

2006 FEB 14 PM 12 44

FORM APPROVED
OMB NO. 1004-0136
Expires: November 30, 2000

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER**

RECEIVED
070 FARMINGTON NM

1a. TYPE OF WORK <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM NM 104607
b. TYPE OF WELL <input type="checkbox"/> OIL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE		6. If Indian, Allottee or Tribe Name
2. Name of Operator Coleman Oil & Gas, Inc.		7. If Unit or CA Agreement, Name and No.
3a. Address P.O. Drawer 3337, Farmington N.M. 87499		8. Lease Name and Well No. Juniper West Com 13 #21
3b. Phone No. (include area code) (505) 327-0356		9. API Well No. 30-045-33596
4. Location of well (Report location clearly and in accordance with any State requirements. *) At surface 665' FNL, 1600' FWL Latitude 36° 19' 07.4", Longitude 107° 57' 28.9" At proposed prod. zone		10. Field and Pool, or Exploratory Basin Fruitland Coal
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* South East of Farmington New Mexico on County RD. 7610 approximately 50 miles.		11. Sec., T., R., M., or Blk. And Survey or Area C Section 13, T24N, R11W
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg unit line, if any) 665	16. No. of Acres in lease 800	12. County or Parish San Juan
17. Spacing Unit dedicated to this well 320 ACRES W/2	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. NA	13. State NM
19. Proposed Depth 1350'	20. BLM/ BIA Bond No. on file BLM Blanket Bond #08510612	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6878' 6538'	22. Approximate date work will start* May-06	23. Estimated Duration 2 Weeks

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1 shall be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by existing bond on file(see item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/ or plans as may be required by the a authorized officer. |

25. Signature <i>Michael T. Hanson</i>	Name (Printed/ Typed) Michael T. Hanson	DATE 11-Feb-06
Title Operations Engineer		2

Approved By (Signature) <i>[Signature]</i>	Name (Printed/ Typed) REU	DATE 6/26/06
Title REU	Office PFO	

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, are attached.

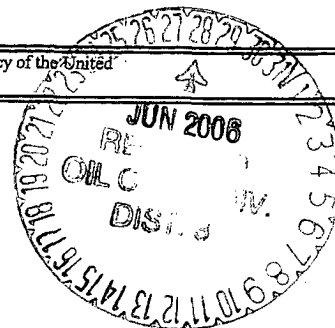
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instructions On Reverse Side

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

NMOCD



DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

DISTRICT II
811 South First, Artesia, N.M. 88210

OIL CONSERVATION DIVISION

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

P.O. Box 2088
Santa Fe, NM 87504-2088

2006 FEB 14 PM 12 44

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-33596		Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code 35296	Property Name JUNIPER WEST COM 13		Well Number 21
GRID No. 04838	Operator Name COLEMAN OIL & GAS, INC.		Elevation 6538

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	13	24 N	11 W		665	NORTH	1600	WEST	SAN JUAN

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 320 Ac.-W $\frac{1}{2}$	Joint or Infill	Consolidation Code	Order No.
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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

SECTION 13	18 N 89°39'58" W 2635.44'	S 89°38'47" E 2635.07'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Michael T. Hanson</i> Printed Name: MICHAEL T. HANSON Title: OPERATIONS ENGINEER Date: 2/11/06	
	1600'	665'		18 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 supervision, and that the same is true and correct to the best of my belief. Date of Survey: 5/23/05 Signature and Seal of Professional Surveyor: <i>Marshall W. Linden</i> 17078 7-25-05 17078 Certificate Number
	2657.80'	2624.71'		
N 0°01'45" E	2634.33'	5232.32'		
N 0°04'51" E	N 89°37'23" W			

Submit 3 Copies To Appropriate District Office -
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-045-33596
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Federal NMNM 104607
7. Lease Name or Unit Agreement Name Juniper West Com 13 #21
8. Well Number #21
9. OGRID Number 004838
10. Pool name or Wildcat Basin Fruitland Coal

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)
 1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
 Coleman Oil & Gas, Inc.

