Form 3160-3
(July 1992)

Oil Cons.
N.M. Div-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.: NM-0540294 A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: ---

7. UNIT AGREEMENT NAME: ---

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ]

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER — SINGLE ZONE [X] MULTIPLE ZONE [ ]

8. FARM OR LEASE NAME, WELL NO.: PHILLY FEDERAL # 3

2. NAME OF OPERATOR: UNIT PETROLEUM COMPANY (KELLY RYAN 918-477-4512)

9. API WELL NO.: 30-015-32993

3. ADDRESS AND TELEPHONE NO.: P.O. BOX 702500 TULSA, OKLAHOMA 74170 (918-493-7700)

10. FIELD AND POOL, OR WILDCAT: CARLSBAD SOUTH MORROW

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1310' FSL & 990' FEL SECTION 21 T23S-R26E EDDY CO. NM
At proposed prod. zone: SAME

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: SECTION 21 T23S-R26E

RECEIVED
JUN 2003
OCD - ARTESIA

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: Approximately 7 miles Southwest of Carlsbad New Mexico

12. COUNTY OR PARISH: EDDY CO. | 13. STATE: NEW MEXICO

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
660'	480	320
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
1980'	12,100'	ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 3330' GR.

22. APPROX. DATE WORK WILL START*: WHEN APPROVED

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor	NA	40'	Cement to surface with Redi-mix.
17½"	H-40 13 3/8"	48	600'	600 Sx. Circulate cement
12¼"	J-55 9 5/8"	36	2700'	950 Sx. " "
8 3/4"	N-80 5½"	17 & 20	12,100'	500 Sx. TC 500' above top pay.

WITNESS

1. Drill 25" hole to 40'. Set 40' of 20" conductor and cement to surface with Reid-mix.
2. Drill 17½" hole to 600'. Run and set 600' of 13 3/8" 48# H-40 ST&C casing. Cement with 600 Sx. of Class "C" cement + ¼# Flocele/Sx., + 2% CaCl, circulate cement to surface.
3. Drill 12¼" hole to 2700'. Run and set 2700' of 9 5/8" 36# J-55 ST&C casing. Cement with 750 Sx. of 36/65 POZ class "C" cement, tail in with 200 Sx. of Class "C" cement + ¼# Flocele/Sx., + 2% CaCl, circulate cement to surface.
4. Drill 7 7/8" hole to 12,100'. Run and set 12,100' of 5½" casing as follows: 2100' of 5½" 20# N-80 LT&C, 8000' of 17# N-80 LT&C, 2000' of 5½" 20# N-80 LT&C . Cement with 500 Sx. of Class "H" cement + additives, top of cement at least 500' above the upper most productive interval.

CARLSBAD CONTROLLED WATER BASIN

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Joe T Garcia TITLE Agent DATE 03/29/03

(This space for Federal or State office use)

PERMIT NO. _____ 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.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY /S/ JOE G. LARA TITLE ACTING FIELD MANAGER DATE JUN 26 2003

*See Instructions On Reverse Side

APPROVAL FOR 1 YEAR

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.

E/2

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
	73960	CARLSBAD MORROW-SOUTH

Property Code	Property Name	Well Number
	PHILLY FEDERAL	3

OGRID No.	Operator Name	Elevation
115970	UNIT PETROLEUM COMPANY	3330'

Surface Location

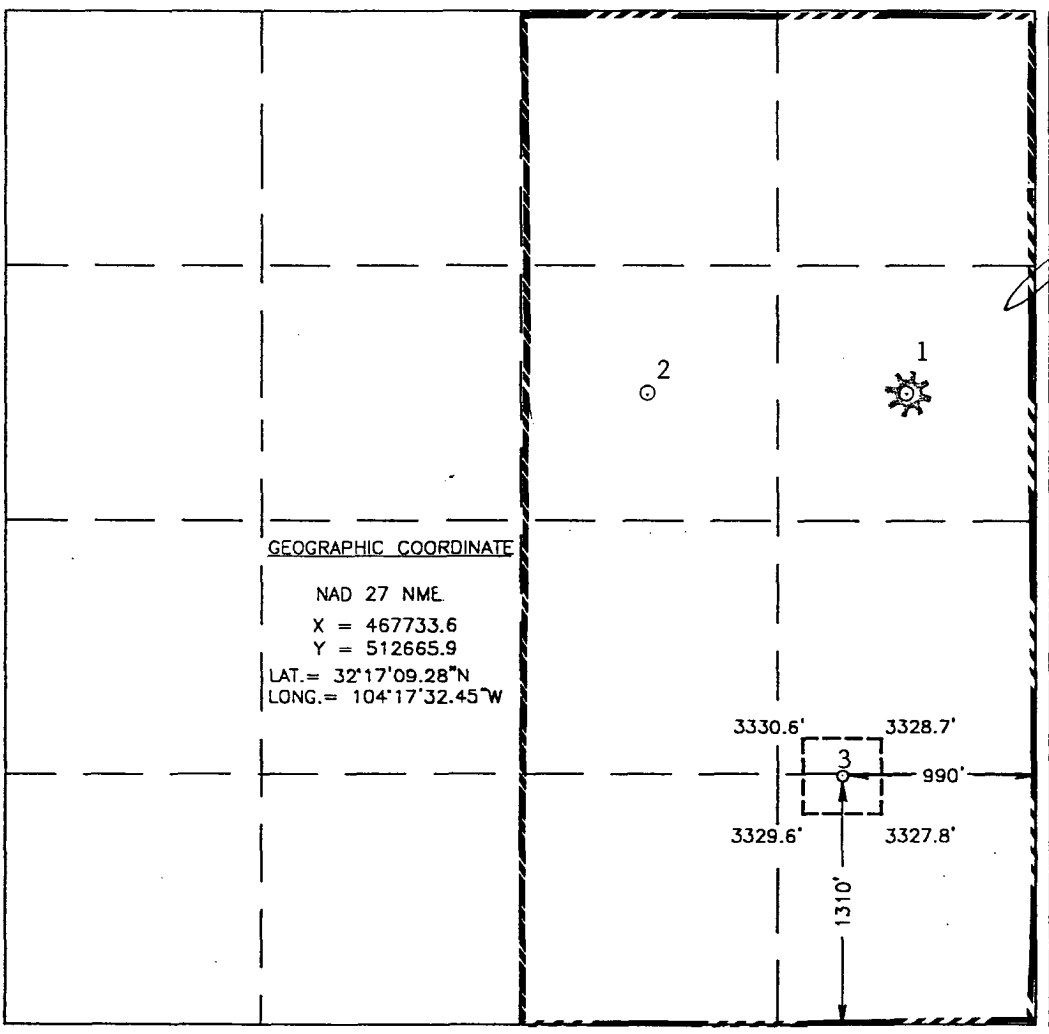
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	21	23-S	26-E		1310'	SOUTH	990'	EAST	EDDY

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Joe T Janica
Signature

Joe T. Janica
Printed Name

Agent
Title

03/29/03
Date

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 supervison, and that the same is true and correct to the best of my belief.

