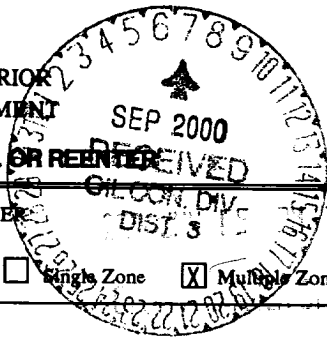


UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER



1a. Type of Work ☒ DRILL ☐ REENTER  
1b. Type of Well ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator  
Phillips Petroleum Company

3a. Address  
5525 Highway 64, NBU 3004, Farmington, NM 87401

3b. Phone No. (include area code)  
505-599-3454

4. Location of Well (Report location clearly and in accordance with any State requirements)\*  
At surface Unit 0, 1100' FSL & 2565' FEL  
At proposed prod. zone 1950 1745 same as above

14. Distance in miles and direction from nearest town or post office\*  
22 miles east of Blanco, NM

15. Distance from proposed\* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any)  
1100'

16. No. of Acres in lease  
2560 acres

17. Spacing Unit dedicated to this well  
320 E/2 DK & MV

18. Distance from proposed location\* to nearest well, drilling, completed, applied for, on this lease, ft.

19. Proposed Depth  
8125'

20. BLM/BIA Bond No. on file  
ES0048

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
6518' GL

22. Approximate date work will start\*  
3rd Qtr 2000

23. Estimated duration  
1 month

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.

25. Signature

*Patsy Clugston*

Name (Printed/Typed)

Patsy Clugston

Date

6/15/00

Title

Sr. Regulatory/Proration Clerk

Approved by (Signature)

*SM*

Name (Printed/Typed)

Date

*9-15-00*

Title

*SM*

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)

This action is subject to technical and procedural review pursuant to 43 CFR 3160.3 and appeal pursuant to 43 CFR 3160.4.

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

5. Lease Serial No.

SF-078995

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

San Juan 31-6 Unit

8. Well Name and No.

Changed location  
SJ 31-6 Unit #44E

9. API Well No.

30-039-26478

10. Field and Pool, or Exploratory Area

Basin Dakota and  
Blanco Mesaverde

11. County or Parish, State

Rio Arriba, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other <u>moved to a</u>
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <u>standard location</u>
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. 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 recomplete 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 recompletion 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 final site is ready for final inspection.)

The original APD for this well was submitted on 6/15/00 and a non-standard location approval couldn't be obtained, therefore we had to move the location.

Find attached the new C102s, cut & fill, map and updated "Surface Use Plan" which includes the new pipeline plat. We would like to use the APD/ROW process on this pipeline. New archy reports will be submitted to cover all of the changes.

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

Patsy Clugston

Title

Sr. Regulatory/Proration Clerk

Date

8/3/00

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

9/5/00

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

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, 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 representations as to any matter within its jurisdiction.

District I  
191 Box 1980, Hobbs, NM 88241-1980  
District II  
111 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

200 AM -4 AM 10:07 ☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 AM Number 30-039-26478		2 Pool Code 72319	3 Pool Name Blanco Mesaverde
4 Property Code 009259	5 Property Name SAN JUAN 31-6 UNIT		6 Well Number 44E
7 OGRID No. 017654	8 Operator Name PHILLIPS PETROLEUM COMPANY		9 Elevation 6517'

10 Surface Location

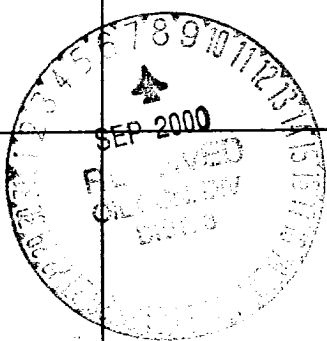
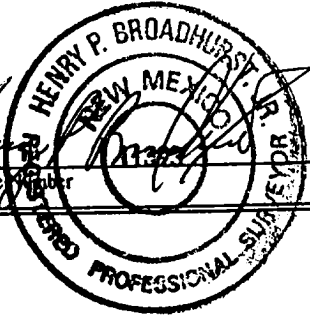
UL or lot no. J	Section 29	Township 31N	Range 6W	Lot Idn	Feet from the 1950'	North/South line SOUTH	Feet from the 1745'	East/West line EAST	County RIO ARriba
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11 Bottom Hole Location If Different From Surface

UL or lot no. J	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres 320 E/2	13 Joint or Infill Y	14 Consolidation Code U	15 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