3. Address of Operator
 P.O. Drawer 3337 Farmington, NM 87499

4. Well Location
 Unit Letter : C : 665 feet from the North line and 1600 feet from the West line
 Section 13 Township 24N Range 11W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 6538' GR.

Pit or Below-grade Tank Application or Closure **> 100'** **> 1000'**
 Pit type: LINED EARTHEN Depth to Groundwater: 350 feet. Distance from nearest fresh water well 4 miles. Distance from nearest surface water 472 feet.
 Pit Liner Thickness: 12 mil Below-Grade Tank: Volume _____ bbls: Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:
 PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPL
 OTHER: Construct and Reclaim Reserve Pit

SUBSEQUENT REPORT OF:
 REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB
 OTHER: Construct and Reclaimed reserve pit

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Dig earthen pit and line with 12 mil thick reinforced plastic for drilling reserve pit, as per approved Federal APD. See attached.

Coleman Oil & Gas, Inc. plans on reclaiming reserve pit as soon as possible.. Free liquids will be pulled and disposed of. Liner will be cut off at mud line. Excess plastic will be hauled off and disposed of. Reserve pit will be backfilled and reclaimed.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed and closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

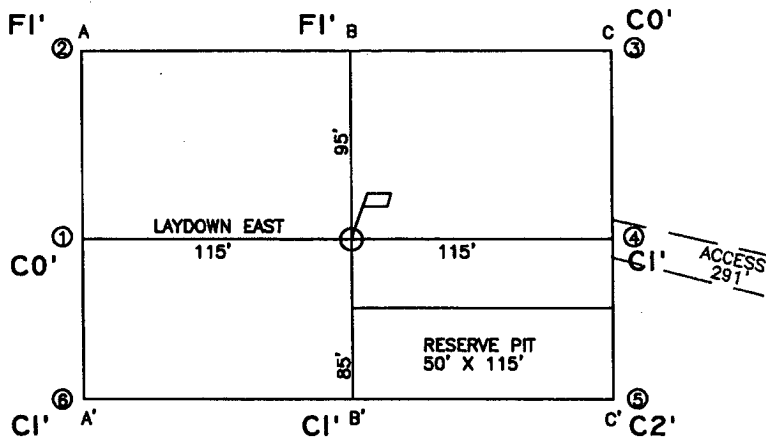
SIGNATURE Michael T. Hanson TITLE: Operations Engineer DATE: March 21, 2006

Michael T. Hanson cogmhanson@sprynet.com (505) 327-0356

For State Use Only

APPROVED BY: [Signature] TITLE: DEPUTY OIL & GAS INSPECTOR, DIST. DATE JUN 28 2006
 Conditions of Approval (if any):





ELEVATION A-A'

ELEVATION	1	2	3	4
6560
6550
6540
6530
6520

B-B'

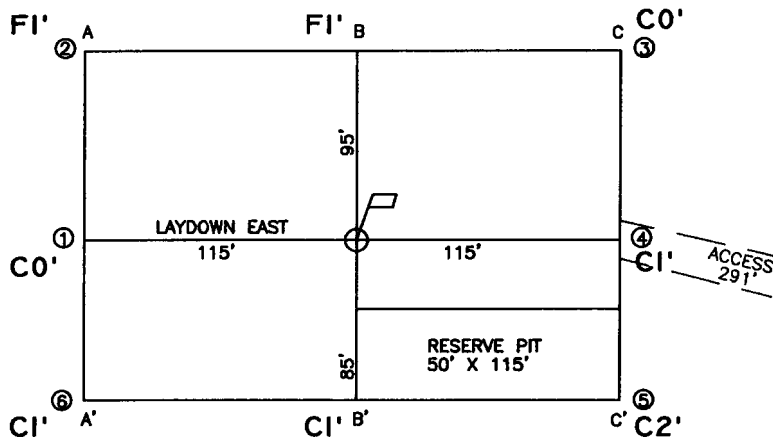
ELEVATION	1	2	3	4
6560
6550
6540
6530
6520

C-C'

