

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved
Budget Bureau No. 1004-0136
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.

NMSF-079035-A

6. IF INDIAN ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. LEASE OR LEASE NAME

BREECH "A"

9. WELL NO.

132-R

10. FIELD AND POOL OR WILDCAT

DAKOTA, MESA VERDE

11. SEC. T., R., M. OR BLOCK AND SURVEY OR AREA

Sec. 9-26N-6W

12. COUNTY OR PARISH

13. STATE

Rio Arriba

New Mexico

1a. TYPE OF WORK:

DRILL ☒ DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL:

OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☒

2. NAME OF OPERATOR

CAULKINS OIL COMPANY

3. ADDRESS OF OPERATOR

P.O. BOX 340

BLOOMFIELD, NM 87413

Ph. (505) 632-1544

4. LOCATION OF WELL (Report location clearly, and in accordance with any State requirements)

At surface

At proposed prod. zone 1988' F/N 1949' F/E (Unit G)

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POSTOFFICE

36 miles southeast of Blanco, New Mexico post office

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST PROPERTY

OR LEASE LINE, FT

(Also to nearest drg. unit line, if any)

1988'

16. NO. OF ACRES IN LEASE

2400'

17. NO. OF ACRES ASSIGNED TO THIS WELL

North 320

18. DISTANCE FROM PROPOSED LOCATION

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT

699'

19. PROPOSED DEPTH

7490'

20. ROTARY OR CABLE TOOLS

ROTARY

21. ELEMENTS OF THIS ACTION ARE SUBJECT TO TECHNICAL AND

PROCEDURAL REVIEW PURSUANT TO 43 CFR 3165.3

AND APPEAL PURSUANT TO 43 CFR 3165.4

22. APPROX. DATE WORK WILL START

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	36#	450'	198 sacks (225 cu. ft.)
7 7/8"	5 1/2"	15.5# & 17#	7490' -	1268 sacks (2035 cu. ft.)

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

EXHIBITS attached as follows

"A" Location and Elevation Plat

"B" Ten-Point Compliance Program

"C" Blowout Preventer Schematic

"D" Multi-Point Requirements for APD

"E" Vicinity Maps - Access Roads

"F" Drill Rig Layout

"G" Production Facility Schematic

"H" Acreage Dedication Plat

"I" Archaeological Report

"J" Williams Field Services' Pipeline Plat

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM. If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program if any.

SIGNED Robert L. Vergara TITLE SUPERINTENDENT

DATE 12-18-00

PERMIT NO. 18/ Jim Lovato APPROVAL DATE

APPROVED BY 18/ Jim Lovato TITLE 18/ Jim Lovato DATE

EXHIBIT "H"

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
P.O. Drawer DO, Artesia, N.M. 88211-0719

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

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

OIL CONSERVATION DIVISION

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

DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-639-26620		*Pool Code 71599	*Pool Name Basin Dakota
*Property Code 2455	*Property Name BREECH A		*Well Number 132R
*OGRD No. 025244	*Operator Name CAULKINS OIL COMPANY		*Elevation 6487'

10 Surface Location

UL or lot no. G	Section 9	Township 26-N	Range 6-W	Lot Idn	Feet from the 1988	North/South line NORTH	Feet from the 1949	East/West line EAST	County RIO ARRIBA
--------------------	--------------	------------------	--------------	---------	-----------------------	---------------------------	-----------------------	------------------------	----------------------

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
*Dedicated Acres 320			*Joint or Infill I		*Consolidation Code		*Order No.		

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 FD. B.L.M. BC. 1957	N 89-00-13 W	5285.47' (M)	SET 2 1/2" ALUM CAP. STAMPED "LS 8894"	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Robert L. Verquer Signature Robert L. Verquer Printed Name Superintendent Title 12-18-00 Date
		1988'		
			1949' (M)	
	9		5373.06' (M)	
			N 01-07-36 E	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 knowledge. ROY A. RUSH Date of Survey Signature and Seal of Professional Surveyor 8894 Certificate Number

FD. B.L.M.
BC. 1957

EXHIBIT "H"