MARCH 11, 2003
Date Surveyed AWB

Signature & Seal of Professional Surveyor

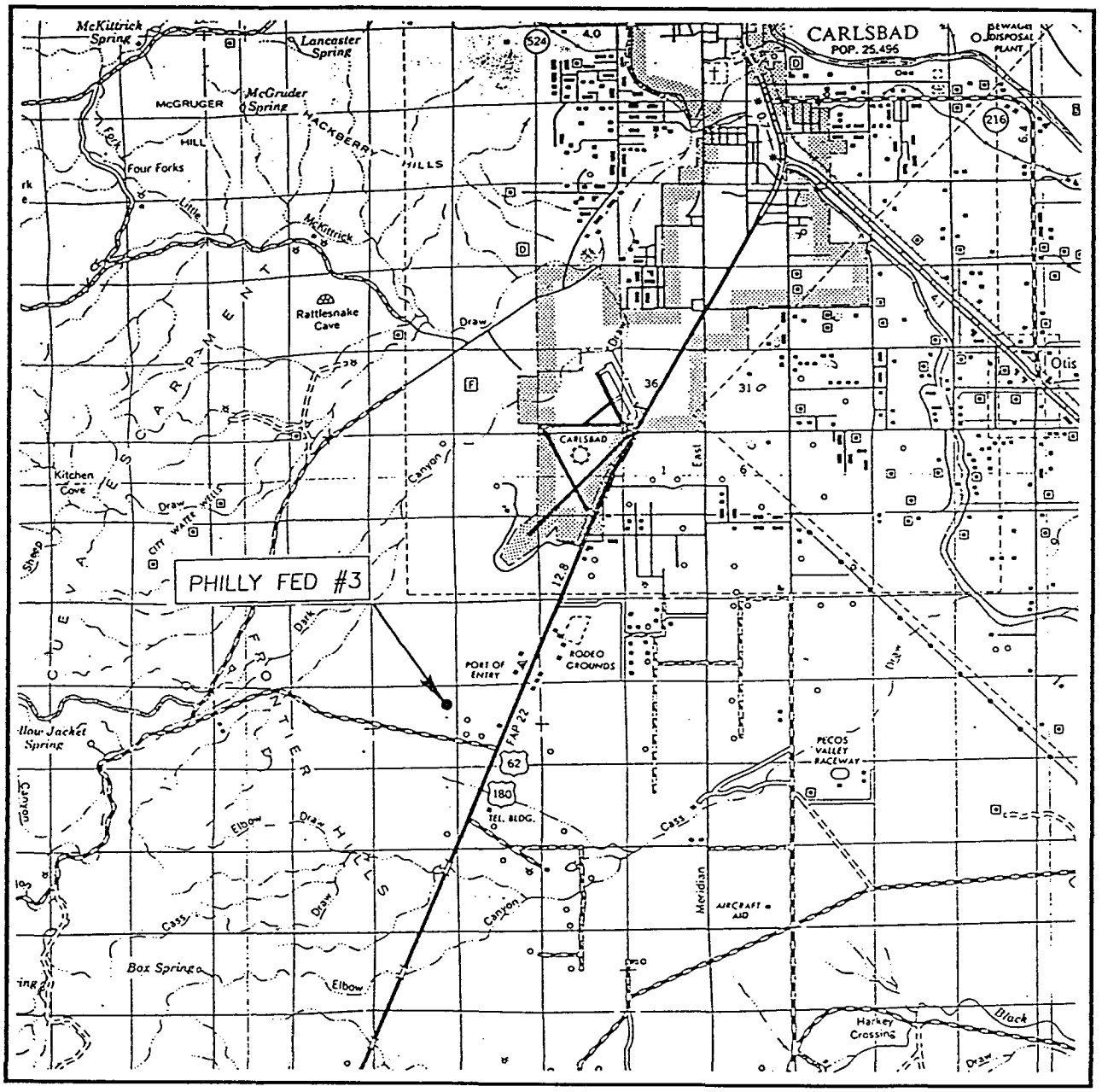
Gary L. Eidson 3/13/03

03.11.0300

Certificate No. RONALD J. EIDSON 3239
GARY EIDSON 12641

EXHIBIT "A"

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 21 TWP. 23-S RGE. 26-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1310' FSL & 990' FEL

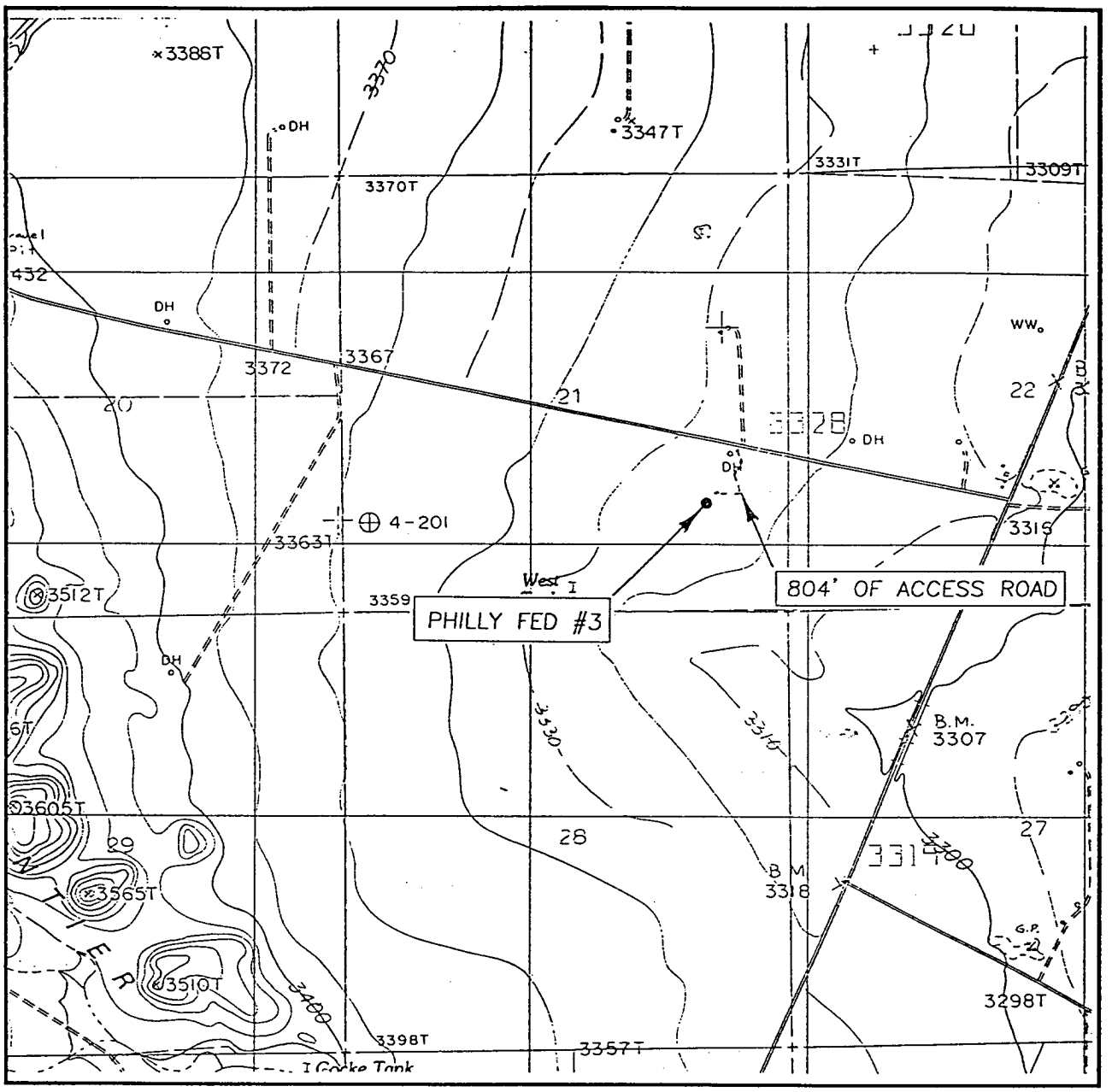
ELEVATION 3330'

OPERATOR UNIT PETROLEUM COMPANY

LEASE PHILLY FEDERAL

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 20'
SUPPLEMENTAL INTERVAL 10'
KITCHEN COVE, N.M.

