Form 3160-3 FORM APPROVED (August 1999) OMB No. 1004-0136 UNITED STATES Expires November 30, 2000 DEPARTMENT OF THE INTERIOR Lease Serial No. BUREAU OF LAND MANAGEMENT NM 15272 APPLICATION FOR PERMIT TO DRILL OR REENTER 6. If Indian, Allottee or Tribe Name 7. If Unit or CA Agreement, Name and No. Ya. Type of Work: X DRILL REENTER 8. Lease Name and Wel b. Type of Well: Oil Well Gas Well Other ▼ Single Zone Multiple Zone Coolidge #2 2. Name of Operator 9. API Well No. Calpine Natural Gas Company 30 045 3A. Address 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory c/o Walsh Engineering, 7415 E. Main, Farmington, NM 87402 505.327.4892 -Twin Mounds Pictured Cliffs 4. Location of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T., R., M., or Blk, and Survey or Area At surface 1050' FNL and 960' FWL At proposed prod. Zone Section 22, T30N, R14W 14. Distance in miles and direction from nearest town or post office* 12. County or Parish 13. State 4 miles west of Farmington, NM San Juan NM 15. Distance from proposed 16. No. of Acres in lease 17. Spacing Unit dedicated to this well location to neares property or lease line, ft. (Also to nearest drig. unit line, if any) 960' 160 NW/4 160 acres Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 19. Proposed Depth 20. BLM/BIA Bond No. on file 3300' 1410' 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* 23. Estimated duration 5636' GL October 2002 2 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. 4. Bond to cover the operations unless covered by an existing bond on file (see 2. A Drilling Plan. Item 20 above). 3. A Surface Use Plan (if the location is on National Forest System Lands, th 5. Operator certification. 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 25. Signature Name (Printed/Typed) Date Paul C. Thompson, P.E. 9/23/02 Title Agent Approved by (Signature) David J. Mankiewicz Name (Printed/Typed) 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

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)

Conditions of approval, if any, are attached.

operations thereon.

Form C - 102

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

MENDED REPORT

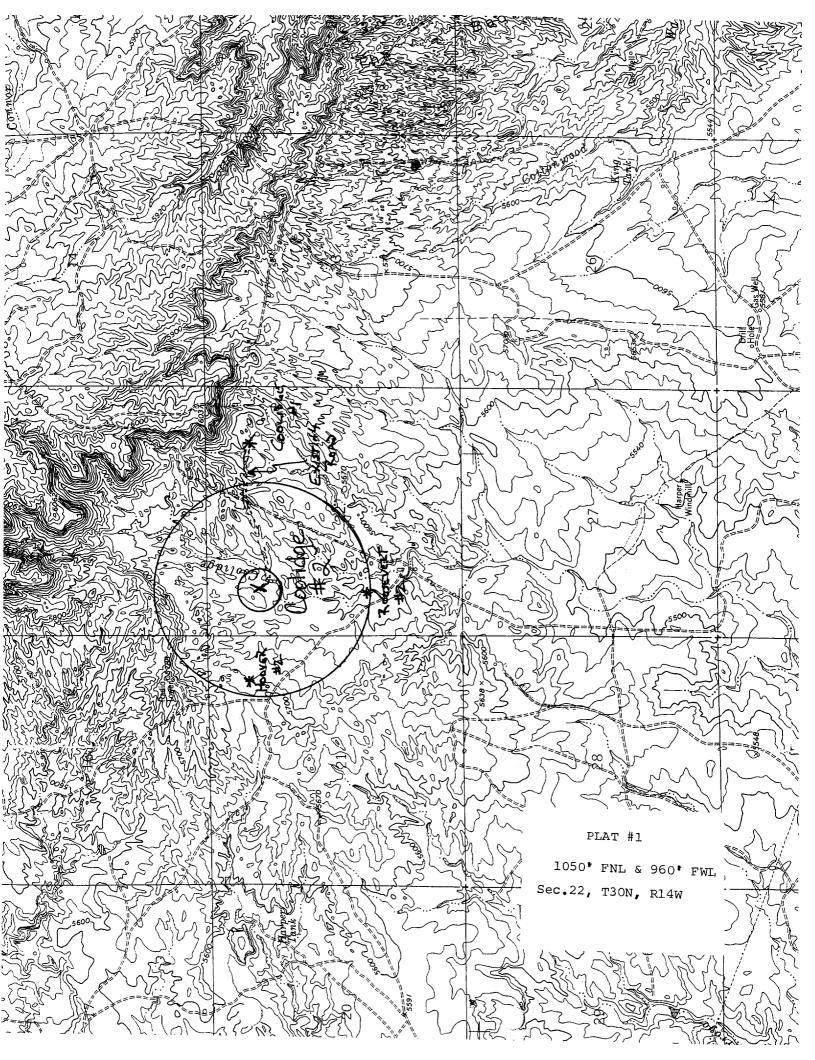
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Property Code					Property Name				Wall Number
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OGRID No.				Elevation 2					
194807				Servitori					
CALPINE NATURAL GAS								5636*	
	16				Surfac	 Location 			
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				Botton	n Hole Locatio	n if Different	From Surface		37.1.1 307.11
UL or Lot	Sec.	Тир.	Rge.	Lot kda.	Feet from>	North/South	Feet from>	Ecet/West	County
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I hereby certify that the infor contained herein is true and co to the best of my knowledge of belief.	
Signature Faul C. Thomas	
Printed Name Paul C. Thompson	=
Title Agent	
Date 9/24/02	
SURVEYOR CERTIFICATION In the pell on this plat was platted from finates of actual surveys made to	location ield
or under my supervisión, and the same is true and correct to the of my belief. Date of Survey 22 MARCH 08 Signature and Sedifor Correct of the same is true and sedifor Correct of the same in the s	of the !



