

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-03040-A	
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator Phillips Petroleum Company		7. Unit or CA Agreement Name and No. San Juan 29-6 Unit	
3a. Address 5525 Highway 64, NBU 3004, Farmington, NM 87401		8. Lease Name and Well No. SJ 29-6 Unit #116 P	
3b. Phone No. (include area code) 505-599-3454		9. API Well No. 30-039-26681	
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface Unit K, 1697' FSL & 1791' FWL At proposed prod. zone Same as above		10. Field and Pool, or Exploratory So. Blanco PC; Basin FC	
14. Distance in miles and direction from nearest town or post office* 21 miles east of Blanco, NM		11. Sec., T., R., M., or Blk. and Survey or Area Section 27, T29N, R6W	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 1697'		12. County or Parish Rio Arriba, NM	
16. No. of Acres in lease 1400.00 Acres		17. Spacing Unit dedicated to this well 160 SW/4 PC 32042 FC	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.		20. BLM/BIA Bond No. on file ES0048	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6315' GL		22. Approximate date work will start* 1st or 2nd Qtr 2000	
		23. Estimated duration 20 days	

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

24. Attachments

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS"

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 officer. |

25. Signature <i>Patsy Clugston</i>	Name (Printed/Typed) Patsy Clugston	Date 2/22/01
Title Sr. Regulatory/Proration Clerk		
Approved by (Signautre) <i>/s/ Jim Lovato</i>	Name (Printed/Typed)	Date
Title Office		

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)

District I  
P.O. Box 1980, Hobbs, NM 88241-1980  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies  
☐ AMENDED REPORT

2001 FEB 23 PM 1:18

WELL LOCATION AND ACREAGE DEDICATION PLAT

APL Number 30039-26681		Pool Code 72439	Pool Name So. Blanco Pictured Cliffs, Ext.
Property Code 009257	Property Name SAN JUAN 29-6 UNIT		Well Number 116 P
OGRIID No. 017654	Operator Name PHILLIPS PETROLEUM COMPANY		Elevation 6315'

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
K	27	29N	6W		1697'	SOUTH	1791'	WEST	RIO ARriba

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
K									

Dedicated Acres 160 SW/4	Joint or Infill Y	Consolidation Code U	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

16	S89°58'E	5272.08'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature <i>Patsy Clugston</i> Patsy Clugston Printed Name Sr. Regulatory/Proration Clerk Title December 7, 2000 Date
	5280.00'	5280.00'	
5280.00'	Section 27	NM-03040-A 1400.00 Acres	18 SURVEYOR CERTIFICATION 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.  11/02/00 Date of Survey Signature and Seal of Registered Surveyor: <i>Henry P. Broadhurst, Jr.</i> HENRY P. BROADHURST, JR. NEW MEXICO 11393 Certificate Number
N00°02'E	1791'	1697'	
N00°03'E	S89°59'E	5278.68'	

District I  
P.O. Box 1980, Hobbs, NM 88241-1980  
District II  
111 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Altec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-039-26681		2. Pool Code 71629		3. Pool Name Basin Fruitland Coal		
4. Property Code 009257		5. Property Name SAN JUAN 29-6 UNIT			6. Well Number 116 P	
7. OGRID No. 017654		8. Operator Name PHILLIPS PETROLEUM COMPANY			9. Elevation 6315'	

