### OCD-ARTESIA

Form 3160-5 (April 2004)

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

# SUNDRY NOTICES AND REPORTS ON WELLS

	OM B No. 1004-0137 Expires: March 31, 2007	
5.	Lease Serial No. NM-15303	
6.	If Indian, Allottee or Tribe Name	

OUNDILL	MONOED AND INC.	OILLO OIL HELL	LU	l
	nis form for proposals to ell. Use Form 3160 - 3 (A			If Indian, Allottee or Tribe Name     N/A
SUBMIT IN TR	IPLICATE- Other instr	ructions on revers	e side.	7. If Unit or CA/Agreement, Name and/or No. N/A
[✓]On well	Gas Well Other			8. Well Name and No.  Corral Fly Federal #1H
2. Name of Operator Southwestern	a Energy Production Company	· · · · · · · · · · · · · · · · · · ·		9. API Well No.
3a. Address 2350 N. Sam Houston Parkway	y East Houston, Tx 77032	3b. Phone No. (include a 281-618-4887	rea code)	10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec.,	T., R., M., or Survey Description)	. ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		Corral Canyon, Delaware, NW
	FEL of Sect. 10, T25S R 29E F	• •		11. County or Parish, State  Eddy County, New Mexico
				Eddy County, New Mexico
12. CHECK AF	PPROPRIATE BOX(ES) TO	INDICATE NATURE	OF NOTICE, RI	EPORT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE	OF ACTION	
✓ Notice of Intent  ☐ Subsequent Report	Acidize Alter Casing Casing Repair	Deepen Fracture Treat New Construction	Production (State Reclamation Recomplete	rt/Resume)
Final Abandonment Notice	Change Plans  Convert to Injection	Plug and Abandon Plug Back	Temporarily Ab Water Disposal	andon
				ny proposed work and approximate duration thereof.

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 site is ready for final inspection.)

Changes to submitted APD:

- 1. A pilot hole will be vertically drilled to 5,600' MD to confirm the depth of the Cherry Canyon Target Sand. The well will be plugged back and prepared to the estimated KOP (Kick Off Point).
- 2. The following logs will be run from the TD of the pilot hole to the base of Surface Casing:
  - a. Dual Laterlog-Micro Laterolog with SP and gamma Ray
  - b. Compensated Neutron Z Density log with Gamma Ray and Caliper
- 3. BLM Bond Number: ES-0051
- 4. A well schematic is attached.
- 5. Final directional plans will be submitted after review of the open hole log.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)  Martha Howard	Title Staff Regulatory Analyst
Signature Marthan C. Howard	Date 3.26.2007
THIS SPACE FOR FEDERAL	OR STATE OFFICE USE
Approved by TsJ James Stovall	Title DMANAGER Date MAY 1 1 2007
Conditions of approval, if any, are attached. Approval of this notice does not warran certify that the applicant holds legal or equitable title to those rights in the subject lewhich would entitle the applicant to conduct operations thereon.	

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.

#### **GENERAL INSTRUCTIONS**

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this

form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal office.

#### SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or

present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

#### NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

**ROUTINE USES:** Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

This information is being collected to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

#### **BURDEN HOURS STATEMENT**

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer, (WO-630), Mail Stop 401 LS, 1849 C St., N.W., Washington D.C. 20240



# **DRILLING PROGNOSIS Southwestern Energy Production Company**

WELL NAME: Corral Fly Federal #1-H

AFE NO.

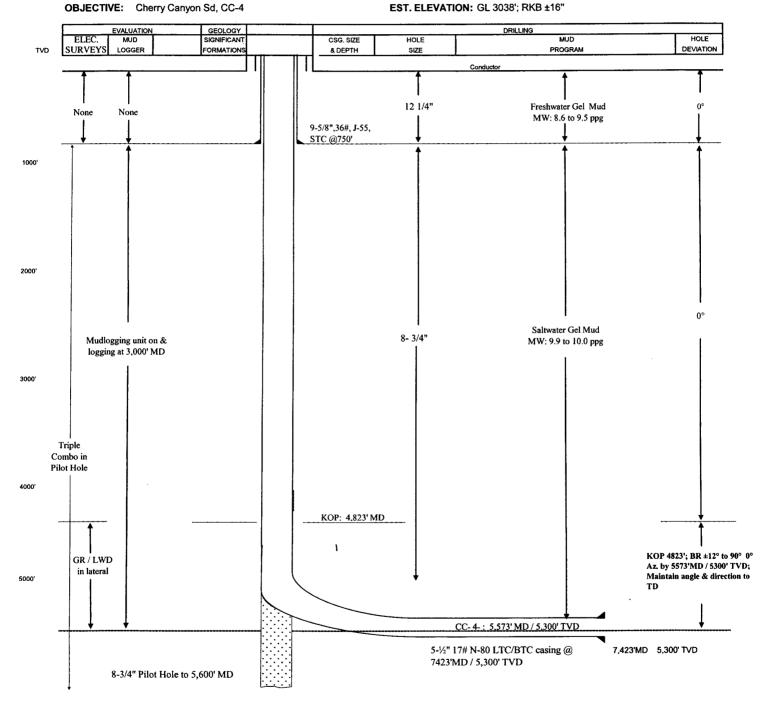
LOCATION:

Sec. 10, T25S, R29E Eddy County NM

SL: 2520' FNL 1650' FEL

BHL: 200' FNL 1860' FEL TGT ENTRY PT: 2,045' FNL 1694' FEL

PROSPECT: Corral Fly



#### State of New Mexico

DISTRICT I 1685 N. PHINCH DR., MODES, NM 86240

Energy, Minerals and Natural Resources Department

DISTRICT II 1301 W. CRAND AVENUE, ARTEMA, HM 86210

DISTRICT IV

OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR.