SEC. 21 TWP. 23-S RGE. 26-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1310' FSL & 990' FEL

ELEVATION 3330'

OPERATOR UNIT PETROLEUM COMPANY

LEASE PHILLY FEDERAL

U.S.G.S. TOPOGRAPHIC MAP
KITCHEN COVE, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

APPLICATION TO DRILL

UNIT PETROLEUM COMPANY
PHILLY-FEDERAL # 3
UNIT "P" SECTION 21
T23S-R26E EDDY CO. NM

In response to questions asked under Section II of Bulletin NTL-6 the following information on the above well is providedfor your consideration.

1. Location of well: 1310' FSL & 990' FEL SECTION 21 T23S-R26E EDDY CO. NM

2. Ground Elevation above Sea Level: 3330'

3. Geological age of surface formation: Quaternary

4. Drilling tools and associated equipment: Conventional rotary drilling rig using drilling mud as a circulating medium to remove solids from hole.

5. Proposed drilling depth: 12,100'

6. Estimated tops of geological markers:

Delaware	1850'	Strawn	10,175'
Bone Spring	5145'	Atoka	10,650'
Wolfcamp	8695'	Morrow	11,245'

7. Possible mineral bearing formations:

Bone Spring	Oil	Atoka	Gas
Wolfcamp	Gas	Morrow	Gas
Strawn	Gas		

8. Casing Program:

Hole Size	Interval	OD of Casing	Weight	Thread	Collar	Grade
25"	0-40'	20"	NA	NA	NA	Conductor
17½"	0-600'	13 3/8"	48	8-R	ST&C	H-40
12¼"	0-2700'	9 5/8"	36	8-R	ST&C	J-55
8 3/4"	0-12,100'	5½"	17 & 20	8-R	LT&C	N-80

APPLICATION TO DRILL

UNIT PETROLEUM COMPANY
PHILLY-FEDERAL # 3
UNIT "P" SECTION 21
T23S-R26E EDDY CO. NM

9. CASING CEMENTING & SETTING DEPTHS:

20"	Conductor	Set 40' of 20" conductor and cement to surface with Redi-mix.
13 3/8"	Surface	Set 600' of 13 3/8" 48# H-40 ST&C casing. Cement with 600 Sx. of Class "C" cement + 2% CaCl, + ¼# Flocele/Sx. circulate cement to surface.
9 5/8"	Intermediate	Set 2700' of 9 5/8" 36# J-55 ST&C casing. Cement with 750 Sx. of 35/65 POZ Class "C" cement + additives, tail in with 200 Sx. of Class "C" cement + 2% CaCl, + ¼# Flocele/Sx. circulate cement to surface.
5½"	Production	Set 12,100' of 5½" casing as follows: 2100' of 5½" 20# N-80 LT&C, 8000' of 5½" 17# N-80 LT&C, 2000' of 5½" 20# N-80 LT&C. Cement with 500 Sx. of Class "H" cement + additives, estimate top of cement 500' above the upper most productive interval.

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E" shows a 1500 Series 5000 PSI working pressure B.O.P. consisting of an annular bag type preventor, middle blind rams and bottom pipe rams. The B.O.P. will be nipped up on the 13 3/8" casing and tested to API specifications. The B.O.P. will be operated at least once in each 24 hour period and the blind rams will be operated when drill pipe is out of hole on trips. Full opening stabbing valve and upper kelly cock will be utilized. Exhibit "E-1" shows a hydraulically operated closing unit and a 3" 5000 PSI choke manifold with dual adjustable chokes. No abnormal pressures or temperatures are expected.

11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MUD WT.	VISC.	FLUID LOSS	TYPE MUD SYSTEM
40-600'	8.4-8.7	29-34	NC	Fresh water spud mud add paper to control seepage.
600-2700'	8.4-8.7	29-34	NC	Fresh water add paper to control seepage and add Gel for high viscosity sweeps to clean hole.
2700-8800'	8.6-9.2	28-32	25 cc or less	Cut brine use high viscosity to clean hole use Dris-Pac to control water loss.
8800-12,100'	9.2-9.6	32-36	6-10 cc or less	Same as above except reduce water loss.

Sufficient mud materials will be kept on location at all times in order to combat lost circulation, or unexpected kicks. In order to run DST's , open hole logs, and casing viscosity and/or water loss may have to be adjusted to meet these needs.

APPLICATION TO DRILL

UNIT PETROLEUM COMPANY
PHILLY-FEDERAL # 3
UNIT "P" SECTION 21
T23S-R26E EDDY CO. NM

12. LOGGING, CORING, TESTING:PROGRAM:

A. Open hole logs: Dual Laterolog, MSFL, SNP, LDT, Gamma Ray, Caliper from TD back to 9 5/8" casing shoe.

B. Gamma Ray, Compensated Neutron-Density from TD back to surface.

C. DST's may be run on the basis of shows.

D. No conventional cores to be taked but Side Wall cores may be taken.

E. Mud logger may be placed on hole but not planned at this time.

13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. Hydrogen Sulfide gas may be encountered, H_2S detectors will be in place to detect any presence of unsafe levels of H_2S. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operations of all equipment that will be used. Estimated BHP 6000± PSI & estimated BHT 175°.

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Roads and location construction will begin after the BLM approves the APD. Anticipated spud date will be as soon as pad & road construction has been completed. Drilling time for the well is estimated to take 75 days. If production casing is run an additional 30 days will be required to complete well and construct surface facilities.

15. OTHER FACETS OF OPERATION:

After running production casing, cased hole Gamma-Neutron & Collar logs will be run over all possible pay intervals. If commercial production from the MORROW pay is indicated it will be perforated and stimulated. Then if necessary the pay will be swab tested and completed as a gas well.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

1. All Company and Contract personnel admitted on location must be trained by a qualified H2S safety instructor to the following:

   A. Characteristics of H2S
   B. Physical effects and hazards
   C. Proper use of safety equipment and life support systems
   D. Principle and operation of H2S detectors, warning system and briefing areas.
   E. Evacuation procedure, routes and first aid
   F. Proper use of 30 minute pressure demand air pack

2. H2S Detection and Alarm Systems

   A. H2S detectors and audio alarm system to be located at bell nipple end of blooie line (mud pit) and on derrick floor or doghouse.

3. Windsock and/or wind streamers

   A. Windsock at mudpit area should be high enough to be visible.
   B. Windsock at briefing area should be high enough to be visible.
   C. There should be a windsock at entrance to location.

4. Condition Flags and Signs

   A. Warning sign on access road to location.
   B. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicated potential pressure and danger. Red flag, danger, H2S present in dangerous concentration. Only emergency personnel admitted to location.