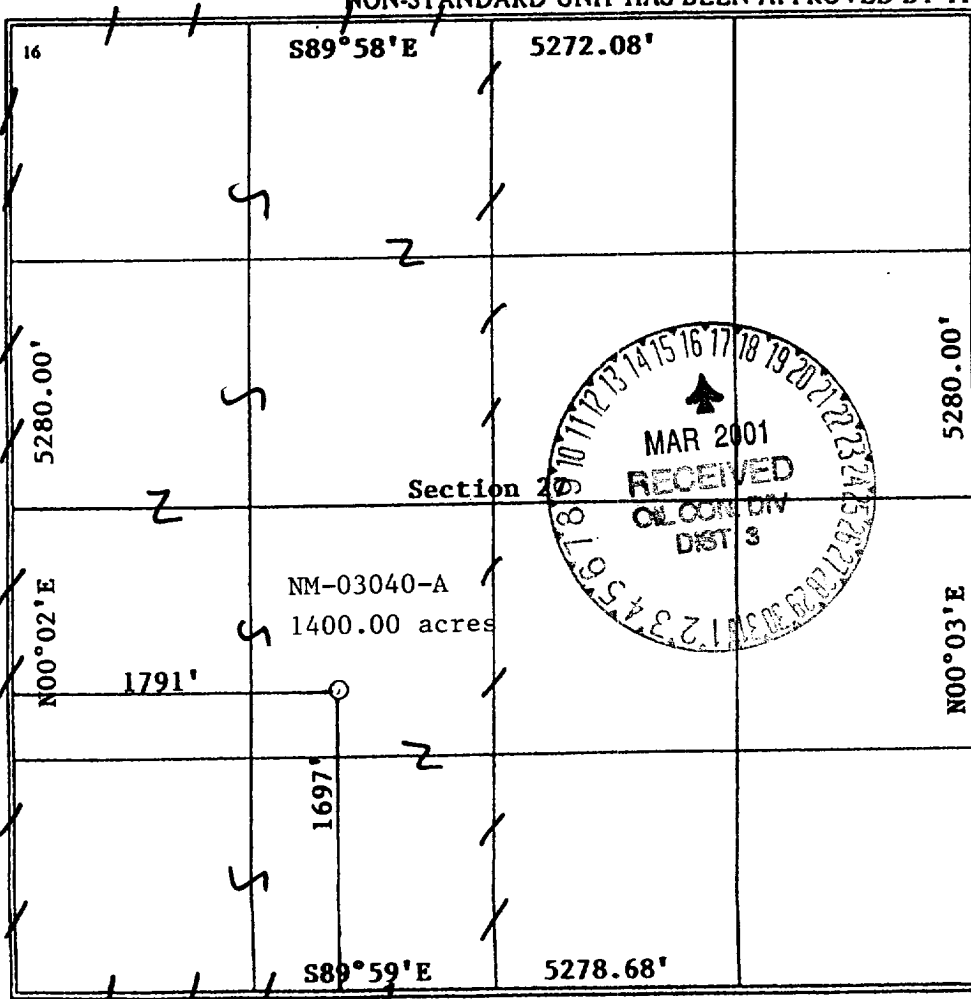
10. Surface Location

UL, or lot no. K	Section 27	Township 29N	Range 6W	Lot Ida	Feet from the 1697'	North/South line SOUTH	Feet from the 1791'	East/West line WEST	County RIO ARriba
---------------------	---------------	-----------------	-------------	---------	------------------------	---------------------------	------------------------	------------------------	----------------------

11. Bottom Hole Location If Different From Surface

UL, or lot no. K	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12. Dedicated Acres 320 W/2		13. Joint or Infill Y		14. Consolidation Code U		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>17. OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Patsy Clugston</i></p> <p>Signature Patsy Clugston Printed Name Sr. Regulatory/Proration Clerk Title December 7, 2000 Date</p>	
		<p>18. 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>11/02/00</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor: <i>Henry P. Broadhead, Jr.</i> HENRY P. BROADHEAD, JR. NEW MEXICO 11393 REGISTERED PROFESSIONAL SURVEYOR</p> <p>Certificate No. 11393</p>	