Form C-102 Revised October 12, 2005 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

T AMENDED DEPOSE

1200 S. ST. PRANCES DR., SANTA FE, 19	M 87505		CI AMENDED KEPOKI				
API Number	Pool Code	Pool Code Pool Nam					
	13365	Corral Canyon	Dolaware West				
Property Code	Pr	Property Name					
	CORRAL	FLY FEDERAL	1H				
OGRID No.		Operator Name					
	SOUTHWESTERN ENER	RGY PRODUCTION COMPAN	Y 3038'				

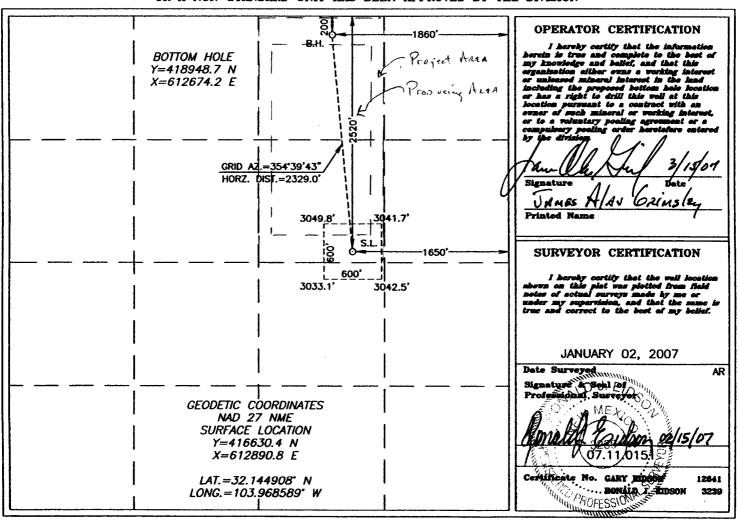
#### Surface Location

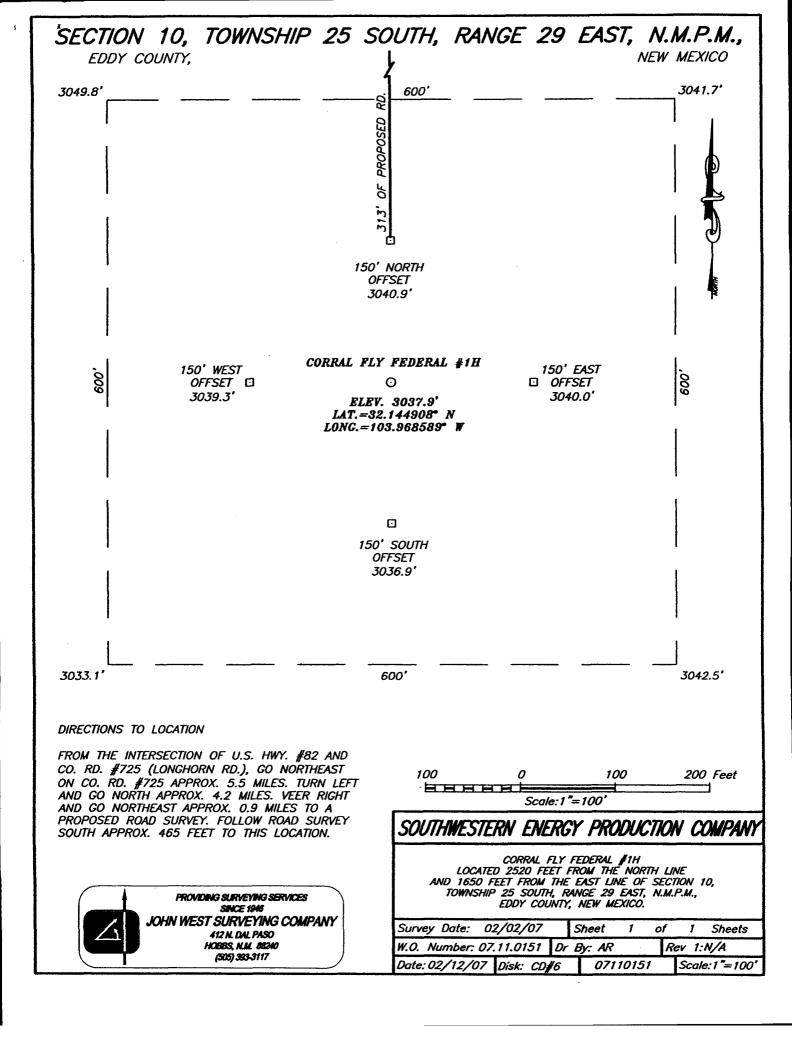
UL or lot No.			Section Township Range Lot 1		Feet from the	North/South line	Feet from the	East/West line	County
G	10	25-S	29-E		2520	NORTH	1650	EAST	EDDY

#### Bottom Hole Location If Different From Surface

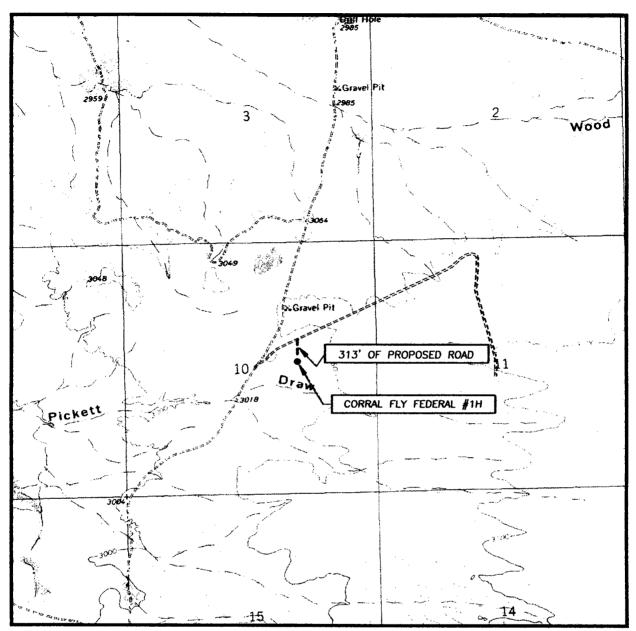
ſ	UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	В	10	25-9	S 29-E		200	NORTH	1860	EAST	EDDY
ſ	Dedicated Acres	Joint o	r Infill	Consolidation (	Code Or	der No.				
	80									

#### 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





# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

PIERCE CANYON, N.M.