16	N89°58'E	5295.84'	Section 29	SF-078995 2560 acres	1745'	1950'	N89°57'E	5293.20'	17	OPERATOR CERTIFICATION
										I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief
5280.00'	N00°01'E	5280.00'	N00°01'E	5280.00'	N00°01'E	5280.00'	N00°01'E	5280.00'	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.
									Signature Patsy Clugston Printed Name Sr. Regulatory/Proration Clerk Title July 25, 2000 Date	
									Date of Survey 07/12/00 Signature and Seal of Professional Surveyer:	



# PHILLIPS PETROLEUM COMPANY

GEOLOGICAL SURVEY

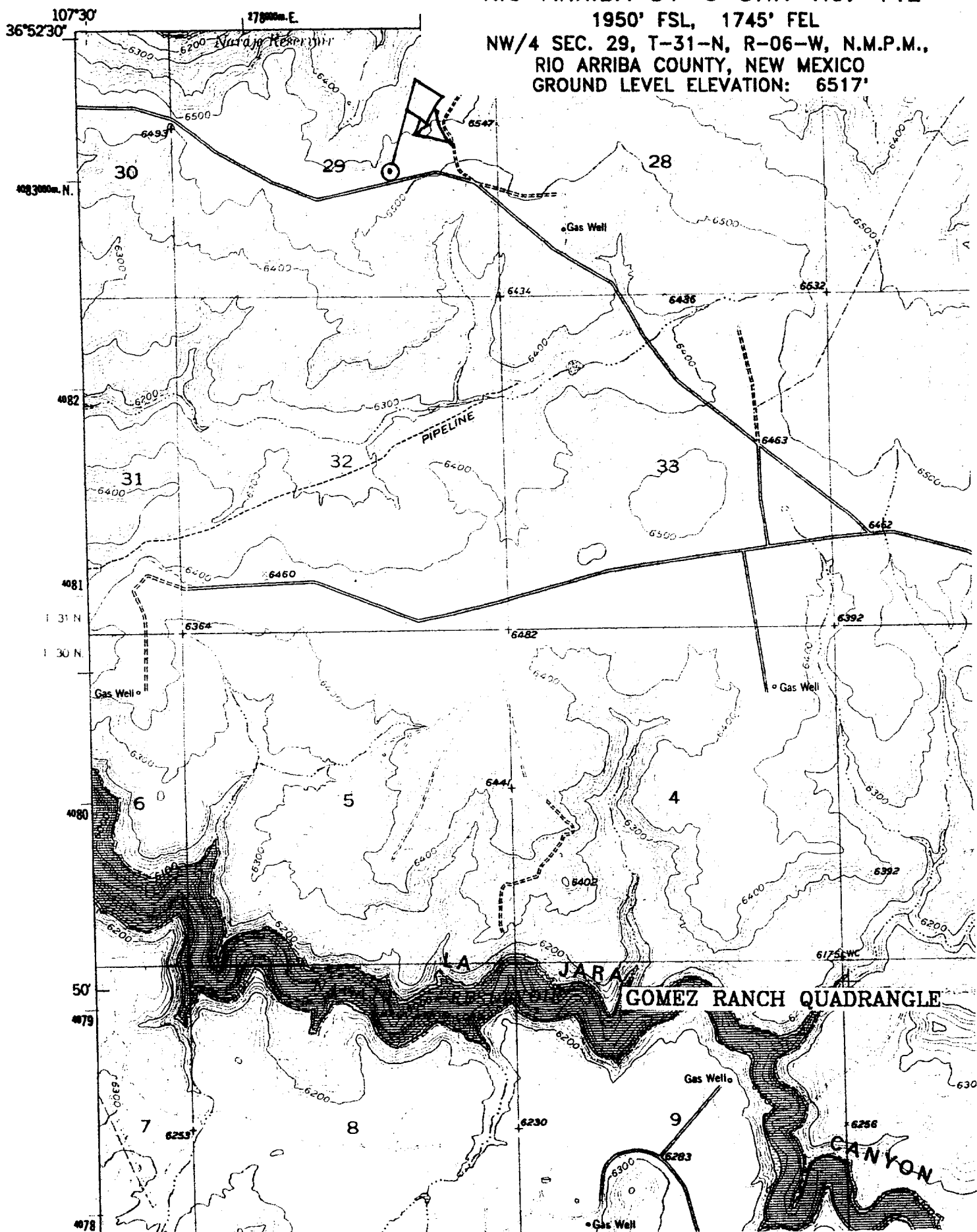
RIO ARRIBA 31-6 UNIT No. 44E

1950' FSL, 1745' FEL

NW/4 SEC. 29, T-31-N, R-06-W, N.M.P.M.,

RIO ARRIBA COUNTY, NEW MEXICO

GROUND LEVEL ELEVATION: 6517'