5. Well control equipment

   A. See exhibit "E"

6. Communication

   A. While working under masks chalkboards will be used for communication.
   B. Hand signals will be used where chalkboard is inappropriate.
   C. Two way radio will be used to communicate off location in case emergency help is required. In most cases cellular telephones will be available at most drilling foreman's trailer or living quarters.

7. Drillstem Testing

   A. All testing will be done in daylight hours.
   B. Exhausts will be watered.
   C. Flare line will be equipped with an electric ignitor or a propane pilot light in case gas reaches the surface.
   D. If location is near any dwelling a closed D.S.T. will be performed.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

8. Drilling contractor supervisor will be required to be familiar with the effects H2S has on tubular goods and other mechanical equipment.

9. If H2S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas separator will be brought into service along with H2S scavengers if necessary.

SURFACE USE PLAN

UNIT PETROLEUM COMPANY
PHILLY-FEDERAL # 3
UNIT "P" SECTION 21
T23S-R26E EDDY CO. NM

1. EXISTING ROADS: Area roads, Exhibit "B" is a reproduction of a County General Hiway Map. Exhibit "C" is a reproduction of a USGS Topographic Map, showing exixting roads and proposed roads. All existing roads will be maintained in a condition equal to or better than current conditions. Any new roads will be constructed to BLM specifications.

   A. Exhibit "A" shows the proposed well site location as staked.

   B. From Carlsbad New Mexico take U.S. Hi-way 62-180 Southwest toward Elpaso go 9 miles to The Port of Entry, continue 1 mile to Dark Canyon Road (CR-408). Turn Right go .6 miles to new lease road on the Left side of road, turn Left go 800' to location on the Right.

   C. Exhibit "F" shows the proposed route of flowline to existing surface facilities.

2. PLANNED ACCESS ROADS: Approximately 800' of new road will be constructed.

   A. The access road will be crowned and ditched to a 12' wide travel surface with a 40' Right-of-Way.

   B. Gradient on all roads will be less than 5%.

   C. Turnouts will be constructed as required or as directed by the BLM.

   D. If needed roads will be surfaced with a minimum of 4" of caliche. This material will be obtained from a local source.

   E. Center line for the new access road has been staked and flagged. Earthwork will be done as required by field and topographic conditions.

   F. Culverts in the access road will be used where necessary. The road will be constructed to utilize low water crossings for drainage as dictated by the topography.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS SHOWN ON EXHIBIT "A-1".

A. Water wells	- One approximately 1 mile Northeast of location.
B. Disposal wells	- None known
C. Drilling wells	- None known
D. Producing wells	- As shown on Exhibit "A-1"
E. Abandoned wells	- As shown on Exhibit "A-1"
F. Injection wells	- None known

4. If on completion this well is a producer the operator will lay pipelines and construct powerlines along existing road R-O-W's or other existing R-O-W's. Possible routes of pipelines, flowlines and powerlines are shown on Exhibit "F".

5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be purchased locally from a commercial source and trucked over the access roads or piped to location in flexible lines laid on top of the ground.

6. SOURCE OF CONSTRUCTION MATERIAL:

If possible construction material will be obtained from the excavation of drill site, if additional material is needed it will be obtained from a local source and transported over the access roads as shown on Exhibit "C".

7. METHODS OF HANDLING WASTE MATERIAL:

A. Drill cuttings will be disposed of in the reserve pits.

B. All trash, junk and other waste material will be contained in trash cages or trash bins to prevent scattering. When the job is completed all contents will be removed and disposed of in a approved sanitary land fill.

C. Salts remaining after completion of well will be picked up by the supplier, including broken sacks.

D. Waste water from living quaters will be drained into holes with a minium of 10'. These holes will be covered during drilling and will be back filled when the well is completed. A Porto-John will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.

E. Remaining drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry enough to be broken out for furthed drying. If the drilling fluids do not evaporate in a reasonable time they will be hauled off by transports to a state approve disposal site. Later pips will be broken out to speed drying. Water produced during completion will be put in reserve pits. Oil and condensate produced will be put in storage tanks and sold.

8. ANCILLARY FACILITIES:

A. No camps or air strips will be constructed on location.

9. WELL SITE LAYOUT

A. Exhibit "D" shows the proposed well site layout.

B. This exhibit indicated proposed location of reserve and sump pits and living facilities.

C. Mud pits in the active circulating system will be steel pits & the reserve pit is proposed to be unlined unless subsurface condition encountered during pit construction indicate that lining is needed for lateral containment of fluids.

D. If needed, the reserve pit is to be lined with polyethelene. The pit liner will be 6 mils thick. Pit liner will extend a minimum 2'00" over the reserve pits dikes where the liner will be anchored down.

E. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

10. PLANS FOR RESTORATION OF SURFACE

Rehabilitation of the location and reserve pit will start in a timely manner after all drilling operations cease. The type of reclamation will depend on whether the well is a producer or a dry hole.

However, in either event, the reserve pit will be allowed to dry properly, and fluid removed and disposed of in accordance with Article 7.B as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location's pad and surface facilities. After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

If the well is a dry hole, the pad and road area will be contoured to match the existing terrain. Topsoil will be spread to the extent possible. Revegetation will comply with BLM standards.

Should the well be a producer, the previously noted procedures will apply to those areas which are not required for production facilities.

SURFACE USE PLAN

UNIT PETROLEUM COMPANY
PHILLY-FEDERAL # 3
UNIT "P" SECTION 21
T23S-R26E EDDY CO. NM

11. OTHER INFORMATION:

A. Topography is flat with a gentle dip to the East toward The Pecos River. Soil consists of silty sands with limestone cobbles. Vegetation consists of of little leaf Sumac, Acacia, Tar Bush, Yucca, Prickly Pear, Cholla, Salt Bush and various grasses.

B. Surface is owned by David King & Shelba Williams
15420 OLD HI-WAY 80 # 252
El CAJON CALIFORNIA 92021
Surface is used for grazing livestock and oil and gas production.

C. An archaeological survey will be conducted on the location and access roads. This report will be filed with The Bureau of Land Management in the Carlsbad field office.

D. There are no dwellings near this location.

12. OPERATORS REPRESENTIVES:

Before construction:

TIERRA EXPLORATION, INC
P.O. BOX 2188
HOBBS, NEW MEXICO 88241
OFFICE Ph. 505-391-8503
JOE T. JANICA

During and after construction:

UNIT PETROLEUM COMPANY
P.O. BOX 702500
TULSA, OKLAHOMA 74170
OFFICE PHONE 918-493-7700
KELLY RYAN 918-477-4512

13. CERTIFICATION: I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access roads, and that I am fimiliar with the conditions which currently exist, that the statements made in this plan are to the best of my knowledge true and correct, and that the work associated with the operations proposed herein will be performed by UNIT PETROLEUM COMPANY it's contractors/subcontractors is in compformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provision of U.S.C. 1001 for the filing of a false report.