CONTOUR INTERVAL: PIERCE CANYON, N.M. - 10'

SEC. 10 TWP. 25—S RGE. 29—E

SURVEY N.M.P.M.

COUNTY EDDY STATE NEW MEXICO

DESCRIPTION 2520' FNL & 1650' FEL

ELEVATION 3038'

SOUTHWESTERN ENERGY PRODUCTION COMPANY

LEASE CORRAL FLY FEDERAL

U.S.G.S. TOPOGRAPHIC MAP



PROVIDING SURVEYING SERVICES SINCE 1946 JOHN WEST SURVEYING COMPANY 412 N. DAL PASO HOBBS, N.M. 88240 (505) 383-3117

# Southwestern Energy Production Company Drilling and Operations Program

Corral Fly Federal #2H 2,520' FNL & 1650' FEL, Unit G Section 10, T25S, R29E Eddy County New Mexico

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Southwestern Energy Production Company submits the following ten (10) items of pertinent information in accordance with BLM requirements. The surface location was moved 230' to the East as requested during the predrill site inspection. The attached plat reflects that change.

- 1. The geological surface formation is Permian.
- 2. The estimated tops of geological markers are as follows

ar ananaan s	Dayness.
Rustler	564'
Top Salt	1,615'
Bottom Salt	2,892'
Top of Delaware	3,142'

3. The estimated depth at which water, oil or gas formations are expected to be encountered:

Delaware

3,142'

Oil

No other formations are expected to give up oil, gas, or fresh water in measurable quantities. The surface fresh water sands will be protected by setting 9-5/8" casing at 750' MD and circulating cement back to surface. Any shallower zones above TD which contain commercial quantities of oil and/or gas will have cement circulated across them by inserting a float shoe joint into the 5-½" production casing which will be run at TD to sufficiently cover all known oil and gas horizons 200' above.

# Corral Fly Federal #1H Drilling Plan

# 4. Proposed Well and Casing Program:

The well plan consists of drilling a vertical hole to the KOP (kick off point) at 4,823' MD/TVD. The hole will be directional drilled utilizing a build rate of 12°/100' to penetrate the Cherry Canyon 4 Sand at 5,573' MD / 5,300' TVD at 90° of angle with a 354.66° Azimuth. The Cherry Canyon 4 will be intersected at 2,045' FNL and 1,694' FEL of Section 10 T25S R29E. The well will continue laterally (90°) for ±2,318' of vertical displacement. The proposed BHL will be 200' FNL & 1,860' FEL of section 10. The top of the Delaware will be intersected at 3,142' MD/TVD at 2,520' FNL and 1,650' FEL of Section 10. A drilling prognosis, directional plot, and proposed survey report are attached as Exhibit #1 & #2.

Hole Size	Interval	Casing OD	Wt.	Grade
12-1/4"	0-750'	9-5/8"	36#	J-55
8-3/4"	0- 7,423'	5-1/2"	17#	N-80

# Proposed Cementing Program:

## 9-5/8" Surface Casing:

Based on 100% excess and circulating to surface

Lead: 150 sxs of 35:65 Poz:Class "C" @ 12.7 ppg (Yield 1.88 ft<sup>3</sup>/sx)

Tail: 150 sxs of Class "C" @ 14.8 ppg (Yield 1.34  $ft^3/sx$ )

# 5-1/2" Production Casing:

Stage 1: 360 sxs of TXI Lightweight + 100% D151 + 0.2% D174 + 0.2% D46

 $+ 0.5\% D65 + 2\% S1 \text{ mixed at } 13.0 \text{ ppg (Yield = } 2.76 \text{ft}^3/\text{sx)}$ 

Top of cement for Stage 1 to be at 4,800' MD and based on 50%

excess

DV Tool at 4800' MD

Stage 2:

Lead: 850 sxs of 35:65 Poz:Class C + 6%D20 + 0.2% D167 + 0.2% D65

+0.2% D46 mixed at 12.5 ppg (Yield = 2.0 ft<sup>3</sup>/sx)

Tail: 100 sxs Class "C" Neat @ 14.8 ppg (Yield =  $1.32 \text{ ft}^3/\text{sx}$ )

Top of cement for Stage 2 to be at surface and based on 50%

excess in open hole

# Corral Fly Federal #1H Drilling Plan

# 5. Pressure Control Equipment

The blowout preventor equipment (BOP) shown in Exhibit #3 will consist of a 2000 psig WP double ram type preventor and annular preventer. Both units will be hydraulically operated and the ram type preventer will be equipped with blind rams on top and 4-½" pipe rams on bottom. Both BOP's will be installed on the 9-5/8" surface casing and utilized continuously until total depth is reached. All BOP's and associated equipment will be tested to 1000 psig with the rig pump prior to drilling out the 9-5/8" casing shoe.

Pipe rams will be operated and checked each 24-hour period and each time the drill pipe is out of the hole. These function tests will be documented on the daily drillers log. A 2" kill line and 3" choke line will be incorporated in the drilling spool below the ram-type BOP. Other accessory BOP equipment will include a Kelly cock, floor safety valve, choke lines and manifold having a 5000 psig WP rating.

Actual BOP and manifold drawing will be submitted after rig selection.

# 6. Mud Program:

The applicable depth and properties of this system are as follows:

Depth	Туре	MW (ppg)	Viscosity (sec)	Fluid Loss (cc)	
0-750'	Fresh Water	8.5	28-30	Not Controlled	
750' – 7,423'	Brine	9.8 - 10.2	38-45	10-12 cc in Lateral	

#### 7. Auxiliary Equipment:

- A Kelly Cock will be in the drill string at all times
- A full opening drill pipe stabbing valve having the appropriate connections will be on the rig floor at all times

#### 8. Testing, Logging, and Core Program:

- No drillstem tests are anticipated
- The electric logging program will consist of:
  - i. Total Depth of Horizontal Drainhole to Kick off Point: Gamma Ray Depth Control log

# Corral Fly Federal #1H Drilling Plan

#### 9. Potential Hazards

No abnormal pressures or temperatures are expected.