# PHILLIPS PETROLEUM COMPANY

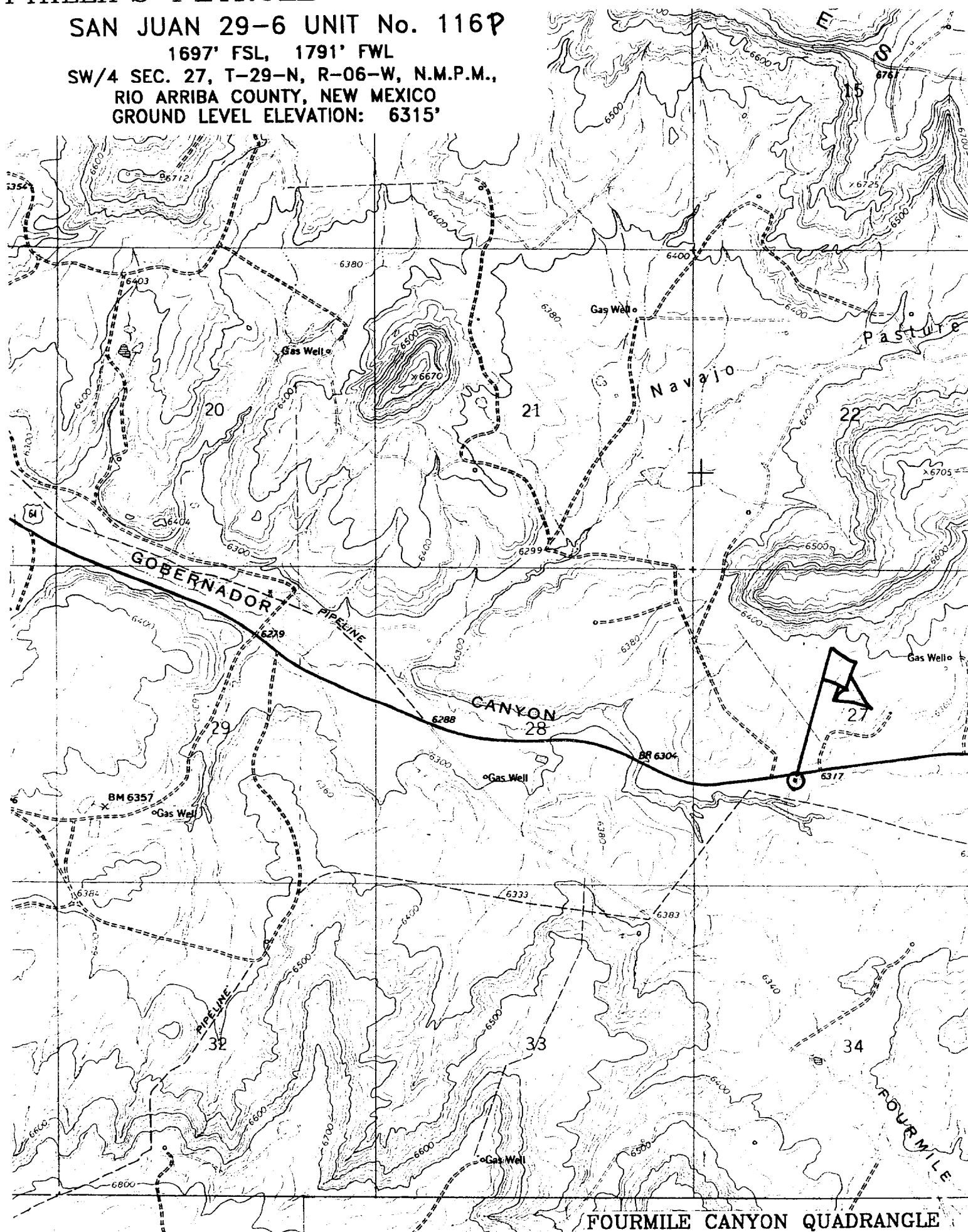
SAN JUAN 29-6 UNIT No. 116P

1697' FSL, 1791' FWL

SW/4 SEC. 27, T-29-N, R-06-W, N.M.P.M.,

RIO ARriba COUNTY, NEW MEXICO

GROUND LEVEL ELEVATION: 6315'



FOURMILE CANYON QUADRANGLE

## PHILLIPS PETROLEUM COMPANY

WELL NAME: San Juan 29-6 Unit #116P

### DRILLING PROGNOSIS

1. Location of Proposed Well: Unit K, 1697' FSL & 1791' FWL  
Section 27 T29N, R6W, Rio Arriba, NM
2. Unprepared Ground Elevation: @ 6315'
3. The geological name of the surface formation is San Jose.
4. Type of drilling tools will be rotary.
5. Proposed drilling depth is 3417'
6. The estimated tops of important geologic markers are as follows:

