

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

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

1a. TYPE OF WORK



DRILL



REENTER

b. TYPE OF WELL



OIL



GAS WELL



OTHER



SINGLE ZONE



MULTIPLE ZONE

2. Name of Operator

Coleman Oil & Gas, Inc.

3a. Address

P.O. Drawer 3337, Farmington N.M. 87499

3b. Phone No. (include area code)

(505) 327-0356

5. Lease Serial No.

NO-G- 0101-1436

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.

Purils Com #1S

9. API Well No.

3004531735

10. Field and Pool, or Exploratory

Basin Fruitland Coal

11. Sec., T., R., M., or Blk. And Survey or Area

P Section 24, T26N, R12W

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

South East of Farmington New Mexico on County RD. 7120 approximately 30 miles.

12. County or Parish

San Juan

13. State

NM

15. Distance from proposed*

location to nearest
property or lease line, ft.

1000'

(Also to nearest drlg unit line, if any)

18. Distance from proposed location*

to nearest well, drilling, completed,
applied for, on this lease, ft.

NA

16. No. of Acres in lease

160

17. Spacing Unit dedicated to this well

320 ACRES S/2

19. Proposed Depth

1360'

20. BLM/ BIA Bond No. on file

08510607 BIA

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

6083'

22. Approximate date work will start*

August-03

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:

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

25. Signature

Michael T. Hanson

Name (Printed/ Typed)

Michael T. Hanson

DATE

3-Jun-03

Title

Operations Engineer

Approved By (Signature)

/s/ David J. Mankiewicz

Name (Printed/ Typed)

DATE

SEP 26 2003

Title

Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct 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".

NMOCDD

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

District II
PO Drawer 00, 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 Department

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

¹ API Number 30-045-31735	² Pool Code 71629	³ Pool Name BASIN FRUITLAND COAL
⁴ Property Code 28929	⁵ Property Name PURLS COM	⁶ Well Number 1S
⁷ GRID No. 4838	⁸ Operator Name COLEMAN OIL & GAS, INC.	⁹ Elevation 6083'