The estimated BHP of the Cherry Canyon 4 Sand is 1500 psig with an BHT of 130°F.

There is no known presence of H<sub>2</sub>S in this area.

# 10. Anticipated Starting Date and Duration of Operations

Road and location construction will begin after the BLM has approved the APD. The anticipated spud date is April 30, 2007...

Move in operations and drilling is expected to take 24 days. If production casing is run, an additional 30 days will be needed to complete well and construct surface facilities and/or lay flow lines in order to place well on production.



# DRILLING PROGNOSIS Southwestern Energy Production Company

Exhibit #1

WELL NAME:

Corral Fly Federal #1-H

AFE NO.

PROSPECT: Corral Fly

LOCATION:

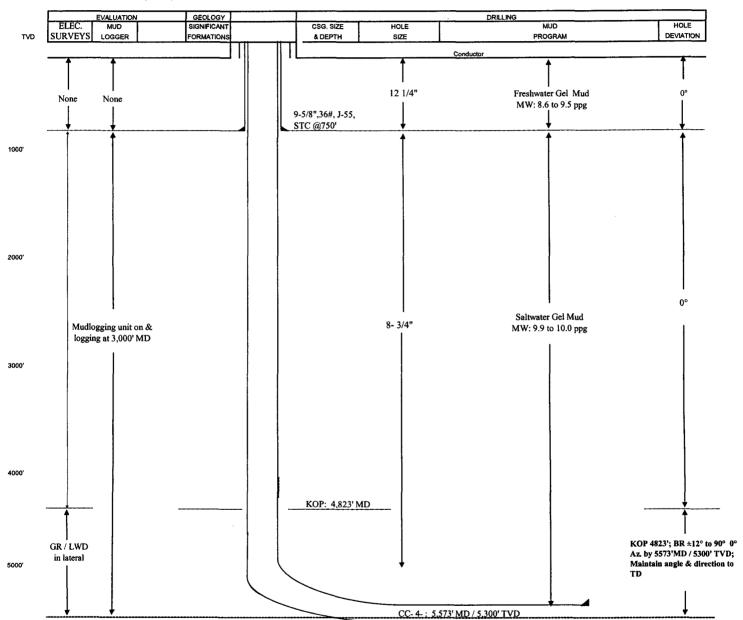
Sec. 10, T25S, R29E

Eddy County NM SL: 2520' FNL 1650' FEL BHL: 200' FNL 1860' FEL

TGT ENTRY PT: 2,045' FNL 1694' FEL

OBJECTIVE: Cherry Canyon Sd, CC-4

EST. ELEVATION: GL 3038'; RKB ±16"



5-1/2" 17# N-80 LTC/BTC casing @

7423'MD / 5,300' TVD

7,423'MD 5,300' TVD

# **Southwestern Energy Production Co.**

Eddy County New Mexico Corral Fly Section 10 - T25S R29E Corral Fly Federal #1H Wellbore #1

Plan: Plan 2

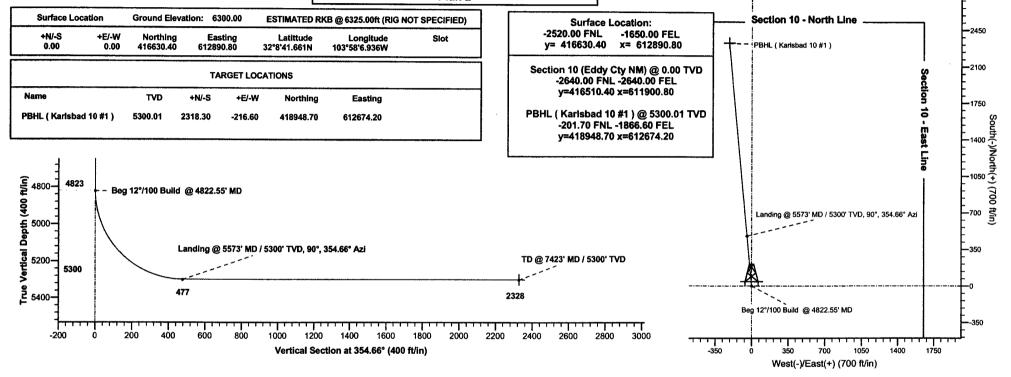
# **Standard Planning Report**

14 March, 2007



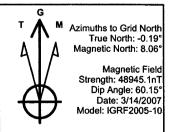
#### Southwestern Energy Production Co. Corral Fly Federal #1H Corral Fly Section 10 - T25S R29E Eddy County New Mexico Plan 2





Phil Lyons 3/14/2007

SECTION DETAILS											
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec		
1	0.00	0.00	354.66	0.00	0.00	0.00	$0.0\overline{0}$	0.00	0.00		
2	4822.55	0.00	354.66	4822.55	0.00	0.00	0.00	0.00	0.00		
3	5572.55	90.00	354.66	5300.01	475.39	-44.42	12.00	354.66	477.46		
4	7423.48	90.00	354.66	5300.01	2318.30	-216.60	0.00	0.00	2328.40	PBHL (Karlsbad 10 #1	



# **Crescent Directional Drilling**

#### Planning Report

Database: Company: Project:

Wall:

Wellbore

Design:

COMPASS\_2003.11\_CDDSVR Southwestern Energy Production Co. **Eddy County New Mexico** Corral Fly Section 10 - T25S R29E Corral Fly Federal #1H

Wellbore #1 Plan 2

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference; Survey Calculation Method

Well Corral Fly Federal #1H

ESTIMATED RKB @ 6325.00ft (RIG NOT SPECIFIED) ESTIMATED RKB @ 6325.00ft (RIG NOT SPECIFIED)

Minimum Curvature

Project **Eddy County New Mexico** 

Map System: Geo Datum: Map Zone:

US State Plane 1927 (Exact solution)

NAD 1927 (NADCON CONUS)

New Mexico East 3001

System Datum:

Mean Sea Level

Site Corral Fly Section 10 - T25S R29E

Site Position: From:

