#### SUBMIT IN TRIPLICATE.

(Other instructions on reverse side)

FORM APPROVED OMB NO. 1004-0136 Expires: February 28, 1995

## HNITED STATES

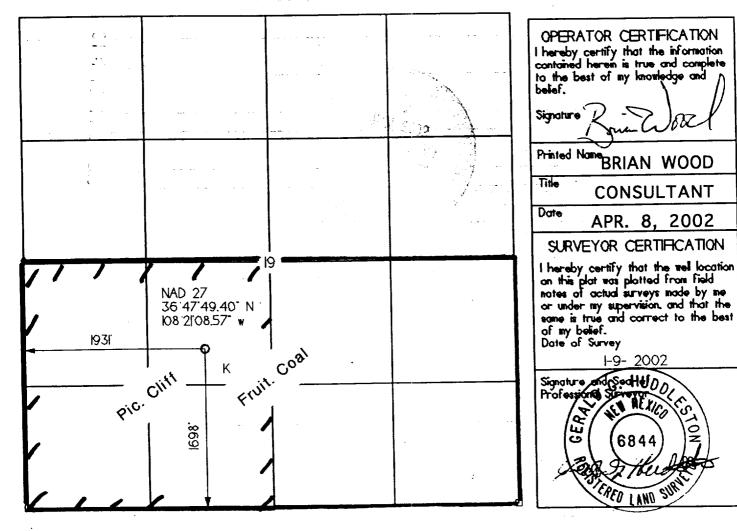
DEPARTMENT OF BUREAU OF LAN	· IME INIER	TURC .			
			h,	5. LEASE DESIGNATION	<b>4-19163</b>
APPLICATION FOR PERM				6. IF INDIAN, ALLOTTE	OR TRIBENIA
. TYPE OF WORK			-	7. UNIT AGREEMENT N	₩₽¬ N/A
DRILL D	DEEPEN []			29	856
OIL OAS WELL OTHER	SIN ZO	NGLE MULTIPLE NE ZONE		WF Federa	ที่ <sup>™</sup> 19 #3
chardson Operating Co.	(*	303) 830-800	oo 🖯	9. AM WELL NO.	
ADDRESS AND TELEPHONE NO.				30045	
700 Lincoln St., Suite 1700 LOCATION OF WELL (Report location clearly and in ac	, Denver, (	Co. 80203	— В.	10. FIELD AND POOL, S	Tw. Mo. PC
At surface 1698' FSL &	1931' FWL		-	11. SEC., T., R., M., OR AND SURVEY OR A	BLK. REA
At proposed prod. zone Same				₹19-30n-14	w NMPM
DISTANCE IN MILES AND DIRECTION FROM NEAREST	TOWN OR POST OFFICE			12. COUNTY OR PARISE	1 13. STATE
air miles NW of Farmingtor	1			San Juan	NM
5. DISTANCE FROM PROPOSED® LOCATION TO NEAREST		). OF ACRES IN LEASE		F ACRES ASSIGNED IS WELL	
PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)  8. DISTANCE FROM PROPOSED LOCATION®		0.840	20. ROTAR	Y OR CABLE TOOLS	8 160
	,612' 1	1,200'			Rotary
1. ELEVATIONS (Show whether DF, RT, GR, etc.)	E' unarad	ad		22. APPROX. DATE W	ork will start. 5, 2002
5,52		D CEMENTING PROGRAM	<del></del>	inay	0, 2002
PRO	WEIGHT PER FOOT	SETTING DEPTH		QUANTITY OF CEMI	ENT
SIZE OF ROLE	20	120'		≈36 cu. ft. 8	k to surface
	10.5	1,200'		≈225 cu. ft. 8	k to surface
rchaeology report (2001-28n #1 date n sited with Bill Liess					• }
: FOLING OCCRATIONS AUTHORIZED ARE					<i>3</i>
Of Hold Fith Companyation with attached		n is subject to technical and Grevious ours lant to 43 OFF			•
	procedura		3165.3		
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Of Hold Fith Complance with attached	procedura	o review burs sant to 43 OFF	3165.3		
"GENERAL REQUIREMENTS".	procedure and appea	CCC	: BLM, (	OCD (Via BLM), V d new productive zone. 1	· Van Blaricom
"GENERAL REQUIREMENTS".  IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If propiete pendirectionally, give pertinent data on subsurface locations and	procedure and appea social is to deepen, give dat and measured and true verti	CCC	: BLM, (and propose inter program	d new productive zone. 1 , if any.	f proposal is to drill
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N ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If propiete pen directionally, give pertinent data on subsurface locations from the space for Federal or State office use)	precedure, and appea social is to deepen, give dated and measured and true verting.	CC ta on present productive zone ical depths. Give blowout preve  COnsultant (505)	: BLM, (and propose-inter program	d new productive zone. I , if any.  20 DATE	4 - 8 - 0 2
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IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed deepen directionally, give pertinent data on subsurface locations at the space for Federal or State office use)	procedure, and appead and appead and appead and true verting the state of the state	CC ta on present productive zone ical depths. Give blowout preve  COnsultant (505)	: BLM, (and propose-inter program	d new productive zone. I , if any.  DATE  would entitle the applicant to	4 - 8 - 0 2

# State of New Mexico Energy. Minerals & Mining Resources Department OL CONSERVATION DIVISION 2040 South Pacheco Santa Fe. NM 87505