DISTRICT I
P.O. Box 1960, Hobbs, N.M. 88241-1960

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

DISTRICT II
P.O. Drawer DD, Artesia, N.M. 88211-0719

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

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

OIL CONSERVATION DIVISION

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

DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 36-039-26670		*Pool Code 72319	*Pool Name Blanco Mesa Verde
*Property Code 2455	*Property Name BREECH A		*Well Number 132R
*OGRID No. 025244	*Operator Name CAULKINS OIL COMPANY		*Elevation 6487'

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
G	9	26-N	6-W		1988	NORTH	1949	EAST	RIO ARRIBA

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
*Dedicated Acres 320			*Joint or Infill		*Consolidation Code		*Order No.		

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 FD. B.L.M. BC. 1957	N 89-00-13 W	5285.47' (M)	SET 2 1/2" ALUM CAP. STAMPED "LS 8894"	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief
		1988'		Signature <i>Robert L. Verquer</i>
			1949' (M)	Printed Name Robert L. Verquer
				Title Superintendent
	9			Date 12-18-00
				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 knowledge.
				Date of Survey 9-7-00
				Signature and Seal of Professional Surveyor <i>[Signature]</i>
				8894
				Certificate Number

FD. B.L.M.
BC. 1957

NE/4 SEC. 9, T-26-N, R-6-W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO
1988' FNL 1949' FEL