Мар

Northing: Easting:

416,630.40 ft 612,890.80ft

Latitude: Longitude:

32° 08' 41.661" N 103° 58' 06.936" W

**Position Uncertainty:** 

0.00 ft

Slot Radius:

**Grid Convergence:** 

0.19

Corral Fly Federal #1H

+E/-W

**Well Position** +N/-S

0.00 ft

Northing:

416,630.40 ft 612,890.80 ft

Latitude: Longitude: 32° 08' 41.661" N

**Position Uncertainty** 

0.00 ft 0.00 ft Easting: Wellhead Elevation:

8.25

**Ground Level:** 

103° 58' 06.936" W 6,300.00 ft

Wellbore Wellbore #1

Magnetics IGRF2005-10 3/14/2007

48,945

Design Plan 2

**Audit Notes:** 

Version:

Phase:

**PROTOTYPE** 

Tie On Depth:

0.00

60.15

Vertical Section:

0.00

0.00

0.00

354.66

Plan Sections

# **Crescent Directional Drilling**

Planning Report

Databaset Companyi Project Site: Welli COMPASS\_2003.11\_CDDSVR Southwestern Energy Production Co. Eddy County New Mexico Corral Fly Section 10 - T25S R29E Corral Fly Federal #1H

 Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method:

Well Corral Fly Federal #1H
ESTIMATED RKB @ 6325.00ft (RIG NOT SPECIFIED)
ESTIMATED RKB @ 6325.00ft (RIG NOT SPECIFIED)
Grid
Minimum Curvature

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Planned Survey					Entra Contract				
Measured			Vertical		v	/ertical	Dogleg	Build	Tum
	clination	Azimuth	Depth	4N/S		ection	Rate	Rate	Rafe
in in	les .	(P)	(ft)	(6)	(ft)		(*/100ft) (		9400m)
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400.00	0.00	354.66	400.00	0.00	0.00	0.00	0.00	0.00	0.00
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700.00	0.00	354.66	700.00	0.00	0.00	0.00	0.00	0.00	0.00
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1,800.00	0.00	354.66	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
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2,600.00	0.00	354.66	2,600.00	0.00	0.00	0.00	0.00	0.00 0.00	0.00 0.00
2,700.00	0.00	354.66	2,700.00	0.00	0.00	0.00 0.00	0.00 0.00	0.00	0.00
2,800.00 2,900.00	0.00 0.00	354.66 354.66	2,800.00 2,900.00	0.00 0.00	0.00 0.00	0.00	0.00	0.00	0.00
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3,400.00	0.00	354.66	3,400.00	0.00	0.00	0.00	0.00	0.00	0.00
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3,700.00	0.00	354.66 354.66	3,700.00 3,800.00	0.00 0.00	0.00 0.00	0.00	0.00	0.00	0.00
3,900.00	0.00	354.66	3,900.00	0.00	0.00	0.00	0.00	0.00	0.00
			•						
4,000.00	0.00	354.66	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00
4,100.00 4,200.00	0.00 0.00	354.66	4,100.00	0.00	0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00
4,200.00 4,300.00	0.00	354.66 354.66	4,200.00 4,300.00	0.00 0.00	0.00 0.00	0.00	0.00	0.00	0.00
4,400.00	0.00	354.66	4,400.00	0.00	0.00	0.00	0.00	0.00	0.00
-									
4,500.00	0.00	354.66	4,500.00	0.00	0.00	0.00	0.00	0.00	0.00
4,600.00	0.00	354.66	4,600.00	0.00	0.00	0.00	0.00	0.00	0.00
4,700.00 4,800.00	0.00	354.66	4,700.00	0.00	0.00	0.00	0.00	0.00 0.00	0.00 0.00
4,800.00 4,822.55	0.00 0.00	354.66 354.66	4,800.00 4,822.55	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00	0.00
Heg 12°/100 Bui			7,022.00	0.00	5.00	0.00	0.00	0.00	0.00
4,900.00	9.29	354.66	4,899.66	6.24	-0.58	6.27	12.00	12.00	0.00