<u>Nacimiento Fm. -</u>	<u>1305'</u>
<u>Ojo Alamo -</u>	<u>2254'</u>
<u>Kirtland -</u>	<u>2752'</u>
<u>Fruitland -</u>	<u>3087'</u>
<u>Pictured Cliffs -</u>	<u>3217'</u>

7. The estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

Water:	<u>Ojo Alamo - 2254' - 2752'</u>
Gas & Water:	<u>Fruitland - 3087' - 3217'</u>
Gas:	<u>Pictured Cliffs- 3217' - 3317'</u>

8. The proposed casing program is as follows:

Surface String: 8.5/8", 24#, J or K-55 ST&C @ 285'  
Production String: 4-1/2", 11.6#, J or K-55 @ 3417'

Surface Centralizers - 10' above shoe & at 2<sup>nd</sup>, 4<sup>th</sup>, and 6<sup>th</sup> joints

Production Centralizers - 10' above shoe & at 1<sup>st</sup>, 2<sup>nd</sup>, 4<sup>th</sup>, 6<sup>th</sup>, & 8<sup>th</sup> jts & 1 jt above surface casing shoe.

Turbulators : 1<sup>st</sup> joint below Ojo Alamo (base 2617') and next 2 jts up.

## 9. Cement Program:

Surface String: 201.2 sx Class H with 2% CaCl<sub>2</sub> + 1/4#/sx Cello Flake mixed at 15.6 ppg with 1.2 ft<sup>3</sup>/sx yield or quantity sufficient to circulate cement to surface (243 cf).

Production String:

Lead 305 sx 35/65 (POZ/Class H) cement with 6% Bentonite & 5#/sx Gilsonite, & 1/4#/sx Celloflake 2.1 ft<sup>3</sup>/sx yield (640.5 cf) (100% excess)

Tail 61 sx Class H cement with 1/4#/sx Celloflake, 5#/sx Gilsonite, 2% CaCl<sub>2</sub> & 0.3% FL-52. Yield 1.21 ( 74 cf).

Note: Phillips Petroleum continually works to improve the cement slurries on our wells. BJ Services is currently trying to improve what we are using now and before we would use a new cement program it would have to have stronger properties than we are currently using.

10. The minimum specifications for pressure control equipment which are to be used, a schematic diagram thereof showing sizes, pressure ratings (or) API series and the testing procedure and testing frequency are enclosed within the APD packet.
11. Drilling Mud Prognosis: Surface Hole – water with native clays & bentonite as needed.  
Production Hole – Water with native clays, bentonite and LCM as needed VIS 35-40 All low solids, nondispersed, 9.0+ ppg, fresh water base mud.
12. The testing, logging, and coring programs are as follows:  
D.S.T.s or cores: \_\_\_\_\_  
Logs: GSL & GR/CCL/CBL
13. Anticipated no abnormal pressures or temperatures to be encountered or any other potential hazards such as Hydrogen Sulfide Gas. Low risk H<sub>2</sub>S equipment will be used.  
Estimated bottomhole pressures:  
Fruitland – 800 psi  
Pictured Cliffs – 1100 psi
14. Anticipated starting date is sometime in the 1<sup>st</sup> or 2<sup>nd</sup> Quarter of 2001 with duration of drilling operations for approximately 20 days thereafter.

## BOP AND RELATED EQUIPMENT CHECK LIST

### 2M SYSTEM:

2 hydr. rams (pipe & blind) or hydr. ram and annular with blind ram on bottom

Kill Line (2-inch minimum)

1 kill line valve (2-inch minimum)

1 choke line valve

2 chokes (refer to diagram in attachment 1) on choke manifold

Upper kelly cock valve in open position with handle available

Safety valve (in open position) and subs to fit all drill strings in use (with handle available)

Pressure gauged on choke manifold

2 inch minimum choke line

Fill-up line above the uppermost preventer

*The BOPs will be pressure tested according to Onshore Order #2 III, A 1 and 30% safety factor.*