¹⁰ Surface Location

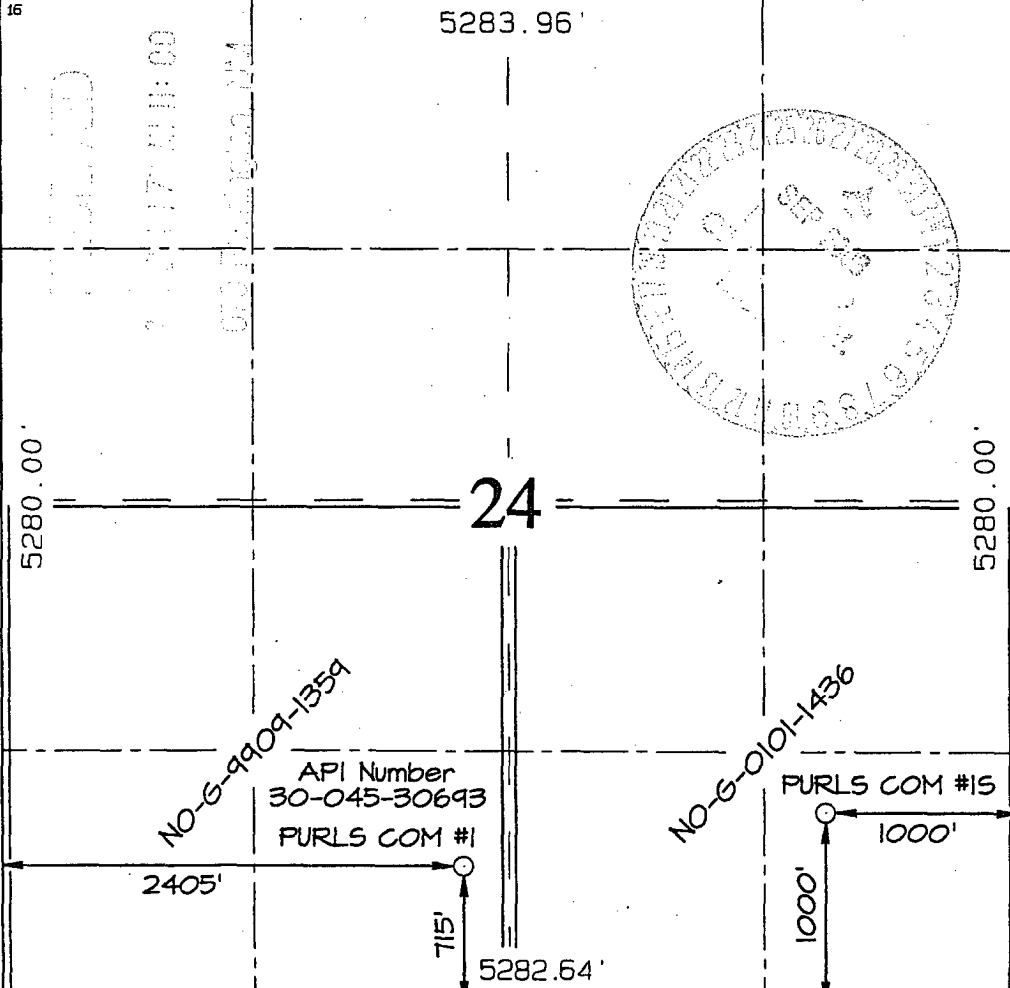


UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	24	26N	12W		1000	SOUTH	1000	EAST	SAN JUAN

¹¹ 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

¹² Dedicated Acres 320.0 Acres - (S/2)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Michael T. Hanson Printed Name Engineer Title 6/15/03 Date
	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. Survey Date: JANUARY 24, 2003 Signature and Seal of Professional Surveyor  JASON C. EDWARDS Certificate Number 15269

Tuesday, June 03, 2003

OPERATIONS PLAN

Well Name: Purlis Com #1S
Location: 1000' FSL, 1000' FEL Section 24, T-26-N, R-12-W, NMPM
San Juan County, NM
Formation: Basin Fruitland Coal
Elevation: 6083' GL

Formation:	Top	Bottom	Contents
Nacimiento	Surface	195'	aquifer
Ojo Alamo	195'	285'	aquifer
Kirtland	285'	935'	
Fruitland	935'	1185'	gas
Basal Coal	1185'	1210'	gas
Pictured Cliffs	1210'	1360'	gas
Total Depth	1360'		

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 - 1360'	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>
8 3/4"	0' - 120'	7"	20#	J-55 or K-55
6 1/4"	120' - 1360'	4 1/2"	10.5#	J-55 or K-55

Tubing Program:

0' - 1300'	2 3/8"	4.50#	J-55
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Float Equipment:

7" surface casing - saw tooth guide shoe. One Centralizer.

4 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 turbolizers every other joint from top of well.

Wellhead Equipment: 7" x 4 1/2" Braiden Head and 4 1/2" x 2 3/8" Tubing Head.
Independent Well Head assembly with a minimum rated working pressure of 1000 psig.

Cementing:**7" Surface Casing -**

Cement with 30 sacks Class "B" cement with 1/4# celloflake/sx and 2% calcium chloride (36.07 cu. ft. of slurry, 100% excess to circulate to surface). WOC 12 hrs. Test casing to 600 psi/30 minutes.

4 1/2" Production Casing -

circulate to surface

Before cementing, circulate hole with at least 1 1/2 hole volumes of mud. Precede cement with 30 bbls of fresh water. Lead with 105 sx (216.30 cu. ft.) of CI "B" with 2% metasilicate and 1/4#/sk celloflake. (Yield = 2.06 cu. ft. /sk; slurry weight = 12.5 PPG). Tail with 50 sx (59.00 cu. ft.) of CI "B" with 2% CaC1 and 1/4#/sk celloflake. (Yield = 1.18 cu. ft. / sk; slurry weight = 15.6 PPG). Total cement volume is 275.30 cu. ft. (100% excess on open hole, calculated on cement volumes). WOC 12 hrs. Test casing to 600 psi/30 minutes.

BOP and Tests:

Surface to surface TD – None

Surface TD to Total Depth – Annular or Double Ram type 2000 psi (minimum) double gate BOP stack (Reference Exhibit #1, #2 and #3). Prior to drilling out surface casing, test blind rams and casing to 600 psig for 30 minutes; all pipe rams and choke assembly to 600 psig for 15 minutes each.

From surface pipe to TD – choke manifold (Reference Exhibit #2).

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 Basin Fruitland Coal formation will be completed.
- Anticipated pore pressure for the Basin Fruitland Coal is 100 psi.
- New casing will be utilized.
- Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.

Date: 6/15/03 Drilling Engineer: Michael T. Jones