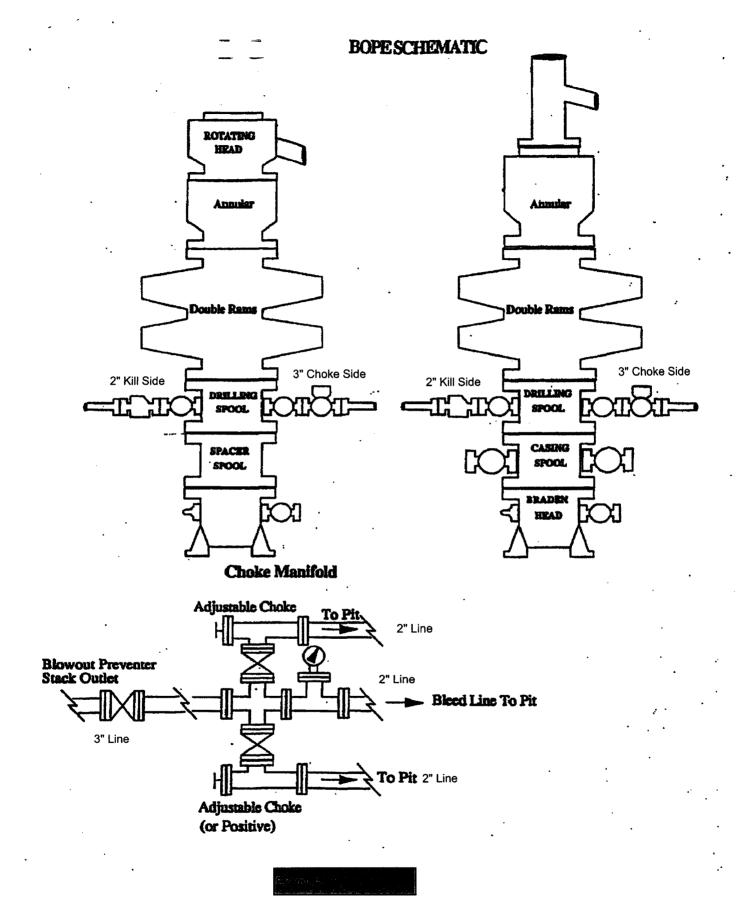
# **Crescent Directional Drilling**

Planning Report

Eddy County New Mexico			ME 9E No	Feference: Réference: (h Reference:		ESTIMATE Grid	Well Corral Fly Federal #1H ESTIMATED RKB @ 6325.00ft (RIG NOT SPECIFIED ESTIMATED RKB @ 6325.00ft (RIG NOT SPECIFIED Grid		
Carlot American	ral Fly Federa libore #1 n 2	I #1H	Sq	wey Calculation	Metrod:	Minimum C			
5,000.00	21.29	354.66	4,995.94	32.46	-3.03	32.60	12.00	12.00	0.00
5,100.00	33.29	354.66	5,084.65	78.03	-7.29	78.37	12.00	12.00	0.00
5,200.00	45.29	354.66	5,161.90	140.97	-13.17	141.59	12.00	12.00	0.00
5,300.00	57.29	354.66	5,224.31	218.53	-20.42	219.48	12.00	12.00	0.00
5,400.00	69.29	354.66	5,269.17	307.31	-28.71	308.65	12.00	12.00	0.00
5,500.00	81.29	354.66	5,294.51	403.44	-37.69	405.20	12.00	12.00	0.00
5,572.55	90.00	354.66	5,300.01	475.39	-44.42	477.46	12.00	12.00	0.00
Landing @ 5573'	MD / 5300' TV	/D, 90°, 354.66	° Azi						
5,600.00	90.00	354.66	5,300.01	502.73	-46.97	504.92	0.00	0.00	0.00
5,700.00	90.00	354.66	5,300.01	602.30	-56.27	604.92	0.00	0.00	0.00
5,800.00	90.00	354.66	5,300.01	701.86	-65.58	704.92	0.00	0.00	0.00
5,900.00	90.00	354.66	5,300.01	801.43	-74.88	804.92	0.00	0.00	0.00
6,000.00	90.00	354.66	5,300.01	901.00	-84.18	904.92	0.00	0.00	0.00
6,100.00	90.00	354.66	5,300.01	1,000.56	-93.48	1,004.92	0.00	0.00	0.00
6,200.00	90.00	354.66	5,300.01	1,100.13	-102.79	1,104.92	0.00	0.00	0.00
6,300.00	90.00	354.66	5,300.01	1,199.69	-112.09	1,204.92	0.00	0.00	0.00
6,400.00	90.00	354.66	5,300.01	1,299.26	-121.39	1,304.92	0.00	0.00	0.00
6,500.00	90.00	354.66	5,300.01	1,398.83	-130.69	1,404.92	0.00	0.00	0.00
6,600.00	90.00	354.66	5,300.01	1,498.39	-140.00	1,504.92	0.00	0.00	0.00
6,700.00	90.00	354.66	5,300.01	1,597.96	-149.30	1,604.92	0.00	0.00	0.00
6,800.00	90.00	354.66	5,300.01	1,697.53	-158.60	1,704.92	0.00	0.00	0.00
6,900.00	90.00	354.66	5,300.01	1,797.09	-167.90	1,804.92	0.00	0.00	0.00
7,000.00	90.00	354.66	5,300.01	1,896.66	-177.21	1,904.92	0.00	0.00	0.00
7,100.00	90.00	354.66	5,300.01	1,996.23	-186.51	2,004.92	0.00	0.00	0.00
7,200.00	90.00	354.66	5,300.01	2,095.79	-195.81	2,104.92	0.00	0.00	0.00
7,300.00	90.00	354.66	5,300.01	2,195.36	-205.11	2,204.92	0.00	0.00	0.00
7,400.00	90.00	354.66	5,300.01	2,294.92	-214.42	2,304.92	0.00	0.00	0.00
7,423.48	90.00	354.66	5,300.01	2,318.30	-216.60	2,328.40	0.00	0.00	0.00

Targets  Target Name  Antivoiss target Di	i Arigia (C	legia T	/D +N/-S 10 ft	#E/-W	Northing (ft)	Easti <sub>ri</sub> g (t)	<b>4</b> 200da	Longitude
Section 10 (Eddy Cty N - plan misses by 997.25 - Rectangle (sides W5,2			0.00 -120.00 0.00 N, 0.00 E)	990.00	416,510.40	611,900.80	32° 08' 40.506" N	103° 58' 18.456" W
PBHL ( Karlsbad 10 #1 - plan misses by 1850.9 - Point	0.00 4ft at 5572.5		000.01 2,318.30 01 TVD, 475.39 N,		418,948.70	612,674.20	32° 09' 04.611" N	103° 58' 09.365" W

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7.462.3	Starting Conc. So.	AND STREET OF STREET	120 200 200	
		Encal Coordinates		
	ieptn Ti			Comment
<b>M</b>	(11)	u m		
822.55	4,822.55	0.00	0.00 E	Beg 12°/100 Build @ 4822.55' MD
572.55	5,300.01	475.39		Landing @ 5573' MD / 5300' TVD, 90°, 354.66° Azi
423.48	5,300.01	2,318.30 -		TD @ 7423' MD / 5300' TVD
	pth ft) 822.55 572.55	pth Depth +N ft) (ft) (f 822.55 4,822.55 572.55 5,300.01	pti Cepti N/S 4EC4 ft) (ft) (ft) (ft) (ft) 822.55 4,822.55 0.00 572.55 5,300.01 475.39	put Deput N/S ►EFW: (it) (it) (it) (n)  822.55 4,822.55 0.00 0.00  572.55 5,300.01 475.39 -44.42





Southwestern Energy Production Company 2350 N. Sam Houston Parkway East Suite 300 Houston, Texas 77032

# Hydrogen Sulfide (H<sub>2</sub>S) Contingency Plan

For

Corral Fly Federal #1-H

And

Corral Fly Federal #2-H

These wells are open drilling sites. H<sub>2</sub>S monitoring equipment and emergency response equipment will be used within 500' of the zones known to contain H<sub>2</sub>S, including warning signs, wind indicators and H<sub>2</sub>S monitor.

