

Submit to Appropriate  
District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-101  
Revised 1-1-89

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

API NO. (assigned by OCD on New Wells)

30-043-20807

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

LG 3924

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☐

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☒

b. Type of Well:

OIL  
WELL ☐

GAS  
WELL ☒

OTHER ☐

SINGLE  
ZONE ☐

MULTIPLE  
ZONE ☐

7. Lease Name or Unit Agreement Name

Alamito Unit

2. Name of Operator

BCO, Inc.

8. Well No.

1.

3. Address of Operator

135 Grant, Santa Fe, NM 87501

9. Pool name or Wildcat

Basin Fruitland Coal

4. Well Location

Unit Letter 0 : 840 Feet From The South Line and 1840 Feet From The East Line

Section 32

Township 23 North Range 7 West

NMPM Sandoval

County

10. Proposed Depth

1420

11. Formation

Pictured Cliffs

12. Rotary or C.T.

NA

13. Elevations (Show whether DF, RT, GR, etc.)

6883 GR

14. Kind & Status Plug Bond

Statewide

15. Drilling Contractor

NA

16. Approx. Date Work will start

April 20, 1989

17. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
Unchanged					

Intend to set retrievable bridge plug above Chacra zone which was completed in 1986. Will perforate Fruitland Coal zone from 1386-1396 and complete with a nitrogen foam frac. Will test formation. If formation evidences production in paying quantities, will permanently plug Chacra by cementing bridge plug in hole. Enclosed is a copy of Administrative Order NSL-2368 providing exception under Rule 8 for nonstandard coal gas well location. Also enclosed is an amended C-102 with the south half of Section 32 dedicated to the Basin Fruitland coal.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR RE-ENTER, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Elizabeth B. Keeshan TITLE Vice President DATE March 28, 1989

TYPE OR PRINT NAME Elizabeth B. Keeshan

TELEPHONE NO. 505-983-1228

(This space for State Use)

APPROVED BY

DEPUTY OIL & GAS INSPECTOR, DIST. #3

DATE

MAR 30 1989

CONDITIONS OF APPROVAL, IF ANY:

NSL-2368

All distances must be from the outer boundaries of the Section.