ELEVATION	1	2	3	4
6560
6550
6540
6530
6520

LEASE: JUNIPER WEST COM 13 #21
 FOOTAGE: 665' FNL, 1600' FWL
 SEC. 13 TWN. 24-N RNG. 11-W N.M.P.M.
 LATITUDE: 36°19'07.4" LONGITUDE: 107°57'28.9"
 ELEVATION: 6538

COLEMAN OIL & GAS, INC. FARMINGTON, NEW MEXICO		
SURVEYED: 5/23/05	REV. DATE:	APP. BY M.L.
DRAWN BY: A.D.	DATE DRAWN: 5/31/05	FILE NAME: 5797C01
UNITED		P.O. BOX 3651 FARMINGTON, NM 87499 OFFICE: (505) 334-0408
FIELD SERVICES INC.		



ELEVATION A-A'

6560				
6550				
6540				
6530				
6520				

B-B'

6560				
6550				
6540				
6530				
6520				

C-C'

6560				
6550				
6540				
6530				
6520				

LEASE: JUNIPER WEST COM 13 #21
 FOOTAGE: 665' FNL, 1600' FWL
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UNITED		P.O. BOX 3651 FARMINGTON, NM 87499 OFFICE: (505) 334-0408
FIELD SERVICES INC.		

Tuesday, July 19, 2005

OPERATIONS PLAN

Well Name: Juniper West Com 13 #21
Location: 665' FNL, 1600' FWL Section 13, T-24-N, R-11-W, NMPM
San Juan County, NM
Formation: Basin Fruitland Coal
Elevation: 6538' GL

Formation:	Top	Bottom	Contents
Nacimiento	Surface	325'	aquifer
Ojo Alamo	325'	435'	aquifer
Kirtland	435'	845'	
Fruitland	845'	1135'	gas
Pictured Cliffs	1135'	1335'	gas
Total Depth	1335'		

Drilling Contractor: Availability

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0' - 120'	Spud	8.4 - 9.0	40 - 50	no control
120' - 1335'	Non-dispersed	8.4 - 9.0	30 - 60	6cc or less

Logging Program: Porosity Log - Triple Litho Density W/ GR and CAL.
Induction Log - Array Induction W/ GR and SP

Coring Program: None

Casing Program:

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csg. Size</u>	<u>Wt.</u>	<u>Grade</u>
12 1/4"	0' - 120'	8 5/8"	24#	J-55 or K-55
7 7/8"	120' - 1335'	5 1/2"	15.5#	J-55 or K-55

Tubing Program:

0' - 1195'	2 7/8"	6.50#	J-55
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Float Equipment:

8 5/8" surface casing - saw tooth guide shoe. One Centralizer.

5 1/2" production casing - Cement guide shoe and self fill insert float collar. Place float one joint above shoe. Five centralizers spaced every other joint above shoe and five centralizers every other joint from top of well straddling Ojo Alamo.

Wellhead Equipment: 8 5/8" x 5 1/2" Braiden Head and 5 1/2" x 2 7/8" Tubing Head.
Independent Well Head assembly with a minimum rated working pressure of 1000 psig.

Cementing:**8 5/8" Surface Casing -**

Cement with 92 sacks Class "B" cement with 1/4# celloflake/sx and 2% calcium chloride (108.56 cu. ft. of slurry, 100% excess to circulate to surface). WOC 12 hrs. Test casing to 750 psi/30 minutes.

5 1/2" Production Casing -

Before cementing circulate hole with at least 1 1/2 hole volumes of mud. Precede cement with 20 bbls of fresh water. Lead with 129 sacks (336.69 cu. ft) of Class "G" with 3% D79 and 1/4# Per sack D29. (Yield = 2.61 cu. ft. /sack; slurry weight = 11.7 PPG). Tail with 90 sacks (113.4 cu. ft.) of Class "G" 50/50 POZ with 2% GEL D-20, 5# Per sack Gilsonite, .1% D46, 1% S-1 and 1/4# Per sack D29. (Yield = 1.26 cu. ft./sack; slurry weight = 13.5 PPG). Total cement volume is 450.09 cu. ft. (100% excess on open hole, calculated on cement volumes).