Assumed 100 ppm ROE = 3000' (Radius of Exposure) 100 ppm  $H_2S$  concentration shall trigger activation of this plan.

# **Emergency Procedures**

In the case of a release of gas containing H<sub>2</sub>S, the first responder(s) must isolate the area and prevent entry by other persons into the 100 ppm ROE. Additionally the first responder(s) must evacuate any public places encompassed by the 100 ppm ROE. First responder(s) must take care not to injure themselves during this operation. Company and/or local officials must be contacted to aid in this operation. Evacuation of the public should be beyond the 100 ppm ROE.

All responders must have training in the detection of  $H_2S$ , measures for protection against the gas, equipment used for protection and emergency response. Additionally, responders must be equipped with  $H_2S$  monitors and air packs in order to control the release. Use the "buddy system" to ensure no injuries during the response.

# **Ignition of Gas Source**

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO<sub>2</sub>). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas

# Characteristics of H2S and SO2

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentr- ation
Hydrogen Sulfide	H <sub>2</sub> S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO₂	2.21 Air = 1	2 ppm	N/A	1000 ppm

# **Contacting Authorities**

Southwestern Energy Production Company personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the NMOCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. Southwestern Energy Production Company response must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER)

Southwestern Energy Production Call List	Office	Cellular
Bruce Drummond – Production Foreman	. 281-618-7442 . 281-618-4068 . 281-618-4071	832-260-1890 713-492-1657 281-702-6703
Agency Call List  Eddy County (505)		

A --4 - --2 -

Artesia	
State Police	746-2703
City Police	746-2703
Sheriff's Office	
Ambulance	911
Fire Department	746-2701
LEPC (Local Emergency Planning Committee)	746-2122
NMOCD	
Carlsbad State Police City Police	
Sheriff's Office.	
Ambulance Fire Department	911
LEPC (Local Emergency Planning Committee)	
US Bureau of Land Management	
New Mexico Emergency Response Commission (Santa Fe) 24 HR	
National Emergency Response Center (Washington, DC)	(800) 424-8802

# Other

Wild Well Control	(281) 353-5481	
Boots & Coots IWC	1-800-256-9688 or (281) 93	31-8884
Cudd Pressure Control	(915) 699-0139 or (915) 56	3-3356
Halliburton	(432) 682-4305	
B. J. Services		
B.J. Services	(505)746-3140	
Schlumberger	(505) 748-1391	
	St, Lubbock, TXubbock, TX	
	Yale Blvd SE #D3, Albuq, NM	
	k Carr Loop SE, Albug, NM	

# Southwestern Energy Production Company Surface Use and Operating Plan

Corral Fly Federal #2H 2,520' FNL & 1650' FEL, Unit G Section 10, T25S, R29E Eddy County New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

# 1. Existing Roads

- a. The well site and elevation plat for the proposed well are reflected in the attached survey. This well was surveyed by John West Surveying Company in Hobbs, New Mexico.
- b. All roads into the location are depicted in Exhibit #4.
- c. All existing roads will be maintained in the same or better condition.
- d. Directions to location:

From Malaga, New Mexico go north on Hwy 285 to SR 31 and turn right (East). Follow SR 31 to SR 128. Turn right onto SR 128 and continue on SR 128 (East of mile marker 19), turn South on Buck Jackson Road (CR 786) for 9.2 miles. Turn West (right) on CR 787 for 0.1 miles. Turn Southwest (left) on El Paso Pipeline ROW for 4.6 miles. Turn West (right) @ Devon Energy (Southwestern Energy) Sign. Go Northwest 0.5 miles to a "Y" in the road. Take right at "Y" and follow main road approximately 6.2 miles

#### 2. Access Road

- a. Exhibit #4 shows the existing lease road. Approximately 313' of new access road will be required. It will be constructed as follows:
  - i. The maximum width of the road will be 15'. It will be crowned and made of 6" of rolled and compacted caliche. Water will be deflected, as necessary, to avoid accumulation and prevent surface erosion.
  - ii. Surface material will be native caliche. This material will be obtained from a BLM approved pit nearest to the location.
  - iii. No cattle guards, grates, or fence cuts will be required. No turnouts are planned.

# 3. Location of Existing Wells

a. Exhibit # 4 is a plat that shows all wells within a 1-mile radius of the proposed surface location.

# Corral Fly Federal #1H Surface Use and Operating Plan

# 4. Proposed Facilities

- a. In the event the well is found productive, a tank battery would be constructed.
- b. The tank battery, all connections and all lines will adhere to API standards.
- c. If the well is productive, rehabilitation plans are as follows:
  - i. The reserve pit will be closed pursuant to OCD rules and guidelines.
  - ii. The original topsoil from the well site will be returned to the location. The drill site will then be contoured as close as possible to the original state.

# 5. Methods of Handling Water Disposal

- a. Drill cuttings will be disposed into the reserve pit.
- 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 an approved sanitary landfill.
- c. Remaining drilling fluids will be allowed to evaporate in the reserve pit until the pits are dry enough to be closed. If the drilling fluids do not evaporate in a reasonable time they will be hauled off by transports to a state approved disposal site. The reserve pit will be closed pursuant to NM OCD rules and guidelines.
- d. Water produced during completion will be put into the reserve pit. Oil and condensate produced will be put in a storage tank and sold.

# 6. Well Site Layout

- a. Exhibit #5 shows the proposed well site layout dimensions of the well pad and reserve pit.
- b. Mud pits in the active circulating system will be steel pits & the reserve pit will be lined with a 12 mil synthetic liner.
- c. The reserve pit will be fenced on three sides during drilling and completion operations. After the rig is removed, the reserve pit will be fenced on the fourth side to preclude endangering wildlife. The fencing shall remain in place until the pit is reclaimed. If the well is a producer, the reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

#### 7. Other Information

- a. The area surrounding the well site is grassland. The topsoil is very sandy in nature. The vegetation is moderately sparse with native prairie grass, sagebrush, yucca, and miscellaneous weeds.
- b. The surface and minerals are owned by the U.S. Government and is administered by the Bureau of Land Management. The surface is of limited use except for the grazing of livestock and the production of oil and gas.
- c. An archaeological survey has been performed and was forwarded to the Bureau of Land Management.
- d. There are no dwellings within 2 miles of location.