## PHILLIPS PETROLEUM COMPANY

WELL NAME: San Juan 31-6 Unit # 44E DK/MV

### DRILLING PROGNOSIS

1. Location of Proposed Well: Unit O, 1100' FSL & 2565' FEL  
Section 29, T31N, R6W

2. Unprepared Ground Elevation: @ 6518' (unprepared) .

3. The geological name of the surface formation is San Jose .

4. Type of drilling tools will be rotary .

5. Proposed drilling depth is 8125' .

6. The estimated tops of important geologic markers are as follows:

<u>Nacimiento - 1205'</u>	<u>Menefee Fm. - 5490'</u>
<u>Ojo Alamo - 2510'</u>	<u>Pt. Lookout - 5765'</u>
<u>Kirtland Sh - 2665'</u>	<u>Mancos Sh - 6090'</u>
<u>Fruitland Fm. - 3145'</u>	<u>Gallup Ss. - 7060'</u>
<u>Pictured Cliffs - 3390'</u>	<u>Greenhorn Ls. - 7790'</u>
<u>Lewis Shale - 3685'</u>	<u>Graneros Sh. - 7850'</u>
<u>Cliff House Ss - 5445'</u>	<u>Dakota Ss - 7975'</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 - 2510' - 2665'</u>
Gas & Water:	<u>Fruitland - 3145' - 3390'</u>
Gas:	<u>Pictured Cliffs - 3390' - 3685'</u>
	<u>Mesaverde - 5445' - 6090'</u>
	<u>Dakota Ss - 7975' - 8125' -</u>

8. The proposed casing program is as follows:

Surface String: 9-5/8", 36#, J/K-55 @ 320' \*

Intermediate String: 7", 20#, J/K-55 @ 3840'

Production String : 4-1/2", 11.6#, I-80 @ 8125' (TD)

\* The surface casing will be set at a minimum of 320', but could be set deeper if required to maintain hole stability.

## 9. Cement Program:

Surface String: 158.5 sx Type III cement + 2% bwoc Calcium Chloride + 0.25#/sx Cello-flake + 60.6% FW (1.41 yield = 223 cf).

Intermediate String: **Lead Cement:** 461.7 sx Type III cement (35:65) Poz + 5#/sx Gilsonite + 0.25 #/sx Cello-Flake + 6% bwoc Bentonite + 10#/sx CSE + 3% bwoc KCL + 0.4% bwoc FL-25 + 0.02#/sx static free + 129% FW (2.37 yield = 1094 cf). Cement to surface with 110% excess casing/hole annular volume.

**Tail Cement:** 50.0 sx Type III cement + 0.25#/sx Cello-Flake + 1% Calcium Chloride + 60.5% FW (1.4 yield = 70 cf). Cement to surface with 110% excess of casing/hole annulus volume.

Production String \*: 336.6 sx (35:65) Poz Class H cement + 10#/sx CSE + 0.25#/sx Cello-Flake + 0.2% bwoc CD-32 + 5#/sx Gilsonite + 0.5% bwoc FL-52 + 6% bwoc Bentonite + 112.4% FW (2.13 yield = 717 cf). The production string casing cement is designed to cover openhole section with 60% excess.

\*The production casing cement is calculated to cover the openhole interval with 60% excess and annular volume 100' within intermediate shoe. Depending on hole conditions, the well may be cemented in a single stage or two staged.

Centralizer Program:

Surface: Total four (4) 1 @ 10' above shoe & top of 2<sup>nd</sup>, 4<sup>th</sup> & 6<sup>th</sup> joint

Intermediate: Total seven (7) – 10' above shoe, top of 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.

Production: None planned.

Turbulators: Total Three (3) – on intermediate casing at 1<sup>st</sup> jt. below the Ojo Alamo and next 2 jts up.

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 - spud mud on surface casing.  
Intermediate - spud mud generated from natural clays with gel sweeps pretreated w/LCM before entering coal interval.  
Below Intermediate - air or gas drilled.

## **BOP AND RELATED EQUIPMENT CHECK LIST**

### **3M 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.*