Form 3166-3 (May 1999)

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

FORM APPROVED OMB 1004-0136

UNITED STATES DEPARTMENT OF THE INTERIOR

Expires: May 31, 2000

BUREAU OF LAND MANAGEMENT APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK THE OF WORK. DRILL DEEPEN SOUTH STORE STATES CHARGE WILLIAM OTHERS STORE STATE	BUREAU OF LAND MANAGEMENT	
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK TYPE OF WORL OTHER OTH	TOTAL DISTRIBUTION OF THE PROPERTY OF THE PROP	SF 078707
THE OF WELL. THE OF WELL. CIT. COLLER TO CHECK STATE OF THE STATE O	APPLICATION FOR PERMIT TO DRILL DEEPEN OR PLUG BACK	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
TYPE OF WELL ONLY ONLY		Z. IDUT A CDEDICENTALIA
STATE OF HIGH PROPOSED CASING AND EMERTING PROGRAM STATE OF HIGH PROPOSED CASING AND EMERTING PROPOSED CASING AND EMERT	DELFEN	4
STATE OF PRESENTE STATE OF A STAT	TYPE OF WELL	
CORRESTOR Cordillera Energy, Inc. CORRESTOR OF Walsh Engineering, 7415 E. Main St. Farmington, NM 87402 (505) 227-4892 BERLED AND FOOL OR WILLOCK BRIDGE OF PROJECT STATE OF THE STATE OF	WELL MOLTIFIED	X Starr #1R
DOCATION OF WELL PROPER DOLLOW WILLOUGH SITE AND SOLUTION OF WELL PROPER DOLLOW WILLOUGH WILL PROPER DOLLOW WILLOUGH WILL PROPE DOLLOW WILLOUGH WILL PROPER DOLLOW WILLOUGH WILL PROPER DOLLOW WILL PROPER	AME OF OPERATOR	
O Walsh Engineering, 7415 E. Main St. Farmington, NM 87402 (505), 327-4893 DOCATION OF WELL (Report loading clearly and in accordance with any State coquerments*) Surface 935 FSL and 680' FWL SW SW Surface 935 FSL and 680' FWL SW SW DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* O miles northwest of Aztec, NM DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* O miles northwest of Aztec, NM DISTANCE FROM PROPOSED LOCATION TO NEAREST EXCERSIVE BE LEAST UNIT TO ACCOUNT ON PLANEST WILL DISTANCE FROM PROPOSED LOCATION TO NEAREST SUCRESS SUBJECT FROM PROPOSED LOCATION TO NEAREST SUCRESS BELLAND TO THAN THE ASSEMBLE TOWN WILL START April 2000' LECKATIONS TISS wheeler OR AFFLE OF ON THIS LEASE, IT 1000' PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE GRADE SUR OF CASING WEIGHT PUR TOOL SIZE OF HOLE GRADE SUR OF CASING WEIGHT PUR TOOL SIZE OF HOLE GRADE SUR OF CASING WEIGHT PUR TOOL SIZE OF HOLE AND THE ACCOUNT OF THE ASSEMBLY OF CASING WEIGHT PUR TOOL 11.05 CL ft. CT BW 2796 CaCl. 2 8-344" 7" 20H 3-55 4030"+/ 105 CL ft. Cuff. lead & 139 CL ft. ft. all O-1/4" 4-1/2" 11.08, N-80 6850"+/ 32/ CL ft. lead & 139 CL ft. ft. all ordillera Energy, Inc., proposes to drill a vertical well to develop the Blanco Mess Verde and Basin Dakota formations of a above described location in accordance with the attached drilling and surface use plans. SIS location has been archaeologically surveyed by La Plata Archealogical Service. Copies of their report, have been bimitted directly to your office. DOUBLING OPERATIONS AUTHORIZED ARL SUBFICE TO COMPLIANCE WITH ATTACHEL DOCATION FOR THE ASSEMBLY TO COMPLIANCE WITH ATTACHEL SIDE OF Indian a Saw other use) DOCATION FOR THE PROPOSED DECORAM. If proposal is to deepen any play believe use and proposed serve productive zone an	Corallera Energy, Inc.	
Social Control of Well Literate in beauther clearly and in accordance with any State organization of the state of the stat	Walsh Engineering, 7415 F. Main St. Farmington, NM 87402 (505) 227 4802	