# Corral Fly Federal #1H Surface Use and Operating Plan

# **Operators Representative:**

# Through APD Approval:

Martha Howard Regulatory Analyst Southwestern Energy Production Company 2350 N. Sam Houston Parkway East Houston, Texas 77032 Phone: (281) 618-4887 Through Drilling Operations:

Alan Grimsley
Drilling Engineer
Southwestern Energy Production Company
2350 N. Sam Houston Parkway East
Houston, Texas 77032
Phono: (281) 618, 4068

Phone: (281) 618-4068 Cell: (713) 492-1657

# **Through Completion and Production Operations:**

Bruce Drummond Production Superintendent Southwestern Energy Production Company 816 E. Green Acres Hobbs, New Mexico, 88240 Phone: (505) 393-1850

artha C. Howard

#### Certification:

Cell: (505) 631-8083

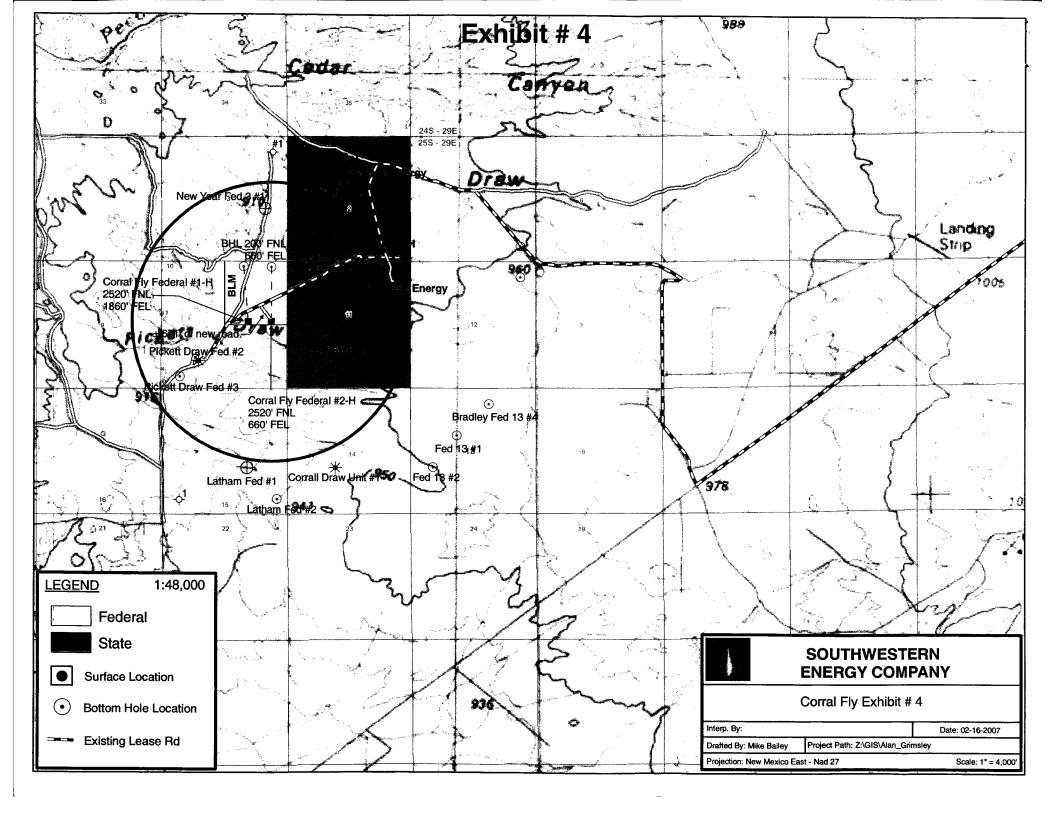
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed therein will be performed by Southwestern energy Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Martha Howard

Staff Regulatory Analyst

3.19.2007

Date



#### **CONDITIONS OF APPROVAL - DRILLING**

**Operator's Name:** 

SOUTHWESTERN ENERGY PRODUCTION COMPANY

Well Name & No.

1-H – CORRAL FLY FEDERAL

Location: SHL

2520' FNL & 1650' FEL - SEC 10 - T25S - R29E - SHL

BHL

200' FNL & 1860' FEL - SEC 10 - T25S - R29E - BHL

Lease:

NM-15303

# I. DRILLING OPERATIONS REQUIREMENTS:

- A. The Bureau of Land Management (BLM) is to be notified a minimum of 4 hours in advance for a representative to witness:
  - 1. Spudding well
  - 2. Setting and/or Cementing of all casing strings
  - 3. BOPE tests
    - Eddy County call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (505) 361-2822
- **B.** Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

#### II. CASING:

- A. The 9-5/8 inch surface casing shall be set at 750 feet and cemented to the surface.
  - 1. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
  - 2. Wait on cement (WOC) time for a primary cement job will be a minimum of 12 hours for a non-water basin, 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compression strength, whichever is greater. (This is to include the lead cement)
  - 3. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compression strength, whichever is greater.
  - 4. If cement falls back, remedial action will be done prior to drilling out that string.
- B. The minimum required fill of cement behind the <u>5-1/2</u> inch production casing is <u>tie back cement 200 feet</u> into the 9-5/8 inch casing.
- C. If hardband drill pipe is rotated inside casing; returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool I joints of the drill pipe will be installed prior to continuing drilling operations.

# III. PRESSURE CONTROL:

- A. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53.
- **B.** Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 2000 (2M) PSI.
- C. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
  - 1. The tests shall be done by an independent service company.
  - 2. The results of the test shall be reported to the appropriate BLM office.
  - 3. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
  - 4. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi in accordance with API RP 53. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.