Form 3160-3 (August 1999) 2003 APR 15 PH 1: 36

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

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DEPARTMENT OF THE INTERIOR070 Farmington, NM

BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

NO-G-9911-1367

If Indian, Allottee or Tribe Name

Lease Serial No.

| <u> </u> | Navajo Allotted |
|----------|------------------------------------|
| z.If U | Init or CA Agreement, Name and No. |
| . 3 | 1. ~ " |

| la. TYPE OF WORK | X. | DRILL | |] | REĘ | NTER | NUV 20 | 103 | | | omone, ivani | 43311 | 2 |
|--|---|-----------------------|----------------|---------------|---------|-----------------------------|---------------|--------------|----------------------------|--------------------|-------------------|-----------------|---|
| b. TYPE OF WELL OIL | GAS WELL | OTHER | SINGL | E ZOI | NE | MUI | TIPLE ZON | IE | | Name and Winiper (| Vell No. 8 Com | #13 | |
| 2. Name of Operator | | | | | | 162 | | و | API We | ell No. | | | |
| Co | leman Oil & | Gas, Inc. | | | | ACC. | 570- | | <u>ک</u> | 04 | 53 | 1387 | 7 |
| 3a. Address | | | 3b. Phone | No. (ir | nclude | area code) | E426,66,1 | المستنشقين | 0. Field an | nd Pool, or | Exploratory | | |
| P.O. Drawer 3337, Fa | | | | | | 2 <mark>7-</mark> 0356 | • | ĺ | | | Fruitlan | | |
| 4. Location of well (Report local | tion clearly and In | accordance with any S | itate requirer | nents.* | *) | | | 1 | 11. Sec., T. | , R., M., or | Blk. And Su | urvey or Area | |
| At surface 1500' FSL, 900' FWL Latitude 36° 19' 28", Longitude 107° 55' 26" At proposed prod. zone At surface 1500' FSL, 900' FWL Latitude 36° 19' 28", Longitude 107° 55' 26" Latitude 36° 19' 28", Longitude 107° 55' 26" | | | | | | | | | | | | | |
| 14. DISTANCE IN MILES AND | DIRECTION FRO | M NEAREST TOWN | OR POST O | FFICE | * | | | | 12. County | or Parish | | 13. State | |
| South East of Farm | ington New N | Mexico on Cour | nty RD. 7 | 515 | appr | oximate | ly 40 mil | es. | S | San Jua | ın | NM | |
| 15. Distance from proposed* | | | | | | es in lease | • | | ing Unit ded | licated to th | nis well | | |
| location to nearest property or lease line, ft. (Also to nearest drlg unit line, | • • • | | | | | 160 320 ACRES | | | S S/2 | | | | |
| 18. Distance from proposed locati | | | 19 | . Pro | posed I | Depth | | 20. BLM | / BIA Bond | l No. on fil | е | | |
| to nearest well, drilling, comp applied for, on this lease, ft. | nieted, | NA | | | | 1515 ' | | | BIA Blanket Bond #08510607 | | | | |
| 21. ELEVATIONS (Show wheth | er DF. RT, GR, etc. |) | 22 | . Apr | oximat | e date work | will start* | | 23. Es | stimated D | uration | | |
| | 6726' | | | _ | | Ju | ne-03 | | | | 2 | Weeks | |
| | | | 24 | l. At | tachi | ments | | | | | | | |
| The following, completed in a | ccordance with th | e requirements of O | nshore Oil | and G | as Orc | ler No. 1 sl | nall be attac | hed to thi | s form: | | - | | |
| Well plat certified by a regist A Drilling Plan. | ered surveyor. | | | | | ond to cover em 20 above | the operation | ns unless co | overed by ex | kisting bon | d on file(see | | |
| 3. A Surface Use Plan (if the lo | cation is on National | Forest System Lands, | the | | | perator certi | • | | | | | | |
| SUPO shall be filed with 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 | 1-1 | | Name (Pri | nted/T | | | | | | DA | | | |
| Munael | 1 An | nsm | | | M | ichael 1 | . Hanso | n | | | 24- | -Mar-03 | |
| Operations Engine | er | | | | | | | | | | | | |
| Approved By (Signature) | | | Name (Pri | 1 9/ 1 | Đ | vid J. 1 | <i>Aeride</i> | Wicz | | DA | TE OCT | 3 1 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

SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".



This action is subject to technical and procedural review pursuant to 43 CFR 3165.8 and appeal pursuant to 43 CFR 3165.4

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

District II PO 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 & Natural Resources Department

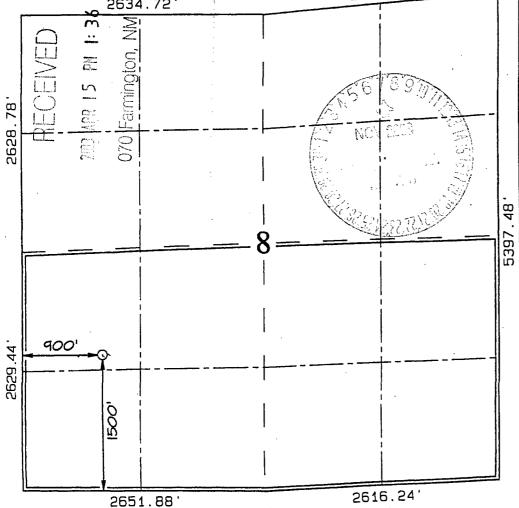
OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