Surface 935 FSL, and 680' FWL 5 W 5 W Some Some Districts in Miles and Direction From Nearest Town or Post Office* Some Districts in Miles and Direction From Nearest Town or Post Office* Some Districts in Miles and Direction From Nearest Town or Post Office* Some Districts in Miles and Direction From Nearest Town of Astec, NM Districts From Proposed Location To Nearest Property Some Julian NM Districts From Proposed Location To Nearest Well, Some Julian NM Some Julian NM Districts From Proposed Location To Nearest Well, Some Julian NM Districts From Proposed Location To Nearest Well, Districts From Proposed Location To Nearest Well, Some Julian Proposed Depth Districts 1200' Some Julian Proposed Depth Districts Some Very Some New Well of Some Very Some Julian Districts From Proposed Location To Nearest Well, Some Julian Proposed Depth Districts 12-1/4" 9-3-8" Proposed Death Proposed Depth Districts 12-1/4" 9-3-8" 366-3-5 200'+/- 105 cut ft. Cl "B" w22% CaCt; 8-3-4" 7" 208-3-55 4030'+/- 1076 cut ft. lead & 139 cut ft. tail Depth Districts From Proposes to drill a vertical well to develop the Blanco Mesa Verde and Basin Dakota formations of eabove described location in accordance with the attached drilling and surface use plans. Sist location has been archaeologically surveyed by La Plata Archealogical Service. Copies of their report have been bimitted directly to your office. Defilling Cperations Authorized Rank Bushed Basin Dakota formations of the New Proposed Basin Rank Bushed Basin Dakota formations of the New Proposed Basin Rank Bushed Basin Dakota formations of the New Proposed Basin Rank Bushed Basin Dakota formations of the New Proposed Basin Rank Bushed Basin Dakota formations of the New Proposed Basin Rank Bushed Basin Rank Bush	OCATION OF WELL (Report location clearly and in accordance with any State requirements.*)	
DISTANCE IN MILES AND DIRECTION PROD NEAREST TOWN CREPOST OFFICE* 6 miles northwest of Aztec, NM DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY 6 miles northwest of Aztec, NM DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY 6 NO OF ACRES IN LEASE 12 NO OF ACRES ASSOCIATION TO THE NEAREST PROPERTY 6800' DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DISTANCE FROM PROPOSED LOC	Surface 935' FSL and 680' FWL SWSW	
DISTANCE IN MILES AND DIRECTION PROM NEAREST TOWN OR POST OFFICE* 11 COUNTY OR PARISH San Julian NM NM NM NM NM NM NM N		M Sec. 13, T31N, R13W
### San Anan San Ana		<u> </u>
DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY 680' 320+ W/2 320 acres DISTANCE FROM PROPOSED LOCATION TO NEAREST WILL DRILLING, COMPLETE, OR APPLIED FOR ON THIS LEASE, FT. 1200 DISTANCE FROM PROPOSED LOCATION TO NEAREST WILL DRILLING, COMPLETE, OR APPLIED FOR ON THIS LEASE, FT. 1200 DISTANCE FROM PROPOSED LOCATION TO NEAREST WILL DRILLING, COMPLETE, OR APPLIED FOR ON THIS LEASE, FT. 1200 DRIVEN WEBSIT FOR THE MEASE, FT. PROPOSED CASING AND CEMENTING PROGRAM SIZE OF FOLE SIZE OF FOLE PROPOSED CASING AND CEMENTING PROGRAM SIZE OF FOLE SIZE OF FOLE SIZE OF THE SIZE OF CASING AND CEMENTING PROGRAM SIZE OF FOLE SIZE OF THE SIZE OF CASING AND CEMENTING PROGRAM SIZE OF FOLE SIZE OF THE SIZE OF CASING AND CEMENTING PROGRAM SIZE OF FOLE SIZE OF THE SIZE OF CASING AND CEMENTING PROGRAM SIZE OF THE SIZE OF CASING AND CEMENTING PROGRAM SIZE OF THE SIZE OF CASING AND CEMENTING PROGRAM SIZE OF THE SIZE OF CASING AND CEMENTING PROGRAM SIZE OF THE SIZE OF CASING AND CEMENTING PROGRAM SIZE OF THE SIZE OF CASING AND CEMENTING PROGRAM SIZE OF THE SIZE OF CASING AND CEMENTING PROGRAM SIZE OF THE SIZE OF CASING AND CEMENTING PROGRAM SIZE OF THE SIZE OF CASING AND CEMENTING PROGRAM SIZE OF THE SIZE OF CASING AND CEMENT	6 miles northwest of Aztec. NM	~ -