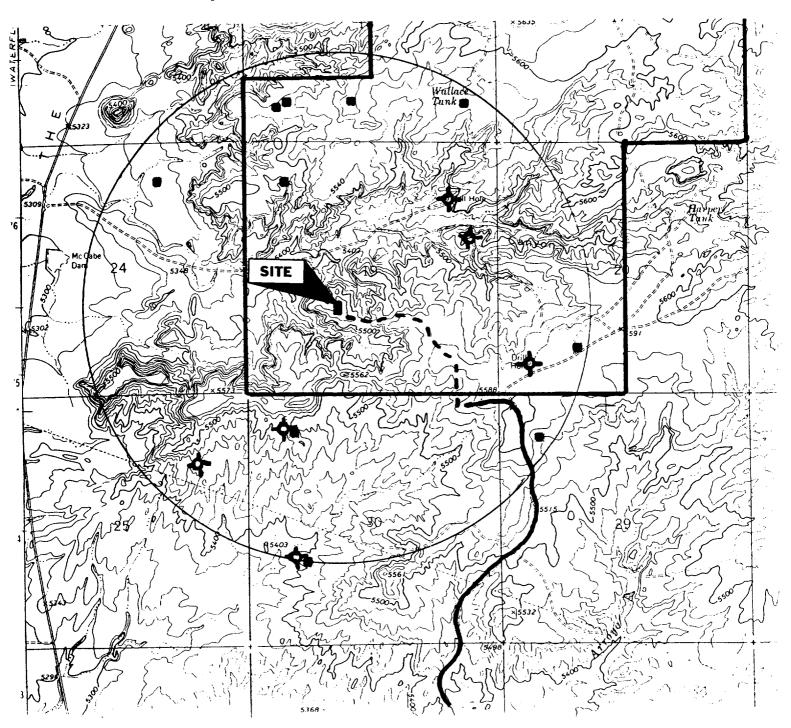
MENDED REPORT

Surface Location									
UL or Lot	Sec.	Tvp.	Rge.	Lot kin	Feet from>	North/South	Feet from>	East/West	County
К	19	30 N.	15 W.		1698	SOUTH	1931	WEST	SAN JUAN
Bottom Hole Location if Different From Surface									
UL or Lot	Şec.	Тир.	Rge.	Lot lon	Feet from>	North/South	Feet from>	East/West	County
Dedication	<b>J</b>	oint?	Correctido	ntion	Order No.				
	Ì								

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



Richardson Operating Co. WF Federal 19 #3 1698' FSL & 1931' FWL Sec. 19, T. 30 N., R. 14 W. San Juan County, New Mexico



PROPOSED WELL: ■
EXISTING WELL: ■
P & A WELL: ◆

PROPOSED ROAD & PIPELINE ROUTE: - - -

EXISTING ROAD: LEASE:



Richardson Operating Co. WF Federal 19 #3 1698' FSL & 1931' FWL Sec. 19, T. 30 N., R. 14 W. San Juan County, New Mexico

#### Drilling Program

#### 1. ESTIMATED FORMATION TOPS

Formation Name	<u>GL Depth</u>	KB Depth	<u>Elevation</u>
Kirtland Sh	000'	5'	+5,525'
Fruitland Fm	475'	480'	+5,050'
Pictured Cliffs Ss	1,000'	1,005'	+4,525'
Total Depth (TD)*	1,200'	1,205'	+4,325'

<sup>\*</sup> all elevations reflect the ungraded ground level of 5,525'

#### 2. NOTABLE ZONES

Gas Zones	Water Zones	<u>Coal Zones</u>
Fruitland Fm	Fruitland Fm	Fruitland Fm
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.

### 3. PRESSURE CONTROL

The drilling contract has not yet been awarded, thus the exact BOP model to be used is not yet known. (A typical 2,000 psi model is on PAGE 3.) Double ram or annular system with a rotating head will be used. All ram preventers and related equipment will be hydraulically tested at nipple up and after any use under pressure to 1000 psi.



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Blind rams will be hydraulically activated and checked for operational readiness each time pipe is pulled out of the hole. All checks of the BOP stack and equipment will be noted on the daily drilling report. BOP equipment will include a kelly cock, floor safety valve, and choke manifold all rated to 2000 psi. Maximum expected pressure is  $\approx$ 480 psi.

#### 4. CASING & CEMENT

Hole Size	<u>O. D.</u>	Weight (lb/ft)	<u>Grade</u>	<u>Age</u>	<b>GL Setting Depth</b>
8-3/4"	7"	20	K-55	New	120'
6-1/4"	4-1/2"	10.5	K-55	New	1,200'

Surface casing will be cemented to surface with  $\approx 36$  cu. ft. ( $\approx 30$  sacks) Class B + 2% CaCl<sub>2</sub>. Volume is based on 100% excess, yield of 1.18 cu. ft./sk, and slurry weight of 15.6 PPG. W.O.C. = 12 hours. Pressure test surface casing to 600 psi for 30 minutes.

Production casing hole will first be cleaned of rock chips by circulating at least 150% of hole volume with mud to the surface. Thirty barrels of fresh water will next be circulated. Lead with  $\approx$ 140 cubic feet ( $\approx$ 68 sacks) Class B with 2% metasilicate (yield = 2.06 cubic feet per sack, slurry weight = 12.5 pounds per gallon). Tail with  $\approx$ 85 cubic feet ( $\approx$ 72 sacks) of Class B with 2% CaCl<sub>2</sub> (yield = 1.18 cubic feet per sack, slurry weight = 15.6 pounds per gallon). Total cement volume is  $\approx$ 225 cubic feet based on 75% excess and circulating to surface.

Production casing will have 4-1/2" cement guide shoe and self fill float collar. Float will be placed one joint above the shoe. Five centralizers will be spaced on every other joint starting above the shoe. Five turbolizers will be placed on every other joint starting from the top of the well.