NAME : Joe T Janica
DATE : 03/29/03
TITLE : Agent

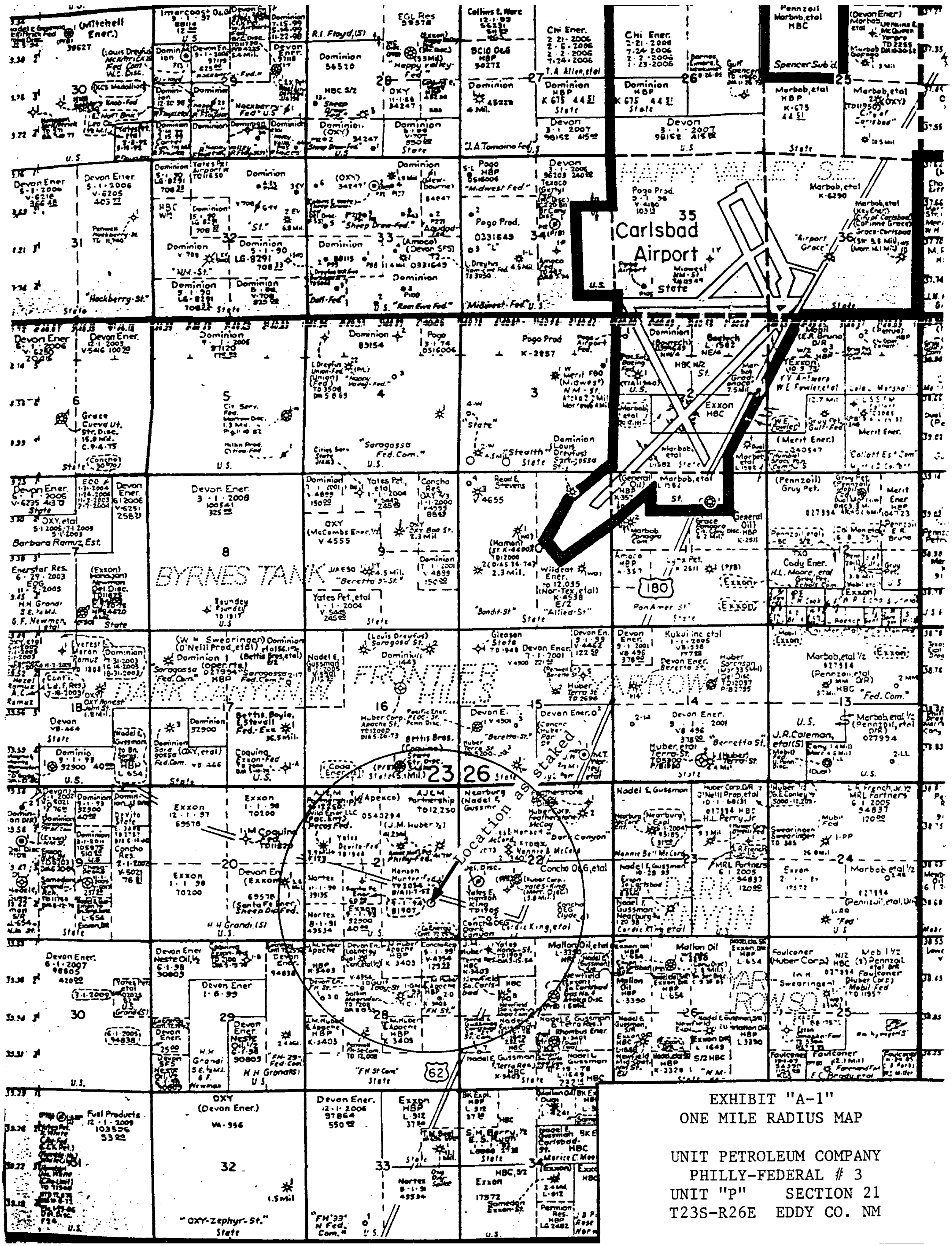


EXHIBIT "A-1"
ONE MILE RADIUS MAP

UNIT PETROLEUM COMPANY
PHILLY-FEDERAL # 3
UNIT "P" SECTION 21
T23S-R26E EDDY CO. NM