320+ W/2 320 acres	DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY 16, NO. OF ACRES IN LEASE.	
DISTANCE FROM PROPOSED LOCATION TO NEARSEST WELL, 1200' 6850' Rotary 1200' 6850' Rotary 1200'	SA ELAGE BLACK FT (Also to heatest diff, thin line, it any)	
DEPLIED COMPLETED, OR APPLED FOR ON THIS LEASE, FT. 1200' 1200' 1200' 1200' 121 APPROX DATE WORK WILL START' April 2002 PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE 12-1/4" 12-1/4" 12-1/4" 12-1/4" 12-1/4" 12-1/4" 12-1/4" 12-1/4" 12-1/4" 12-1/4" 12-1/4" 12-1/4" 12-1/4" 12-1/4" 13-5/8" 13-55 130'+/ 10-5 cu, ft. Ct'B''' w/ 2% CaCl 2 8-3/4" 11-6-1/4" 11-6#, N-80 12-1/4" 12-1/4" 12-1/4" 13-1/4" 13-1/4" 11-6#, N-80 13-1/4" 11-6#, N-80 13-1/4" 11-6#, N-80 13-1/4" 11-6#, N-80 13-1/4" 13-1/4" 13-1/4" 11-6#, N-80 13-1/4" 11-6#, N-80 13-1/4" 11-6#, N-80 13-1/4" 13-1/4" 13-1/4" 13-1/4" 13-1/4" 13-1/4" 13-1/4" 13-1/4" 13-1/4" 13-1/4" 13-1/4" 13-1/4" 13-1/4" 13-1/4" 13-1/4" 11-6#, N-80 13-1/4" 13-1/4" 13-1/4" 11-6#, N-80 13-1/4" 13-1	DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, 19. PROPOSED DEPTH 2	
22 APPROX DATE WORK WILL START S767' GR PROPOSED CASING AND CEMENTING PROGRAM April 2002	DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.	
PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE GRADS, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH QUANTITY OF CEMENT 12-1/4" 9-5/8" 36# J-55 250 +/- 165 cu ft. Cl "B" w/ 2% CaCl 2 8-3/4" 7" 20# J-55 4030' +/- 1076 cu, ft. lead & 139 cu, ft. tail 6-1/4" 4-1/2" 11.6#, N-80 6830' +/- 32/ cu, ft. lead & 139 cu, ft. tail ordillera Energy, Inc. proposes to drill a vertical well to develop the Blanco Mesa Verde and Basin Dakota formations of the eabove described location in accordance with the attached drilling and surface use plans. This location has been archaeologically surveyed by La Plata Archealogical Service. Copies of their report have been bimitted directly to your office. The wellpad, access road, and pipeline will be located on BLM surface land. An on-site inspection as held with the BLM on 3/5/02. This instance is a technical and DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHEL GENERAL REQUIREMENTS; The procedural review pursuant to 43 CFR 3163.4 Subject to Compliance of the proposed new productive zone and proposed new productive zone apposal is to drill or deepen directionally, give perturent data on subsurface locations and measured and true vertical depths. Give blowout proventer program, if any tender of APPROVAL IR ANY. APPROVAL DATE TITLE Paul Thompson, Agent DATE 3/8/02 **SEP 1.3** **SEP 1.3** **SEP 1.3** **SEP 1.3** **SEP 1.3** *** **SEP 1.3** **SEP 1.3** *** **PROVAL Mankiewicz* **SEP 1.3** *** *** *** *** *** *** ***	ELEVATIONS (Show whether DF, RT, GR, etc.)	
SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH 12-1/4" 9-5/8" 36# J-55 250" +/- 165 cut ft. Ct. "B" w." 2% CaCl. 2 8-3/4" 7" 20# J-55 4030" +/- 1076 cut ft. Ct. "B" w." 2% CaCl. 2 8-3/4" 7" 20# J-55 4030" +/- 327 cut ft. lead & 139 cut ft. tail 6-1/4" 4-1/2" 11.6#, N-80 6850" +/- 327 cut ft. lead & 196 cut ft. tail ordillera Energy, Inc. proposes to drill a vertical well to develop the Blanco Mesa Verde and Basin Dakota formations at above described location in accordance with the attached drilling and surface use plans. It is location has been archaeologically surveyed by La Plata Archealogical Service. Copies of their report have been bimitted directly to your office. It wellpad, access road, and pipeline will be located on BLM surface land. An on-site inspection is held with the BLM on 3/5/02. DRILLING OPERATIONS AUTHORIZED ARE SUBJECT 10 COMPLIANCE WITH ATTACHEL "GENERAL REQUIREMENTS"; ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. opposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any. ITTLE Paul Thompson, Agent DATE 3/8/02 TITLE Paul Thompson, Agent DATE 3/8/02 APPROVAL DATE 12000 APPROVAL, If ANY. SEP 1.3		