CALPINE NATURAL GAS CORP. OPERATIONS PLAN Coolidge #2

I. Location: 1050' FNL & 960' FWL

Sec 22 T30N R14W San Juan County, NM Date: September 23, 2002

Field: Twin Mounds Pictured Cliffs

Surface: Bureau of Land Management

Minerals: Federal NM 15272

Elev: GL 5636'

II. Geology: Surface formation _ Nacimiento

A. Formation Tops	Depths
Fruitland	648'
Pictured Cliffs	1260'
Total Depth	1410'

Estimated depths of anticipated water, oil, gas, and other mineral bearing formations which are expected to be encountered:

Water and gas - 648' and 1260'.

- B. Logging Program: Induction/GR and density logs at TD.
- C. No over pressured zones are expected in this well. No $\rm H_2S$ zones will be penetrated in this well. Max. BHP = 600 psig.

III. Drilling

- A. Contractor:
- B. Mud Program:

The surface hole will be drilled with a fresh water mud.

The production hole will be drilled with a fresh water polymer mud. The weighting material will be drill solids or if conditions dictate, barite. The maximum mud weight expected is 8.5 ppg.

C. Minimum Blowout Control Specifications:

Double ram type or annular type 2000 psi working pressure BOP with a rotating head. See the attached exhibits (#1 and #2) for details on the BOP equipment. All ram type preventers and related equipment will be hydraulically tested at nipple-up and after any use under pressure to 1000 psi.

C. Cont.

The 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. The BOP equipment will include a kelly cock, floor safety valve, and choke manifold all rated to 2000 psi.

IV. Materials

A. Casing Program:

Hole Size	Depth	Casing Size	Wt. & Grade
8-3/4"	120'	7"	20# K-55
6-1/4"	1410′	4-1/2"	10.5# K-55

- B. Float Equipment:
- a) Surface Casing: None
- b) Production Casing: 4-1/2" cement guide shoe and self fill insert float collar. Place float one joint above shoe. Five centralizers spaced every other joint above shoe and five turbolizers every other joint from the top of the well.

V. Cementing:

Surface casing: 7" - Use 50 sx (59 cu. ft.) of Cl "B" with 2% CaCl₂ (Yield = 1.18 cu. ft./sk; slurry weight = 15.6 PPG). 100% excess to circulate cement to surface. WOC 12 hours. Pressure test surface casing to 600 psi for 30 min.

Production Casing: 4-1/2" - Before cementing circulate hole with at least 1-1/2 hole volumes of mud. Precede cement with 30 bbls of fresh water. Lead with 115 sx (237 cu.ft) of Cl "B" with 2% metasilicate. (Yield = 2.06 cu.ft./sk; slurry weight = 12.5 PPG). Tail with 50 sx (59 cu.ft.) of Cl "B" with 2% CaCl₂ (Yield = 1.18 cu. ft./sk; slurry weight = 15.6 PPG) Total cement volume is 296 cu.ft. (100% excess to circulate cement to surface).

Paul C. Thompson, P.E.