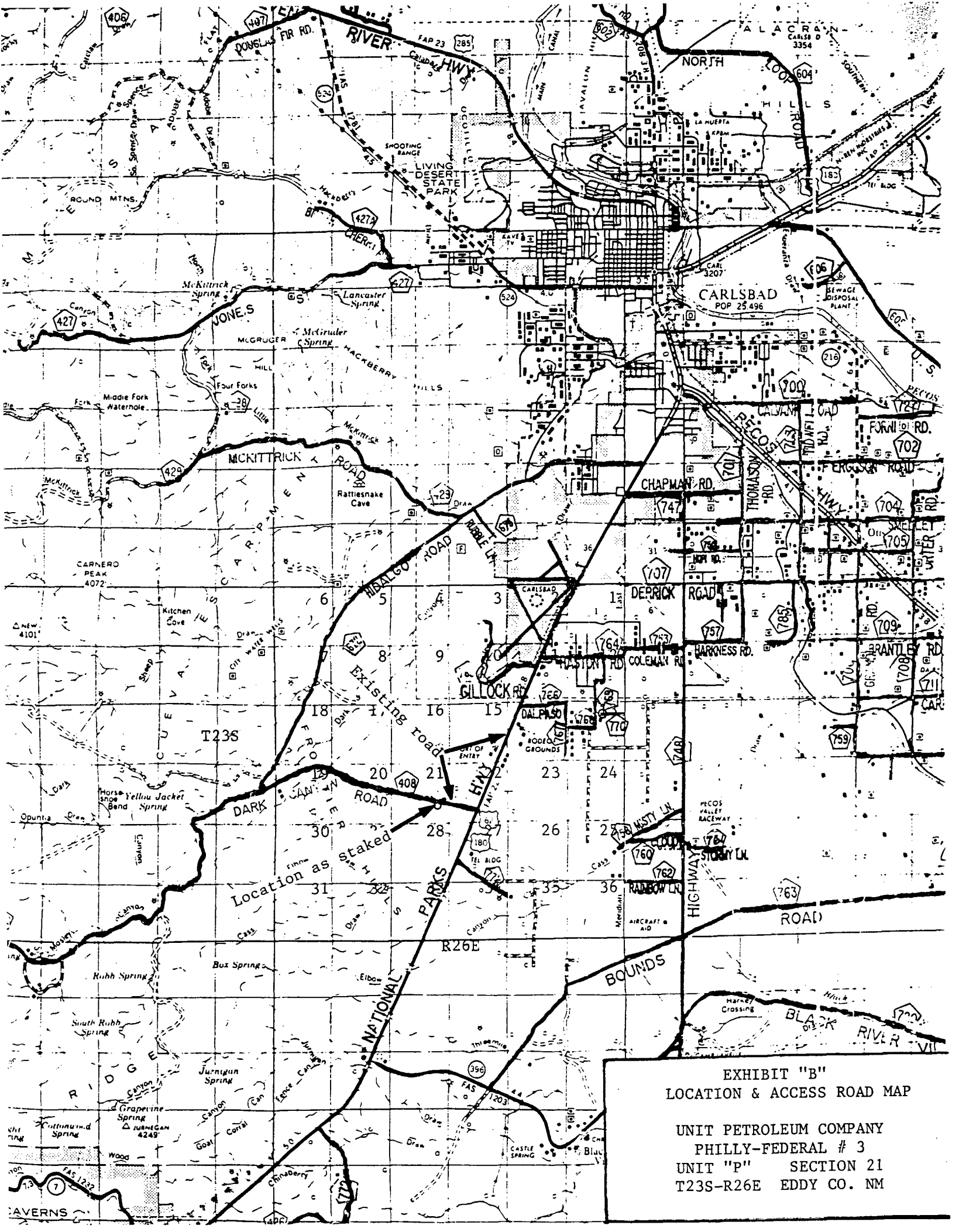


EXHIBIT "B"
LOCATION & ACCESS ROAD MAP

UNIT PETROLEUM COMPANY
PHILLY-FEDERAL # 3
UNIT "P" SECTION 21
T23S-R26E EDDY CO. NM

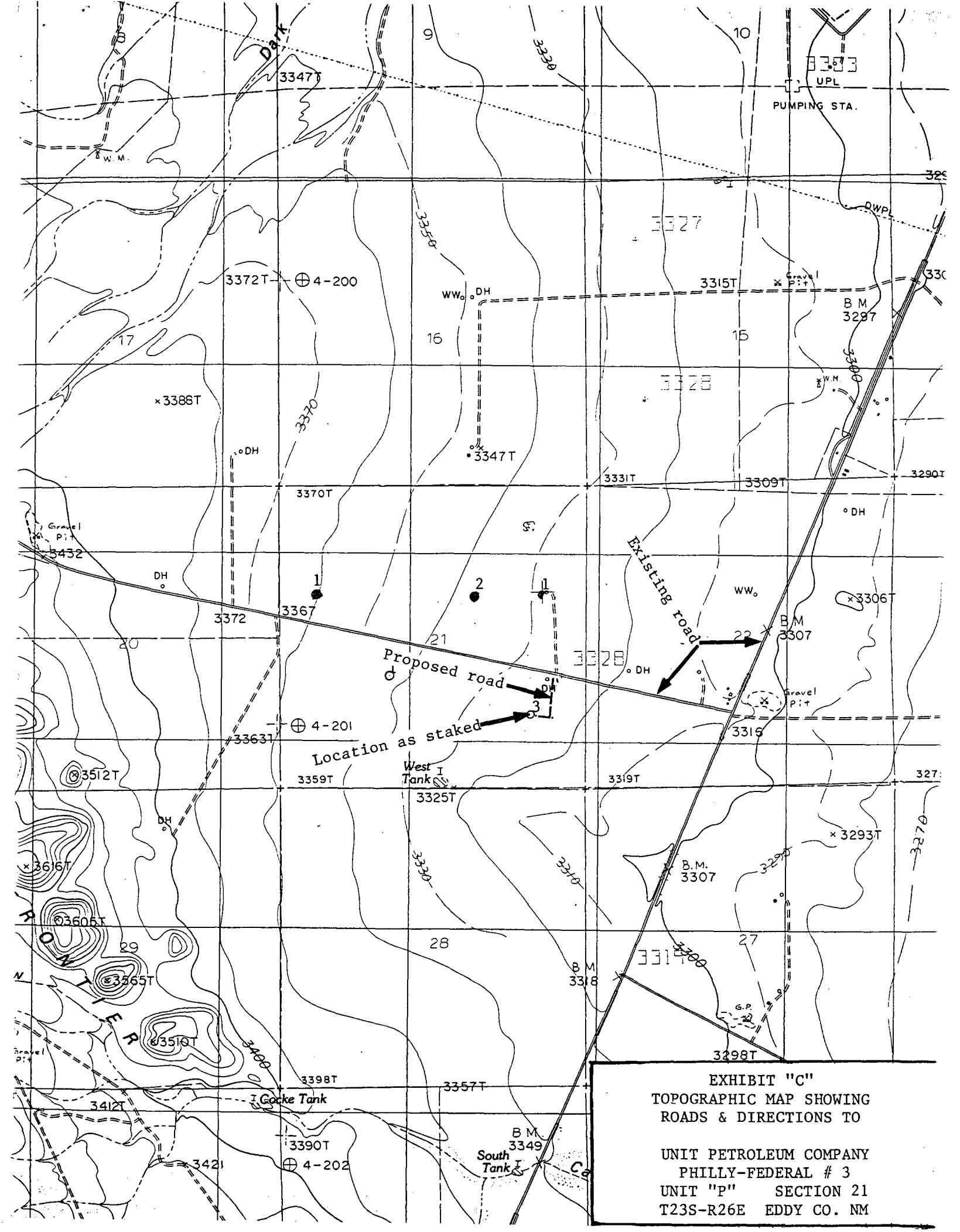
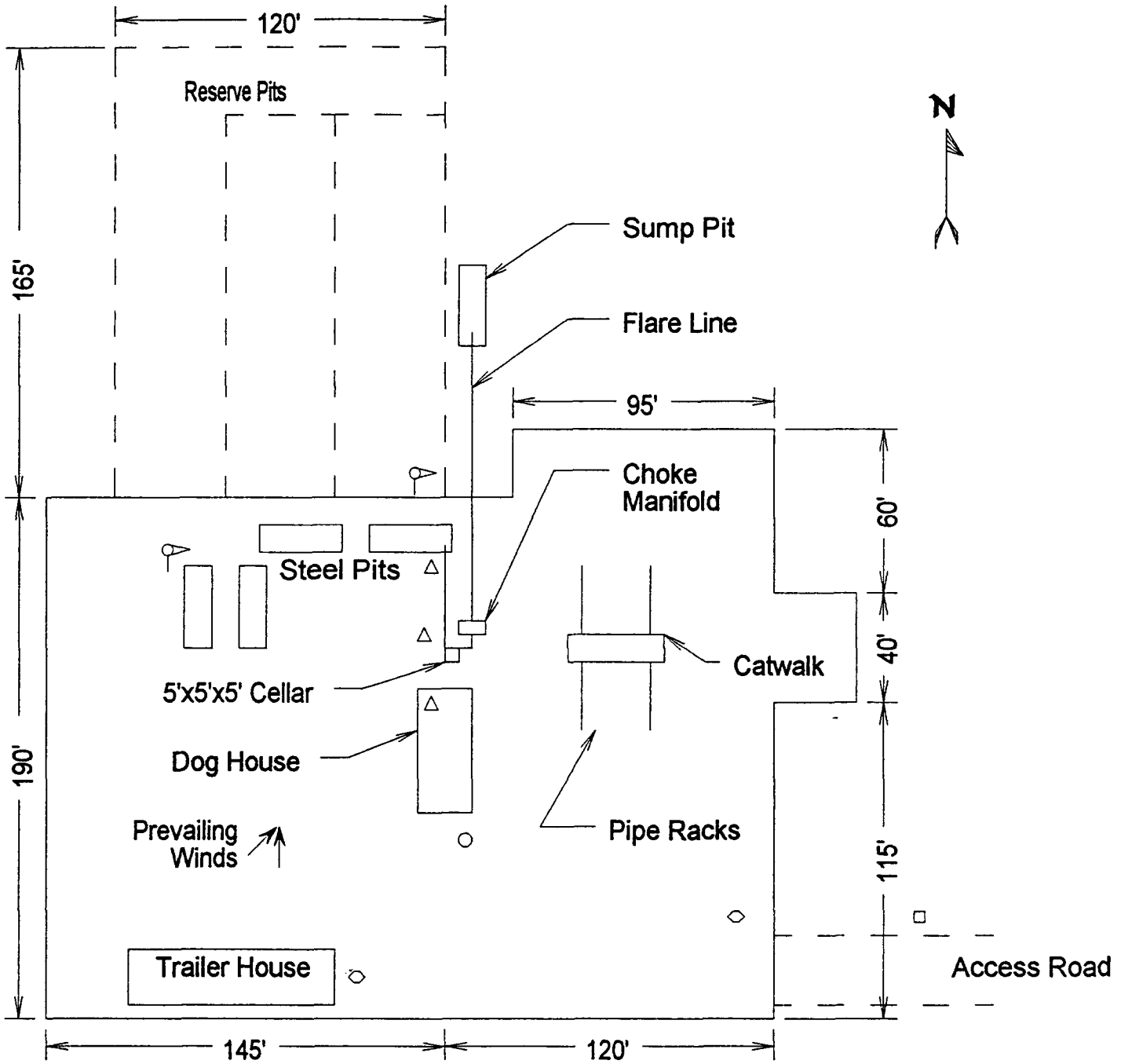