12-1/4" 9-5/8" 36# J-35 230" +/- 165 cu ft. Ct" B" w 2% CaCl 2		
8-3/4" 7" 20# J-55 4030' +/- 1076 cu.ft. lead & 139 cu.ft. tail 6-1/4" 4-1/2" 11.6#, N-80 685U' +/- 32/ cu.ft. lead & 139 cu.ft. tail probable a bove described location in accordance with the attached drilling and surface use plans. This location has been archaeologically surveyed by La Plata Archealogical Service. Copies of their report have been bimitted directly to your office. The wellpad, access road, and pipeline will be located on BLM surface land. An on-site inspection as held with the BLM on 3/5/02. This better be been been been been been been been	CUIT OF HOLD	
6-1/4" 4-1/2" II.6#, N-80 6850" +/- 327 cu.ft. lead & 196 cu.ft. tail ordillera Energy, Inc. proposes to drill a vertical well to develop the Blanco Mesa Verde and Basin Dakota formations of above described location in accordance with the attached drilling and surface use plans. It is location has been archaeologically surveyed by La Plata Archealogical Service. Copies of their report have been bmitted directly to your office. It wellpad, access road, and pipeline will be located on BLM surface land. An on-site inspection as held with the BLM on 3/5/02. DRILLING CPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANGE WITH ATTACHEL "GENERAL REQUIREMENTS"; TOCOMPLIANGE WITH ATTACHEL "GENERAL REQUIREMENTS"; TOCOMPLIANGE WITH ATTACHEL "GENERAL REQUIREMENTS"; TITLE Paul Thompson, Agent DATE 3/8/02 TITLE Paul Thompson, Agent DATE 3/8/02 APPROVAL DATE OPPOSED FOR SILE Splicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. SEP. 1 3	SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH	QUANTITY OF CEMENT
predillera Energy, Inc. proposes to drill a vertical well to develop the Blanco Mesa Verde and Basin Dakota formations of above described location in accordance with the attached drilling and surface use plans. In all location has been archaeologically surveyed by La Plata Archealogical Service. Copies of their report have been bimitted directly to your office. In wellpad, access road, and pipeline will be located on BLM surface land. An on-site inspection as held with the BLM on 3/5/02. Distributed to be been been been been been been been	SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH $12-1/4''$ $9-5/8''$ $36\#$ $J-55$ $250'$ +/-	QUANTITY OF CEMENT 165 cu ft. Cl "B" w/ 2% CaCl 2
ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. Opposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any. IGNED	SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH $12-1/4"$ $9-5/8"$ $36\# J-55$ $250' +/ 8-3/4"$ $7"$ $20\# J-55$ $4030' +/ 6-1/4"$ $4-1/2"$ $11.6\#$, $N-80$ $6850' +/-$	QUANTITY OF CEMENT 165 cu ft. Cl "B" w/ 2% CaCl ₂ 1076 cu.ft. lead & 139 cu.ft. tail 32/ cu.ft. lead & 196 cu.ft. tail