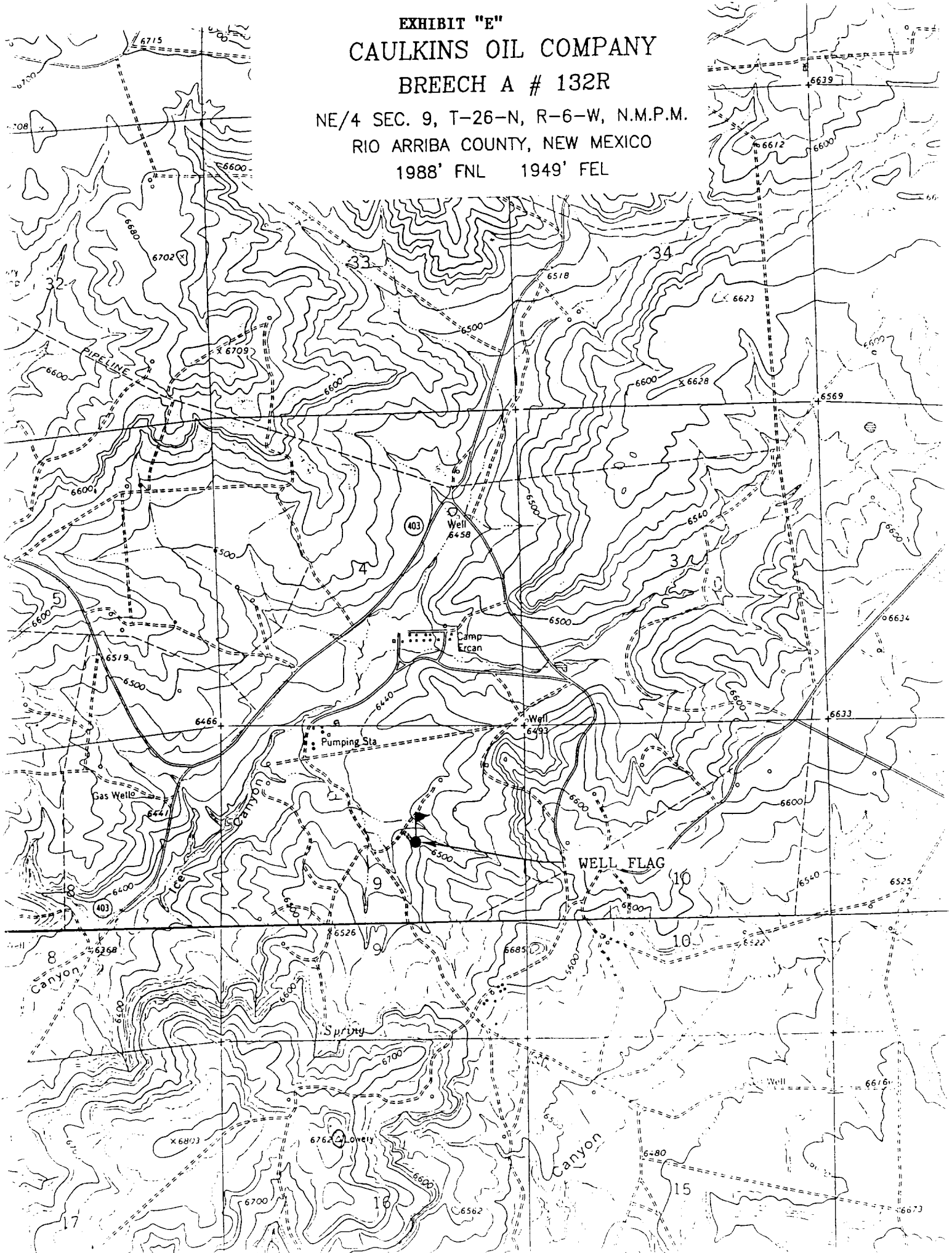


EXHIBIT "B"

TEN POINT COMPLIANCE PROGRAM

Caulkins Oil Company
Breach "A" 132-R
1988' FNL & 1949' FEL, Sec. 9, 26N, 6W
Rio Arriba County, New Mexico
Lease No. NM - 079035-A

1. The Geological Surface Formation is : San Jose.
2. The Estimated Tops of Important Geological Markers:

Ojo Alamo	2215'
Picture Cliffs	2932'
Cliff House	4598'
Tocito	6659'
Greenhorn	7041'
Dakota	7267'
TD	7490'

3. Estimated Depths and pressures of Anticipated Water, Oil, Gas or Minerals:

Substance	Formation	Depth	Pressure
Water	Alamo	2406'	0
Gas	Pictured Cliffs	3035'	450
Gas	Cliff House	4643'	800
Gas	Tocito	6701'	1200
Gas	Dakota	7438'	1400

4. The proposed casing program will be as follows:

Depth	Hole Size	O.D.	Weight	Grade	Type	New/Used
0-450	12-1/4	9-5/8	36.00#	J55	LT&C	NEW
0-1000	7-7/8	5-1/2	17.00#	K55	LT&C	NEW
1000-6490	7-7/8	5-1/2	15.50#	K55	LT&C	NEW
6490-7490	7-7/8	5-1/2	17.00#	K55	LT&C	NEW

The proposed cement program will be as follows:

Surface: 198 sacks class H with 1% CaCl
and 1/4# per sack cellophane flake.

VOLUME CALCULATIONS

YIELD 1.14 450 ft x 0.3132 cu-ft/ft with 60% excess = 225 cu-ft

PRODUCTION:

Cement will be run in three stages with
stage tools set at approximately 3490' and 5490'.

1st stage Cement through shoe at approx. 7490' with 221 sacks
class B 35/65 poz + 6% gel (bentonite) + 1/4# /sk
cellophane flake followed by 120 sacks class H
+ 1% CaCl + 1/4# /sk cellophane flake.

VOLUME CALCULATIONS

YIELD 1.79 1342 ft x 0.1732 cu-ft/ft with 70% excess = 395 cu-ft

YIELD 1.14 658 ft x 0.1732 cu-ft/ft with 20% excess = 137 cu-ft

2nd stage Cement through tool at approx. 5490' with 221 sacks
class B 35/65 poz + 6% gel (bentonite) + 1/4# /sk
cellophane flake followed by 120 sacks class H
+ 1% CaCl + 1/4# /sk cellophane flake.

VOLUME CALCULATIONS

YIELD 1.79 1342 ft x 0.1732 cu-ft/ft with 70% excess = 395 cu-ft

YIELD 1.14 658 ft x 0.1732 cu-ft/ft with 20% excess = 137 cu-ft

EXHIBIT "B"

TEN POINT COMPLIANCE PROGRAM

Caulkins Oil Company
Breech "A" 132-R
1988' FNL & 1949' FEL, Sec. 9, 26N, 6W
Rio Arriba County, New Mexico
Lease No. NM - 079035-A

3rd stage Cement through tool at approx. 3490' with 466 sacks class B 35/65 poz + 6% gel (bentonite) + 1/4# /sk cellophane flake followed by 120 sacks class H + 1% CaCl + 1/4# /sk cellophane flake.