EXHIBIT "C"
TOPOGRAPHIC MAP SHOWING
ROADS & DIRECTIONS TO

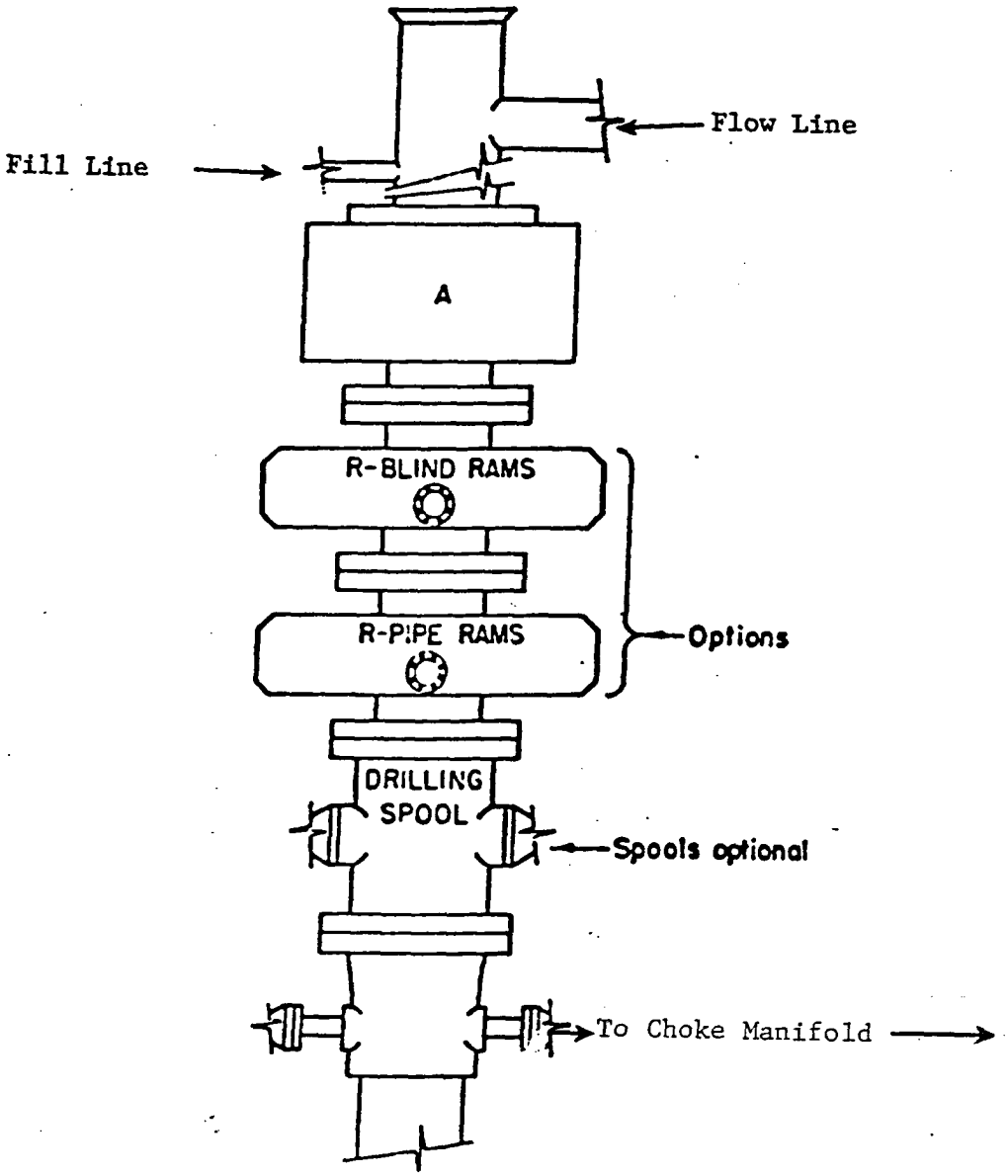
UNIT PETROLEUM COMPANY
PHILLY-FEDERAL # 3
UNIT "P" SECTION 21
T23S-R26E EDDY CO. NM



- Wind Direction Indicators (wind sock or streamers)
- △ H2S Monitors (alarms at bell nipple and shale shaker)
- ⬭ Briefing Areas
- ○ Remote BOP Closing Unit
- □ Sign and Condition Flags

