

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  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

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



Form C-101  
Revised February 10, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address Cordillera Energy, Inc.		<sup>2</sup> OGRID Number 173252
c/o Walsh Engineering, 7415 E. Main St., Farmington, NM 87402 (505) 327-4892		<sup>3</sup> API Number 30-045-31341
<sup>4</sup> Property Code 24025	<sup>5</sup> Property Name Clayton	<sup>6</sup> Well No. 1B

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
L	2	30N	12W		1980	South	660	West	San Juan

<sup>8</sup> Proposed 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
<sup>9</sup> Proposed Pool 1 Blanco Mesa Verde					<sup>10</sup> Proposed Pool 2 Basin Dakota				

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 5828'
<sup>16</sup> Multiple Y	<sup>17</sup> Proposed Depth 6945'	<sup>18</sup> Formation Dakota	<sup>19</sup> Contractor	<sup>20</sup> Spud Date April 1, 2003

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	9-5/8"	36#	+/- 250'	140	Surface
8-3/4"	7"	20#	+/- 3925'	500 + 100	Surface
6-1/4"	4-1/2"	11.6#	+/- 6945'	180 + 100	3825'

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Cordillera Energy, Inc. proposes to drill a vertical well with a 12-1/4" surface hole to approx. 250' with spud mud and set and cement to surface 9-5/8", 36# casing with 140 sx (165 cu.ft.) of CI "B" with 2% CaCl<sub>2</sub> and 1/4#/sk CF. A double ram, 2000 psi rated BOP will be installed and pressure tested to 1500 psi. A 8-3/4" hole will be drilled using a fresh water - polymer mud system to approx. 3925'. 7", 20#, J-55 casing will be set and cemented to surface. Lead with 500 sx (1046 cu.ft) of Type III 65/35 poz with 8% gel, 1% CaCl<sub>2</sub>, 1/4#/sk. Celloflake. Tail with 100 sx (139 cu.ft.) of Type III with 1% CaCl<sub>2</sub>, 1/4#/sk. Celloflake. (100% excess to circulate cement to surface). WOC for 12 hrs. and pressure test the BOP and casing to 1500 psi. A 6-1/4" hole will be drilled with air to 6945'. Open hole DIL and FDC/CNL/GR logs will be run. Surveys will be run every 500'. 4-1/2", 11.6#, N-80 casing will set and cemented to 3825' using. 180 sx (356 cu.ft.) of Premium Lite HS with 0.65% FL-52, 0.32% CD-32, 1/4 #/sk celloflake, and 4% phenoseal and 100 sx (196 cu.ft.) of Premium Lite HS with 0.65% FL-52, and 0.32% CD-32. (70% excess to circulate 100' above 7"). The S/2 of Section 2 (320 acres) is dedicated to this well. Formation Tops: OA - 390', PC - 2165', CH - 3780', MEN - 3915', PL - 4500', DK - 6645'.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Paul C. Thompson</i> Printed name: Paul C. Thompson, P.E. Title: Agent Date: 01/21/03 Phone: (505) 327-4892		<b>OIL CONSERVATION DIVISION</b> Approved by: <i>[Signature]</i> Title: DEPUTY OIL & GAS INSPECTOR, DIST. #3 Approval Date: JAN 21 2003 Expiration Date: JAN 21 Conditions of Approval Attached <input type="checkbox"/>	
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Revised February 21, 1994  
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Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30-045-31341</b>	*Pool Code <b>71577</b> <del>76640</del> \ 72319	*Pool Name <b>Basin Dakota</b> <del>FLORA VISTA GALLUP</del> / BLANCO MESAVERDE
*Property Code <b>24025</b>	*Property Name CLAYTON	*Well Number 1B
*GRID No. 173252	*Operator Name CORDILLERA ENERGY, INC.	*Elevation 5828'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	2	30N	12W		1980	SOUTH	660	WEST	SAN JUAN

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres <del>150.0 Acres (SW/4)</del> 320.0 Acres (S/2) - <del>Mesa Verde</del>	<sup>13</sup> Joint or Infill Y	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<div><p><sup>16</sup></p></div>	<div><p><sup>17</sup> OPERATOR CERTIFICATION</p><p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p><p><i>Paul C. Thompson</i> Signature</p><p><b>PAUL C. THOMPSON</b> Printed Name</p><p><b>AGENT</b> Title</p><p><b>1/21/03</b> Date</p></div> <div><p><sup>18</sup> SURVEYOR CERTIFICATION</p><p>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.</p><p>Survey Date: DECEMBER 24, 2002</p><p>Signature and Seal of Professional Surveyor</p><div></div><p><b>JASON C. EDWARDS</b> Certificate Number 15269</p></div>
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