BOP and Tests:

Surface to Surface Total Depth – None

Surface TD to Total Depth – Annular or Double Ram Type 2000 psi (minimum) double gate BOP stack (Reference Figure #1, #2, #3). Prior to drilling out surface casing, test blind rams and casing to 750 psig for 30 minutes; all pipe rams and choke assembly to 750 psig for 15 minutes each.

From Surface TD to Total Depth - choke manifold (Reference Figure #3).

Pipe rams will be actuated at least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional information:

- The Fruitland Coal formation will be completed.
- Anticipated pore pressure for the Fruitland is 250 psi.
- New casing will be utilized.
- Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.

Date: 2/11/06Drilling Engineer: Michael T. Gano

Cementing Usage Plan

Juniper West Com 13 #21

Enter Surface Casing Depth	120	FT
Enter capacity between Surf casin/ hole	0.41271	cu ft per ft
Enter Yield for surface cement job	1.18	cu ft per sack
Enter capacity between Prod/Surface Casings	0.19259	cu ft per ft
Enter Total Depth	1335	FT
Enter Shoe Joint Length	44	FT
Enter PBTD	1291	FT
Enter Capacity between Production/Hole	0.17325	cu ft. per ft
Enter Lead Cement Yield	2.61	cu ft per sack
Enter Tail Cement Yield	1.26	cu ft per sack
Enter Production Casing Capacity	0.0238	bbl per ft
Enter Amount of Tail Cement Required	90	Sacks

Surface Cement Needed (100% excess) 92 Sacks → 108.56 cu ft

TOTAL HOLE REQUIREMENTS **449.99** cu ft of cement

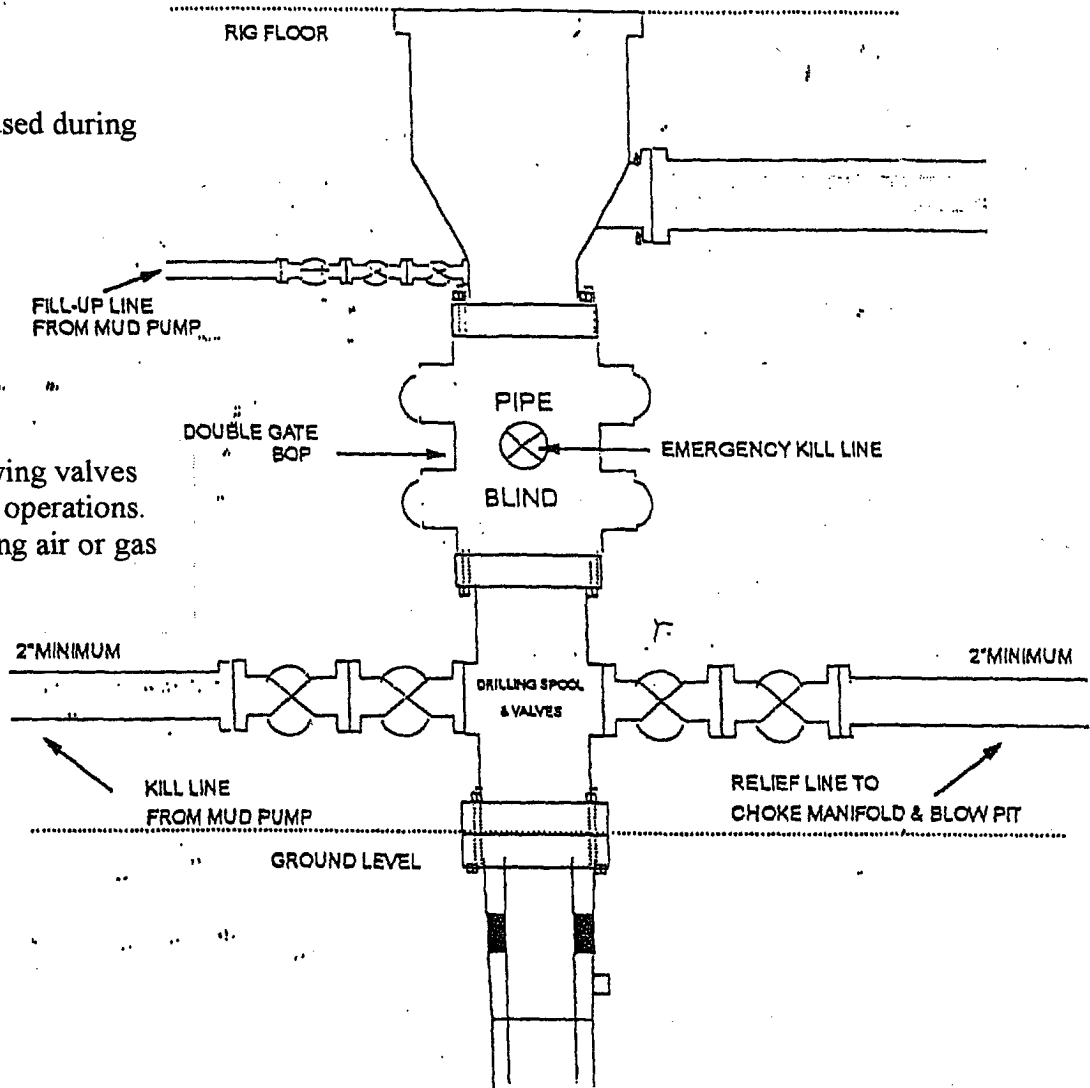
Lead Cement → 129 Sacks → 336.69 cu ft
 Tail Cement → 90 Sacks → 113.40 cu ft