EXHIBIT "D"
RIG LAY OUT PLAT

UNIT PETROLEUM COMPANY
PHILLY-FEDERAL # 3
UNIT "P" SECTION 21
T23S-R26E EDDY CO. NM



ARRANGEMENT SRRA

1500 Series

5000# Working Pressure

EXHIBIT "E"
SKETCH OF B.O.P. TO BE USED ON

UNIT PETROLEUM COMPANY
PHILLY-FEDERAL # 3
UNIT "P" SECTION 21
T23S-R26E EDDY CO. NM

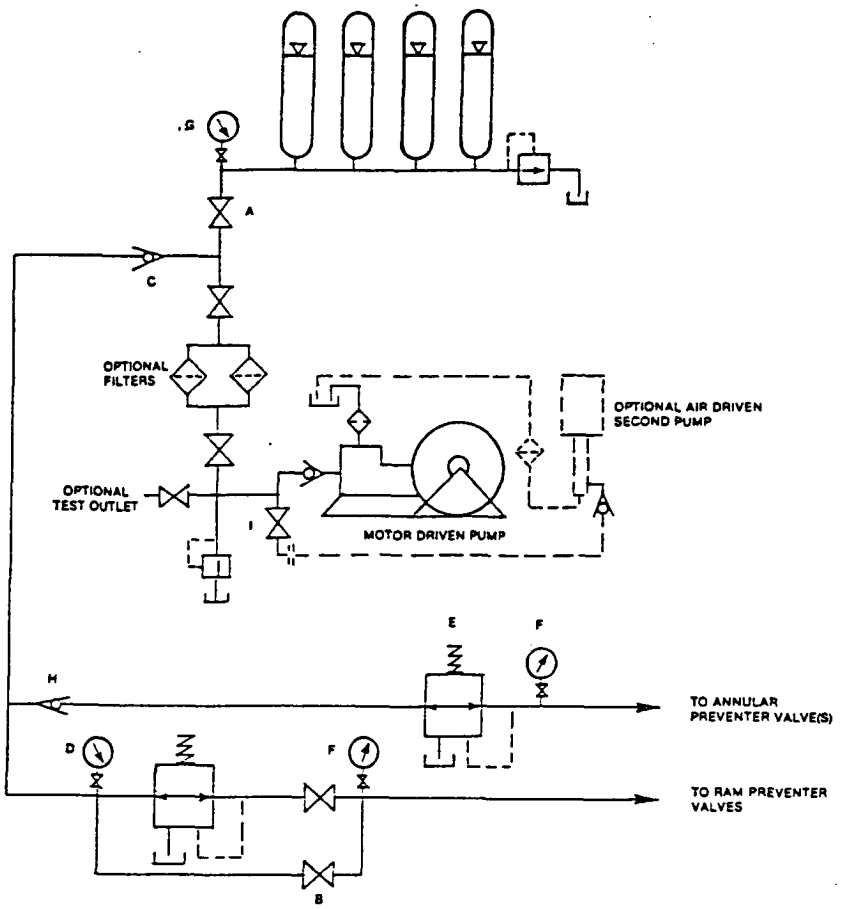


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

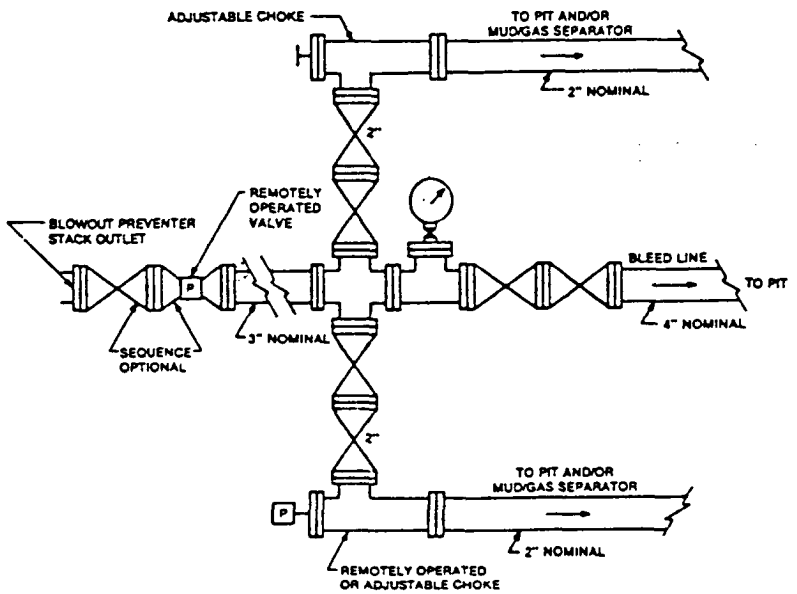


FIGURE K4-2. Typical choke manifold assembly for 5M rated working pressure service — surface installation.

EXHIBIT "E-1"
CHOKE MANIFOLD & CLOSING UNIT

UNIT PETROLEUM COMPANY
PHILLY-FEDERAL # 3
UNIT "P" SECTION 21
T23S-R26E EDDY CO. NM

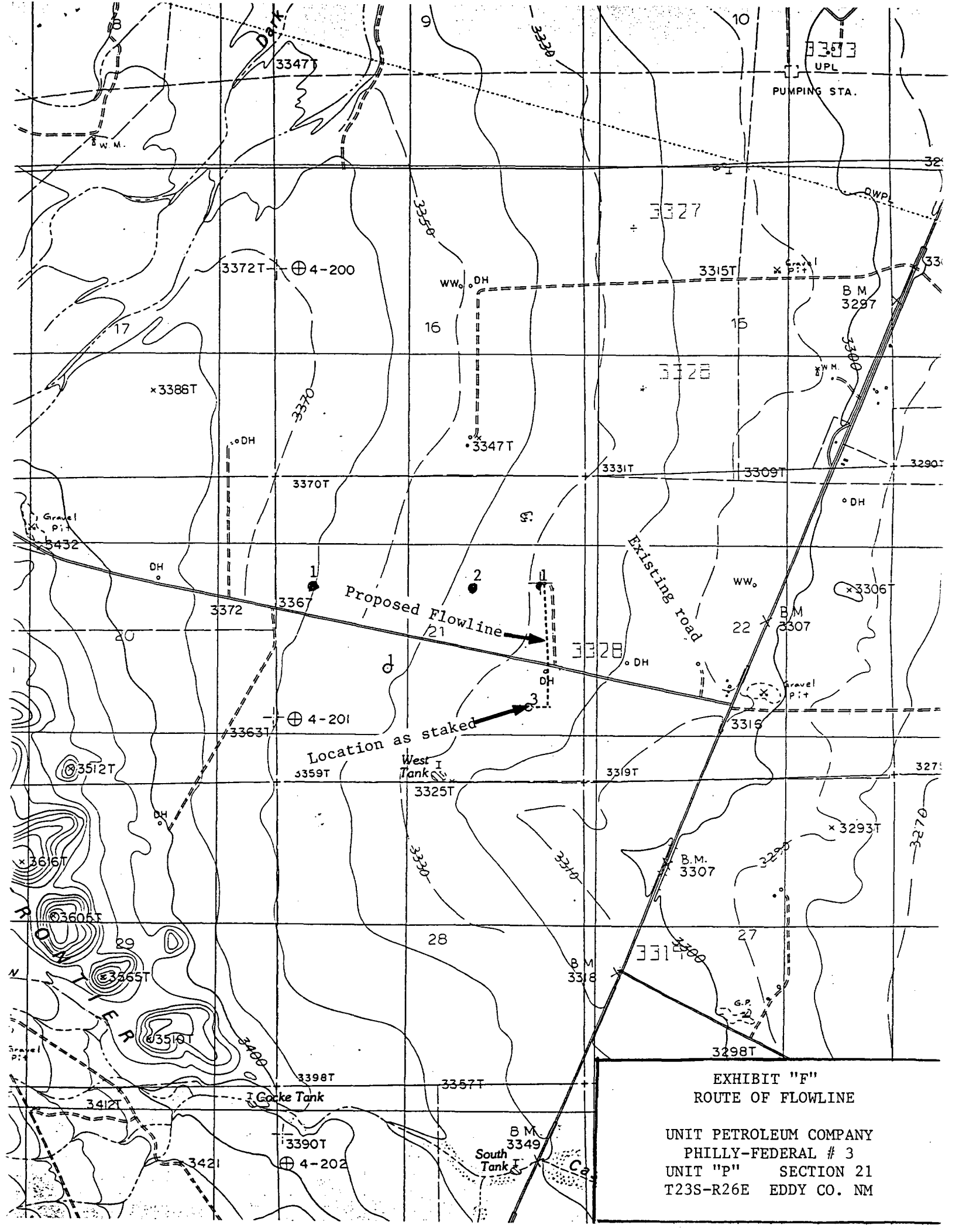


EXHIBIT "F"
ROUTE OF FLOWLINE

UNIT PETROLEUM COMPANY
PHILLY-FEDERAL # 3
UNIT "P" SECTION 21
T23S-R26E EDDY CO. NM

UNIT PETROLEUM COMPANY
A Subsidiary of Unit Corporation

September 12, 2003

Oil Conservation Division
1301 W. Grand Ave.
Artesia, NM 88210

Re: Philly Federal #3
Section 21-T23S-R26E
Eddy County, NM

Dear Sir:

The Philly Federal #3, located in Section 21-T23S-R26E, Eddy County, NM is not in an area where hydrogen sulfide is present. However, personnel are trained in the proper procedures and detectors will be in place as a contingency. Please call me at (918) 493-7700 if I can be of further assistance in this matter.

Sincerely,

Kelly Ryan
District Engineer

KDR/jfj