STORY OF BUILDING STATE

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 | | |) AI | CHEAGE DED. | | _AT | | | |
|-------------------------------|---|-----------------|--------------|--------------------|--------------------------------|------|----------------------------------|-------------------------|--------------------------------|-------------|--|--|
| | API Numbe | r | | *Pool Cod 71629 | 9 | | | | | | | |
| Property Code 33112 | | | | | *Property Name JUNIPER COM # 8 | | | | | Well Number | | |
| '0GAID N 4838 | | | | COLF | *Oper EMAN 0] | | Name & GAS, INC. | • | | | levation 5726 · . | |
| | | | | | | | Location | , | | | | |
| UL or lot no. | Section 8 | Township 24N | Range 10W | Lot Idn | Fast from 1500 | | North/South line SOUTH | Feet from the | 1 | ST | SAN JUAN | |
| | | | Bottom | | ocation | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from | the | North/South line | Feet from the | East/We | est line | County | |
| ¹² Dedicated Acres | |).O Acres | | (2) | ¹³ Joint or In | | ¹⁴ Consolidation Code | ^ថ Order No. | | | | |
| NO ALLOW | 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 2620.20' | | | | | | | | | | | |
| | \sim | 4.72 | <u>.</u> | | | | | | | | FICATION | |
| | File : 3 | . 1 | | | | | · | I herebicontaine to the | y certify ed herein best of my | -]/ | information of complete e and belief | |



| OPERATOR CERTIFICATION |
|---|
| I hereby certify that the information contained herein is true and complete |
| to the best of my knowledge and belief |
| Michaelt. Hann |
| Signature. |
| MichARLT. HANSO |
| Printed Name |
| Engineer |
| Title |
| 3/24/03 |
| 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 supervision, and that the same is true and correct to the best of my belief. |
| Date of Survey: JULY 9, 2002 |
| Signature and Seal of Professional Surveyor |
| S. C. FOU |
| COM |
| SPEELN MEXICAGE |
| |
| |
| |
| 18 Sounds |
| HE (15269) E (15269) APOFESSION |
| TASTIC ENLARGE |

Certificate Number

15269

OPERATIONS PLAN

Well Name:

Juniper Com #13-8

Location:

1500' FSL, 900' FWL Section 8, T-24-N, R-10-W, NMPM

San Juan County, NM

Formation:

Basin Fruitland Coal

Elevation:

6726' GL

| Formation: | Тор | Bottom | Contents |
|-----------------|---------|--------|----------|
| Nacimiento | Surface | 540' | aquifer |
| Ojo Alamo | 540' | 625' | aquifer |
| Kirtland | 625' | 1115' | • |
| Fruitland | 1115' | 1365' | gas |
| Pictured Cliffs | 1365' | 1515' | gas |
| Total Depth | 1515' | | - |

Drilling Contractor: Availability

Mud Program:

| <u>Interval</u> | <u>Type</u> | <u>Weight</u> | <u>Vis.</u> | Fluid Loss |
|-----------------|---------------|---------------|-------------|-------------|
| 0 - 120' | Spud | 8.4 - 9.0 | 40 - 50 | no control |
| 120 - 1515' | 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:

| Hole Size | Depth Interval | Csg. Size | <u>Wt.</u> | <u>Grade</u> |
|-----------------|----------------|-----------|------------|--------------|
| 12 1/4" | 0' - 120' | 8 5/8" | 24# | J-55 or K-55 |
| 7 7/8" | 120' - 1515' | 5 1/2" | 15.5# | J-55 or K-55 |
| Tubing Program: | | | | |
| | 0' - 1450' | 2 7/8" | 6.50# | J-55 |

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 turbolizers every other joint from top of well.

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 84 sacks Class "B" cement with 1/4# celloflake/sx and 2% calcium chloride (83.93 cu. ft. of slurry, 100% excess to circulate to surface). WOC 12 hrs. Test casing to 600 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 30 bbls of fresh water. Lead with 197 sx (406.32 cu. ft.) of Cl "B" with 2% metasilicate and 1/4#/sk celloflake. (Yield = 2.06 cu. ft. /sk; slurry weight = 12.5 PPG). Tail with 85 sx (100.30 cu. ft.) of Cl "B" with 2% CaC1 and 1/4#/sk celloflake. (Yield = 1.18 cu. ft. / sk; slurry weight = 15.6 PPG). Total cement volume is 506.62 cu. ft. (100% excess on open hole, calculated on cement volumes). WOC 12 hrs. Test casing to 600 psi/30 minutes. Circulate cement

BOP and Tests: Surface to TD - 11" 2000 psi (minimum) double gate BOP stack (Reference Figure #1). Prior to drilling out surface casing, test rams to 1000# / 30 min.

From surface to TD - 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 300 psi.
- New casing will be utilized.
- Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.

| Date: | 3/24/03 | Drilling Engineer:_ | Michael. | T. 1/2 | noir |
|-------|---------|---------------------|----------|--------|------|
| | | | | | |