TITLE Paul Thompson, Agent DATE 3/8/02 This space for Federal or State office use) APPROVAL DATE 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. SEP 1 3	SIZE OF HOLE 12-1/4" 9-5/8" 36# J-55 250' +/- 8-3/4" 7" 20# J-55 4030' +/- 6-1/4" 4-1/2" 11.6#, N-80 6850' +/- predillera Energy, Inc. proposes to drill a vertical well to develop the Blanco Mesa We above described location in accordance with the attached drilling and surface use a sis location has been archaeologically surveyed by La Plata Archealogical Service. In birth directly to your office. The wellpad, access road, and pipeline will be located on BLM surface land. An on-sa held with the BLM on 3/5/02. DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHE	QUANTITY OF CEMENT 165 cu ft. Cl "B" w/ 2% CaCl 2 1076 cu ft. lead & 139 cu ft. tail 32/ cu ft. lead & 196 cu ft. tail Verde and Basin Dakota formations of plans. Copies of their report have been ite inspection
TITLE Paul Thompson, Agent DATE 3/8/02 This space for Federal or State office use) PERMIT NO APPROVAL DATE APPROVAL DATE APPROVAL DATE Explication 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: SEP 13	SIZE OF HOLE 12-1/4" 9-5/8" 36# J-55 250' +/- 8-3/4" 7" 20# J-55 4030' +/- 6-1/4" 4-1/2" II.6#, N-80 6850' +/- 0rdillera Energy, Inc. proposes to drill a vertical well to develop the Blanco Mesa New above described location in accordance with the attached drilling and surface use his location has been archaeologically surveyed by La Plata Archealogical Service. bmitted directly to your office. The wellpad, access road, and pipeline will be located on BLM surface land. An on-sas held with the BLM on 3/5/02. DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACH "GENERAL REQUIREMENTS".	QUANTITY OF CEMENT 165 cu ft. Cl "B" w/ 2% CaCl 2 1076 cu.ft. lead & 139 cu.ft. tail 32/ cu.ft. lead & 196 cu.ft. tail Verde and Basin Dakota formations of plans. Copies of their report have been ite inspection
APPROVAL DATE_ 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. SEP 1.3	SIZE OF HOLE 12-1/4" 9-5/8" 36# J-55 250' +/- 8-3/4" 7" 20# J-55 4030' +/- 6-1/4" 4-1/2" 11.6#, N-80 6850' +/- 0rdillera Energy, Inc. proposes to drill a vertical well to develop the Blanco Mesa Be above described location in accordance with the attached drilling and surface used is location has been archaeologically surveyed by La Plata Archealogical Service. In the wellpad, access road, and pipeline will be located on BLM surface land. An on-sus held with the BLM on 3/5/02. DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACH SUBJECT TO COMPLIANCE WITH ATTACH OF SU	QUANTITY OF CEMENT 165 cu ft. Cl "B" w/ 2% CaCl 2 1076 cu ft. lead & 139 cu ft. tail 32/ cu ft. lead & 196 cu ft. tail Verde and Basin Dakota formations of plans. Copies of their report have been itte inspection
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. SEP 1.3	SIZE OF HOLE 12-1/4" 9-5/8" 36# J-55 250' +/- 8-3/4" 7" 20# J-55 4030' +/- 6-1/4" 4-1/2" 11.6#, N-80 6850' +/- predillera Energy, Inc. proposes to drill a vertical well to develop the Blanco Mesa Be above described location in accordance with the attached drilling and surface use as a large of the second surface and surface use as a large of the second surface and surface use as a large of the second surface and surface use as a large of the second surface and surface use as a large of the second surface and surface use as a large of the second surface and surface land. An on-surface with the BLM on 3/5/02. DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACH SUBJECT TO COMPLIANCE WITH ATTA	QUANTITY OF CEMENT 165 cu ft. Cl "B" w/ 2% CaCl 2 1076 cu.ft. lead & 139 cu.ft. tail 32/ cu.ft. lead & 196 cu.ft. tail Verde and Basin Dakota formations of plans. Copies of their report have been ite inspection diproposed new productive zone. ut preventer program, if any.
