
0- 120'	Spud		40-50	no control
120-3020'	FW	8.4-9.0	32-45	no control

Casing Program (as listed, equivalent, or better):

Hole Size	Depth Interval	Csg.Size	<u>Wt.</u>	<u>Grade</u>
9 7/8"	0 - 120' 1.0' 0 - 3020'	7001711	20.0#	J-55
6 1/4"	0 - 3020'	2 7/8"	6.5#	J-55

Float Equipment: 7" surface casing - saw tooth guide shoe. Centralizers will be run in accordance with Onshore Order #2.

2 7/8" production casing - float shoe on bottom. Three centralizers run every other joint above shoe. Seven centralizers run every 3rd joint to the base of the Ojo Alamo @ 2181'. Two turbolizing type centralizers one below and one into the base of the Ojo Alamo @ 2181'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment: 7" x 2 7/8" 2000 psi screw on independent wellhead.

Circulate cement to Sorbace Cementing: 7" surface casing - cement with 27 sx Class A, B Portland Type I, II cement (32 cu.ft. of slurry, bring cement to surface through 3" line). WOC 8 hrs. Test casing to 600 psi for 30 minutes.

2 7/8" production casing - Lead w/418 sx Premium Lite cement w/3% calcium chloride, 1/4 pps Flocele, 5 pps LCM-1, 0.4% FL-52, 0.4% SMS. Tail w/90 sx Type III cement w/1% calcium chloride, 1/4 pps Flocele, and 0.2% FL-52 (1015 cu.ft. of slurry, 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 TD - 11" 2000 psi (minimum double gate BOP stack (Reference Figure #1). Prior to drilling out surface casing, test rams to 600 psi/30 min.

Completion - 6" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test rams and casing to 2000 psi/15 min.

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

Pipe rams will be actuated to 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.

BOP and tests (if a coiled tubing drilling rig is utilized):

Surface to TD: 7 1/16" 2000 psi (minimum) Torus annular BOP stack (Reference Figure #1B). Prior to drilling out surface casing, test annular BOP to 600 psi/30 minutes.

Completion: 7 1/16" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test blind rams and casing to 1500 psi/30 minutes; all pipe rams and casing to 1500 psi/30 minutes each.

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

The annular BOP will be actuated to close on drill pipe (coiled tubing) at least once each day and to close on open hole once each trip to test proper functioning.

Additional information:

- * The Pictured Cliffs formation will be completed.
- * Anticipated pore pressure for the Pictured Cliffs is 500 psi.
- * This gas is dedicated.
- * The southwest quarter of Section 6 is dedicated to the Pictured Cliffs.

Drilling Engineer Date