TOTAL CEMENT VOLUME **450.09** cu ft

BOP Configuration 2M psi System

Rotating head will be used during air or gas drilling only.

Drilling spool single wing valves during normal drilling operations. Dual wing valves during air or gas drilling.



13 5/8" and 11" Bore, 2000psi minimum working pressure double gate BOP to be equipped with blind and pipe rams: A Schaffer Type 50 or equivalent rotating head to be installed on the top of the BOP. All equipment is 2000psi working pressure/ or greater.

FIGURE #1

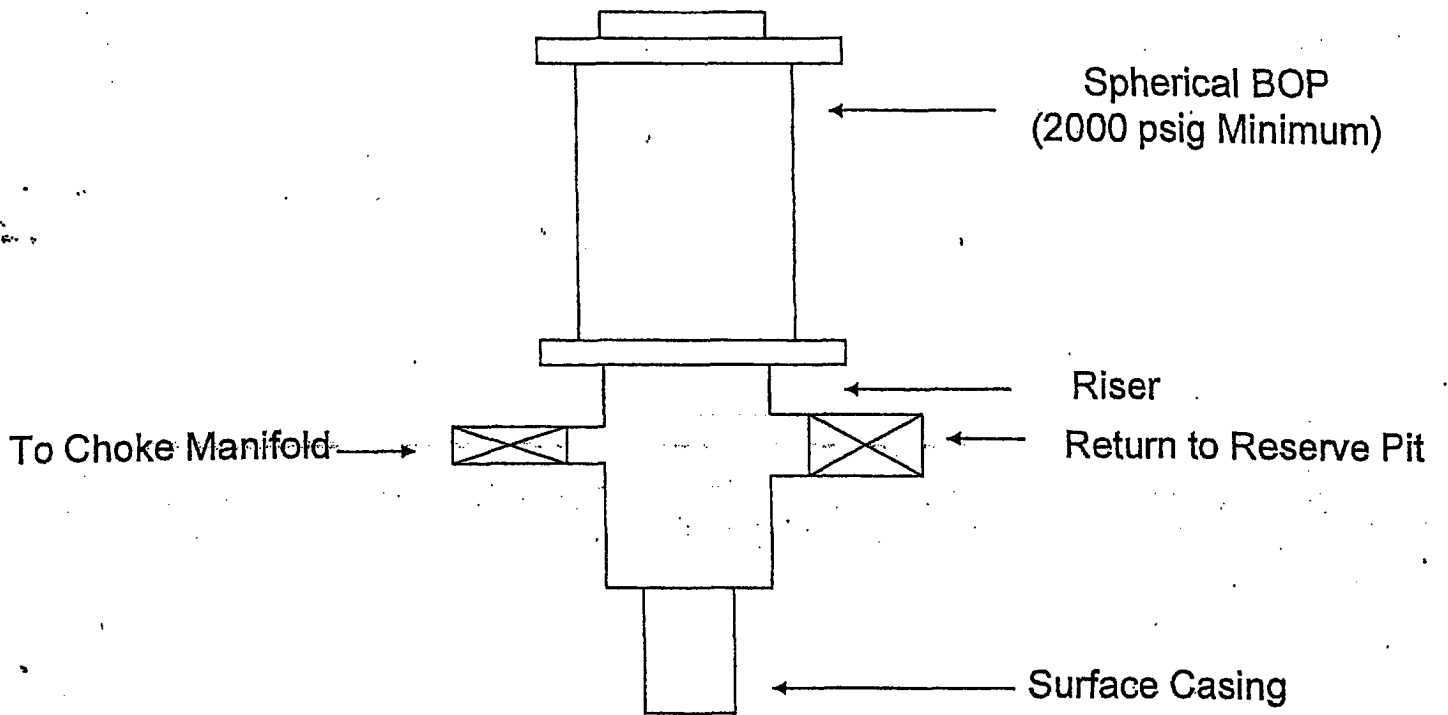
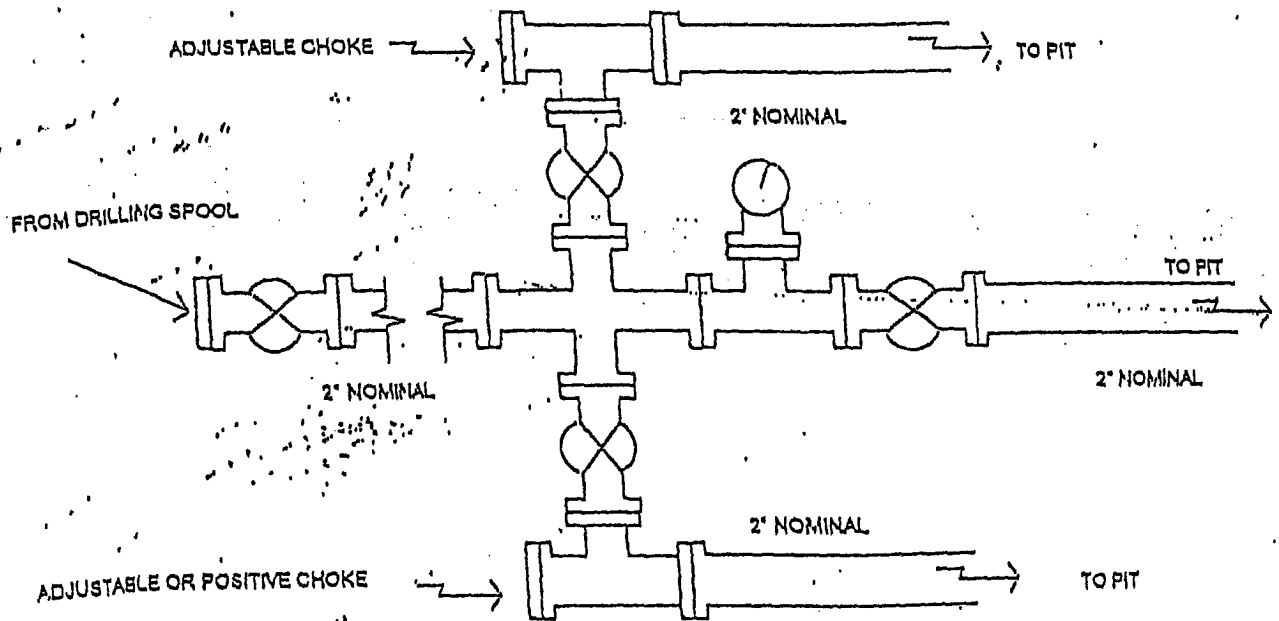


FIGURE #2

Choke Manifold Configuration 2M System



Minimum choke manifold installation from surface to Total Depth.
2" minimum, 2000psi working pressure equipment with two chokes.