CONDITIONS OF APPROVAL, IF ANY: SEP 13	SIZE OF HOLE 12-1/4" 9-5/8" 36# J-55 250' +/- 8-3/4" 7" 20# J-55 4030' +/- 6-1/4" 4-1/2" 11.6#, N-80 6850' +/- 0rdillera Energy, Inc. proposes to drill a vertical well to develop the Blanco Mesa Relation and surface use above described location in accordance with the attached drilling and surface use this location has been archaeologically surveyed by La Plata Archealogical Service. In the wellpad, access road, and pipeline will be located on BLM surface land. An on-satisfied with the BLM on 3/5/02. DRILLING CPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANGE WITH ATTACH SUBJECT TO COMPLIANCE WITH ATT	QUANTITY OF CEMENT 165 cu ft. Cl "B" w/ 2% CaCl ₂ 1076 cu.ft. lead & 139 cu.ft. tail 32/ cu.ft. lead & 196 cu.ft. tail Verde and Basin Dakota formations of plans. Copies of their report have been ite inspection diproposed new productive zone. ut preventer program, if any.
PPROVED BY /S/ David J. Mankiewicz SEP 13	SIZE OF HOLE 12-1/4" 9-5/8" 36# J-55 250' +/- 8-3/4" 7" 20# J-55 4030' +/- 6-1/4" 4-1/2" 11.6#, N-80 6850' +/- 0rdillera Energy, Inc. proposes to drill a vertical well to develop the Blanco Mesa I a be above described location in accordance with the attached drilling and surface used as location has been archaeologically surveyed by La Plata Archealogical Service. In the wellpad, access road, and pipeline will be located on BLM surface land. An on-sa as held with the BLM on 3/5/02. DRILLING CPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANGE WITH ATTACH SUBJECT TO COMPLIANGE WITH ATTACH CENERAL REQUIREMENTS': ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and coposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowo and the space of Federal or State office use) ERMIT NO APPROVAL DATE	QUANTITY OF CEMENT 165 cu ft. Cl "B" w/ 2% CaCl 2 1076 cu.ft. lead & 139 cu.ft. tail 32/ cu.ft. lead & 196 cu.ft. tail Verde and Basin Dakota formations of plans. Copies of their report have been itte inspection diproposed new productive zone. to preventer program, if any. DATE 3/8/02
	SIZE OF HOLE 12-1/4" 9-5/8" 36# J-55 250' +/- 8-3/4" 7" 20# J-55 4030' +/- 6-1/4" 4-1/2" 11.6#, N-80 6850' +/- ordillera Energy, Inc. proposes to drill a vertical well to develop the Blanco Mesa Be above described location in accordance with the attached drilling and surface use also location has been archaeologically surveyed by La Plata Archealogical Service. In the wellpad, access road, and pipeline will be located on BLM surface land. An on-sa sheld with the BLM on 3/5/02. DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANGE WITH ATTACH SUBJECT TO COMPLIANGE WITH ATTACH GENERAL REQUIREMENTS. ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone an opposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowe in the special proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowe in the special proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowe in the special proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowe in the special proposal is to those rights in the subject lease which would entitle the a conditions of APPROVAL, IF ANY:	QUANTITY OF CEMENT 165 cu ft. Cl "B" w/ 2% CaCl 2 1076 cu.ft. lead & 139 cu.ft. tail 32/ cu.ft. lead & 196 cu.ft. tail Verde and Basin Dakota formations of plans. Copies of their report have been itte inspection diproposed new productive zone. to preventer program, if any. DATE 3/8/02