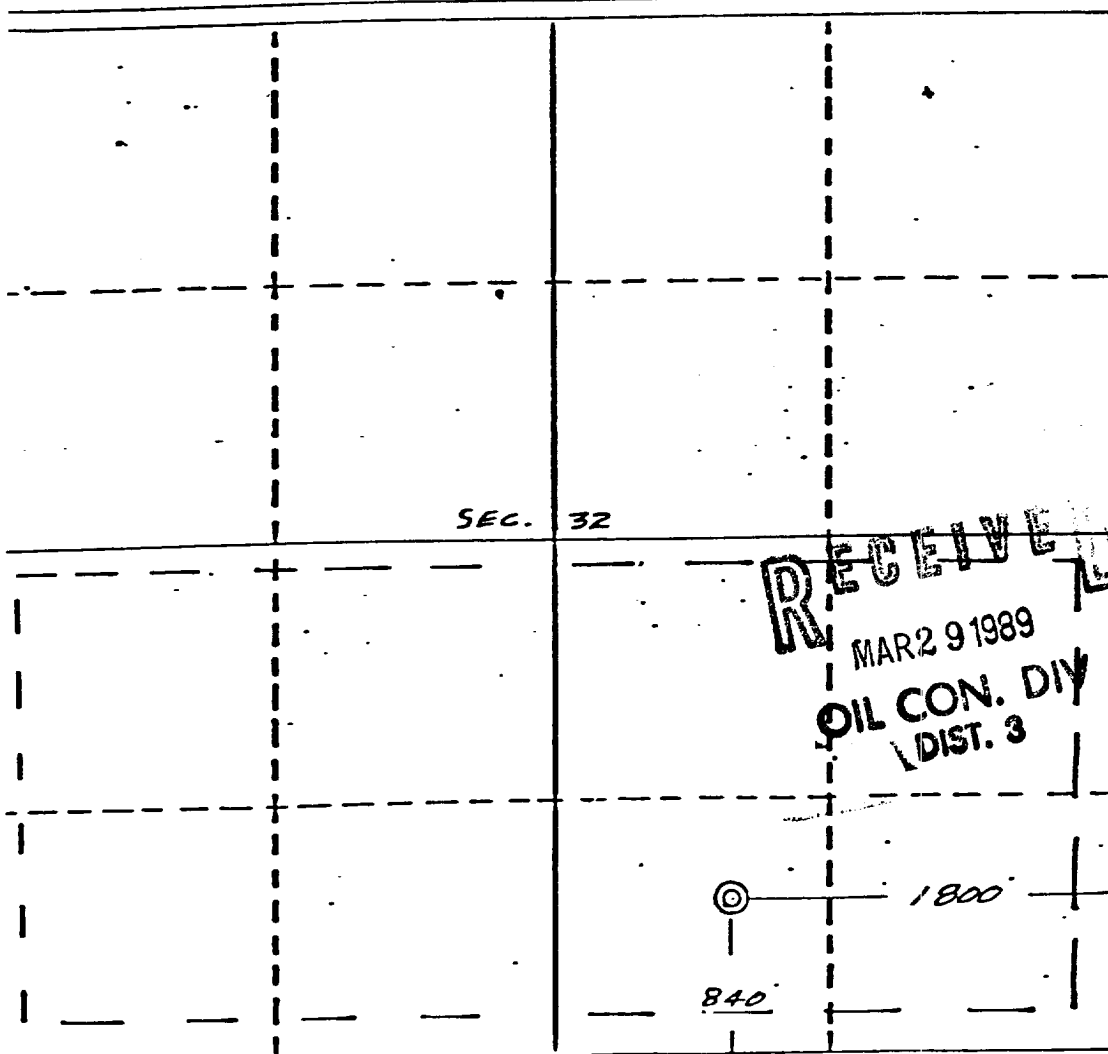
BCO Inc.		Lease Alamito Unit		Well No. 1
Section 32	Township 23 North	Range 7 West	County Sandoval County	
Actual Footage Location of Well:				
840	feet from the South line and	1840	feet from the East line	
Ground Level Elev. 6883	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal	Dedicated Acreage: 320	Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division



## CERTIFICATION

Amended

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Elizabeth B. Keeshan

Name

Elizabeth B. Keeshan

Position

Comptroller

Company

BCO, Inc.

Date

March 28, 1989

DEAR L. RISENHOOVER  
I have examined the well location shown on this plat, and from field notes of a survey made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

July 29, 1986

Registered Professional Engineer  
and/or Land Surveyor

Edgar L. Risenhoover

Certificate No. 5979

Edgar L. Risenhoover, L.S.



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

March 3, 1989

BCO, Inc.  
c/o Padilla & Snyder  
P.O. Box 2523  
Santa Fe, NM 87504-2523

Attention: Ernest Padilla

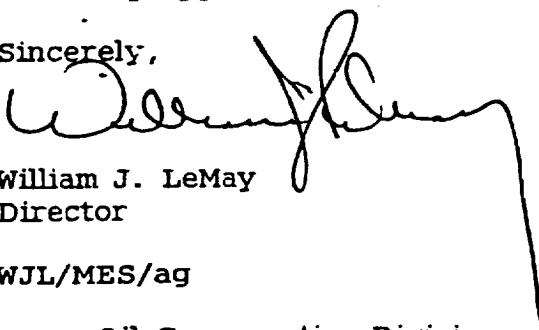
Administrative Order NSL-2638

Dear Mr. Padilla:

Reference is made to your application of February 7, 1989, on behalf of BCO, Inc., for a non-standard coal gas well location for your existing Alamito Unit Well No. 1 presently completed as a Wildcat Chacra Gas Well and located 840 feet from the South line and 1840 feet from the East line (Unit O) of Section 32, Township 23 North, Range 7 West, NMPM, Basin Fruitland Coal (Gas) Pool, Sandoval County, New Mexico. The S/2 of said Section 32 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768. the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

  
William J. LeMay  
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec  
New Mexico Oil & Gas Engineering Committee - Hobbs  
NM State Land Office - Santa Fe

RECEIVED  
MAR 20 1989  
RECEIVED