VOLUME CALCULATIONS

YIELD 1.79 2832 ft x 0.1732 cu-ft/ft with 70% excess = 834 cu-ft
YIELD 1.14 658 ft x 0.1732 cu-ft/ft with 20% excess = 137 cu-ft

5. Operator's Minimum Specifications for Pressure Control:

EXHIBIT "C" is a schematic of a 2M blowout preventer system. The BOP's will be hydraulically tested prior to drilling out from under surface and operational checks will be made daily thereafter and recorded in the drilling tour report.

Accessories to BOP will include following:

- A. 2" minimum kill line and valve.
- B. Choke line and valve.
- C. 2 chokes
- D. Upper kelly cock valve with handle available.
- E. Safety valve and subs to fit all drill strings.
- F. Pressure gauge on choke manifold.
- G. 2" minimum choke line.
- H. Fill-up line above the uppermost preventer.

6. The type and Characteristics of the Proposed Circulating Mud's:

Mud system will be gel-chemical with adequate stocks of absorbent agents on location to handle possible spills of fuel and oil on the surface. Heavier mud's will be on location to be added if pressure requires.

Interval	Mud Wt	Vis	Fluid Loss	Ph	Additives
0- 450	9.0	50	----	9	Lime
450-TD	9.0	34-60	8cc	9	Chemicals

7. Auxiliary equipment to be used is as follows:

- a. Float valve above bit.
- b. Monitoring of mud system will be visual.
- c. A sub with a full opening valve will be on the floor when the kelly is not in use.

8. Testing, logging and coring will be as follows:

- a. Cores - none will be taken.
- b. Drill stem tests - none anticipated.
- c. Logging - IEG and FDC from surface pipe to TD.

9. Anticipated Abnormal Pressures and Temperatures:

No abnormal pressure, temperatures or hydrogen sulfide gases are anticipated during the course of drilling to TD. The maximum bottom hole pressure to be expected is 1500 psi.

10. Anticipated Starting Date and Duration of the Operations:

The anticipated starting date is set for March 1, 2001, or as soon as possible after examination and approval of drilling requirements. Operations should be completed within 25 days.

EXHIBIT "C"

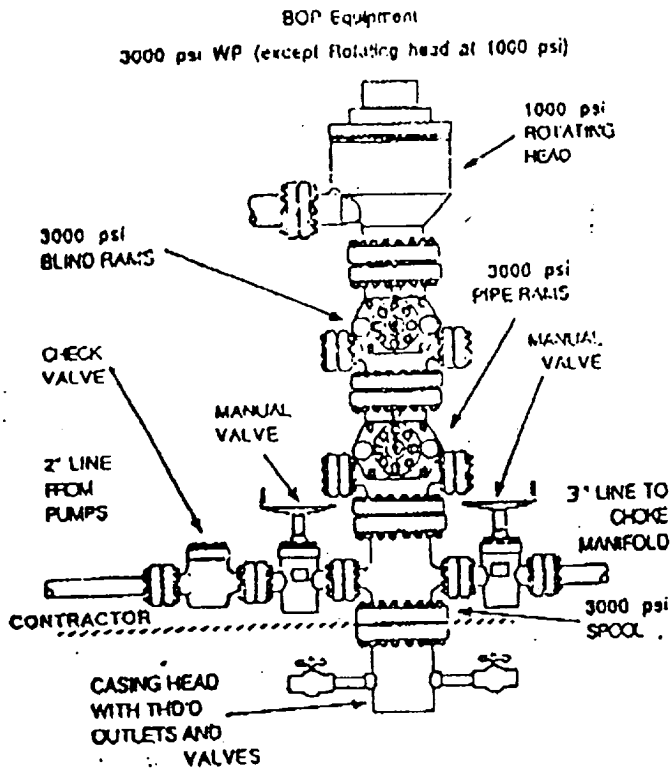


EXHIBIT "B" CHOKE MANIFOLD