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 representations as to any matter within its jurisdiction.

District I PO Box 1980, Hobbs, NM 88241-1980

District II PO Drawer DD, Artesia, NM 88211-0719

District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV PO Box 2088, Santa Fe, NM 87504-2088 State of New Mexico Energy, Minerals & Natural Resources Depart

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

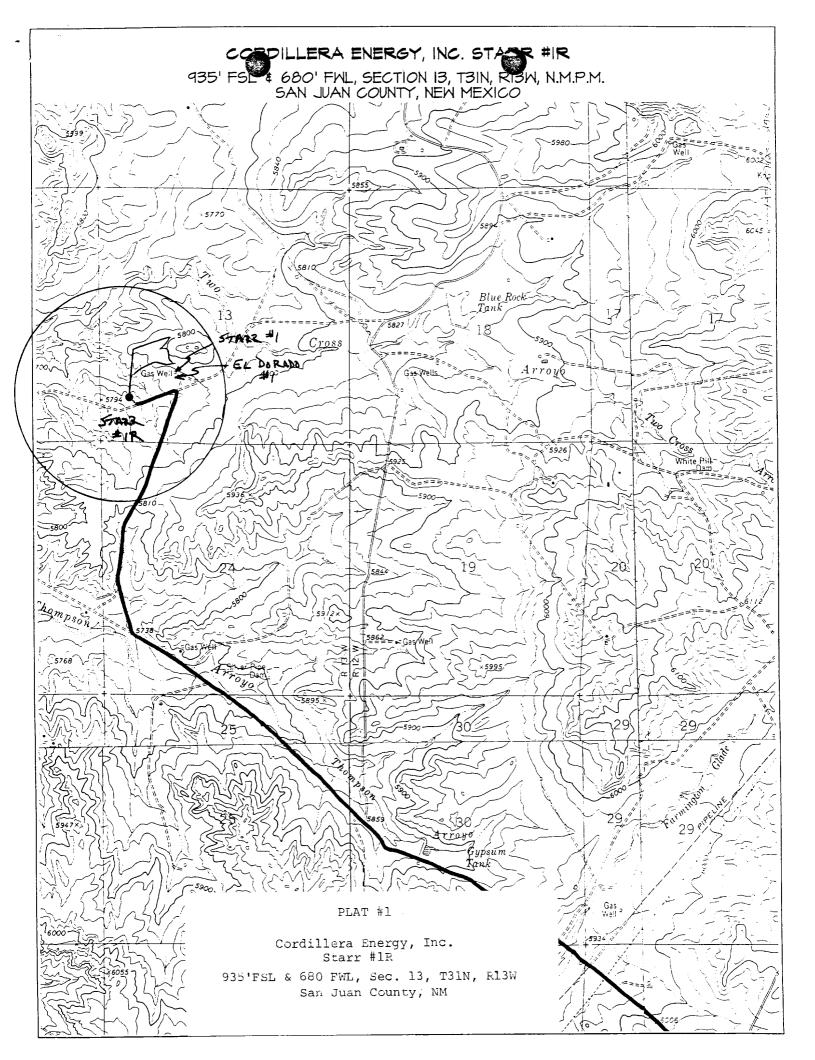
Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

_____AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number 'Po				Pool Coc	ool Code ³ Pool Name						
30 - 00	45-3	$3/03/$ 72319 \ 71599 BLANCO MESAVERDE \ BASIN [N DAK	ATO		
Property Code					Property Name					*Well Number	
24077					STARR				1R		
'OGRID No.				*Operator Name				*Elevation			
173252				COR	CORDILLERA ENERGY, INC.				5767 ·		
				:	¹⁰ Surface	Location					
Ut on lating.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Wes	t line	County	
М	13	31N	13W		935	SOUTH	680	WES	ST	SAN JUAN	
			ottom	Hole L	ocation I	f Different	From Surf	ace			
UL or lot no.	Sect 100	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/Wes	t line	County	
12 Dedicated Acres				(0)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.			·	
	320	.0 Acres	- (W/	(2)	Y						
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											
2660 . 46 '									CERTIFICATION		
				ľ				I hereby certify that the information contained herein is true and complete to the heat of my knowledge and helief			

Signature Paul C. Thompson Printed Name Agent Title 3/8/02 Date SF-078707 18 SURVEYOR CERTIFICATION 88 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. 5243. ω 5258 Survey Date: JANUARY 23, 2002 Signature and Seal of Professional Surveyor SON C. EDWARDS EN MEXICO ACTION PROFESSIONA 680 2653.86 2595.12' Certificate Number



Starr #1R Operations Plan Pg #2

C. Minimum Blowout Control Specifications:

Double ram type 2000 psi working pressure BOP with a rotating head. See the attached Exhibit #1 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.

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
12-1/4"	250 ′	9-5/8"	36# J-55
8-3/4"	4030 ′	7 "	20# J-55
6-1/4"	6850 ′	4-1/2"	11.6# N-80

B. Float Equipment:

- a) Surface Casing: Notched collar on bottom and 3 centralizers on the bottom 3 joints.
- b) Intermediate Casing: 7" cement guide shoe and self fill insert float collar. Place float one joint above shoe. Ten centralizers spaced every other joint above shoe and ten turbolizers every other joint from 1500'.
- c) Production Casing: 4-1/2" whirler type cement nosed guide shoe and a float collar on top of the bottom joint.

Starr #1R Operations Plan Pg #3

V. Cementing:

Surface casing: 9-5/8" - Use 140 sx (165 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 1000 psi for 30 min.

Intermediate Casing: 7" - Before cementing circulate hole with at least 1-1/2 hole volumes of mud. Precede cement with 30 bbls of fresh water. Lead with 515 x (1076 cu.ft) of Type III 65/35 poz with 8% gel, 1% $CaCl_2$, 4#/sk. Celloflake. (Yield = 2.09 cu.ft./sk; slurry weight = 12.1 PPG). Tail with 100 sx (139 cu.ft.) of Type III with 1% $CaCl_2$, 4#/sk. Celloflake. (Yield = 1.39 cu. ft./sk; slurry weight = 14.5 PPG). Total cement volume is 1215 cu.ft. (100% excess to circulate cement to surface). WOC for 12 hrs. Pressure test the BOP and casing to 1500 psi.

Production Casing: 4-1/2" - Blow hole clean. Precede cement with 20 bbls of gel water and 10 bbls of water. **Lead** with 160 sx (317 cu.ft.) of Premium Lite HS with 0.65% FL-52, 0.32% CD-32, $\frac{1}{4}$ #/sk celloflake, and 4% phenoseal. (Yield = 1.98 cu.ft./sk; slurry weight = 12.5 PPG). **Tail** with 100 sx (196 cu.ft.) of Premium Lite HS with 0.65% FL-52, and 0.32% CD-32. (Yield = 1.96 cu.ft./sk; slurry weight = 12.5 PPG). Total cement volume is 513 cu.ft. (70% excess to circulate 100' above the intermediate casing shoe).

Paul C. Thompson, P.E.