

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒PLUG BACK ☐

b. TYPE OF WELL

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

2. NAME OF OPERATOR

KM Production Company

3. ADDRESS OF OPERATOR

P.O. Box 2406, Farmington, NM 87401

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

At surface 1840' FNL & 790' FEL

At proposed prod. zone
same

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

Approx. 25 miles south of Bloomfield, NM

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drg. unit line, if any)18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

16. NO. OF ACRES IN LEASE

320

19. PROPOSED DEPTH

5200 ft.

17. NO. OF ACRES ASSIGNED
TO THIS WELL

E/ 320

20. ROTARY OR CABLE TOOLS

Rotary

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

6448' GR

22. APPROX. DATE WORK WILL START*

As soon as possible

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	28#/ft.	200 ft.	125 sacks, circulated to surface
7-7/8"	4-1/2"	10.5#/ft.	5200 ft.	875 sacks

Will drill 12-1/4" hole to 200 ft. and set 200 ft. of 8-5/8", 28#/ft., J-55 used casing with 125 sacks Class "B" cement. Will drill 7-7/8" hole to 5200 ft. and run open hole logs. If well appears productive, will run 5200 ft. of 4-1/2", 10.5#, J-55 new casing, with cementing stage collar at 4000 ft. Will cement long string as follows: 1st stage - 225 sacks Class "B" 50/50 pozmix with 2% gel; 2nd stage - 650 sacks Class "B" with 2% D-79 extender, circulated to the surface. Will perforate and stimulate well as required. No abnormal pressures or temperatures are expected. Circulation medium will be clear water, natural mud and water loss additives. Blowout preventer schematic is attached. The gas from this formation is not dedicated.

ESTIMATED TOPS

Formation	Depth	Content
Tertiary	Surface	
Pictured Cliffs	1252'	water
Cliffhouse	2000'	
Point Lookout	3706'	
Gallup	4740'	natural gas, oil

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.

24.

SIGNED

Kevin H. McLeod

TITLE Managing Agent

DATE

Nov. 6, 1981

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

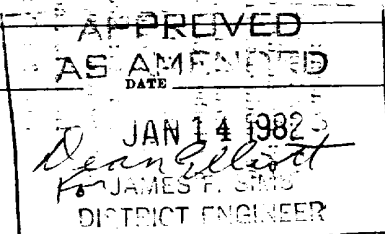
APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

oh 2-

NMOCC



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

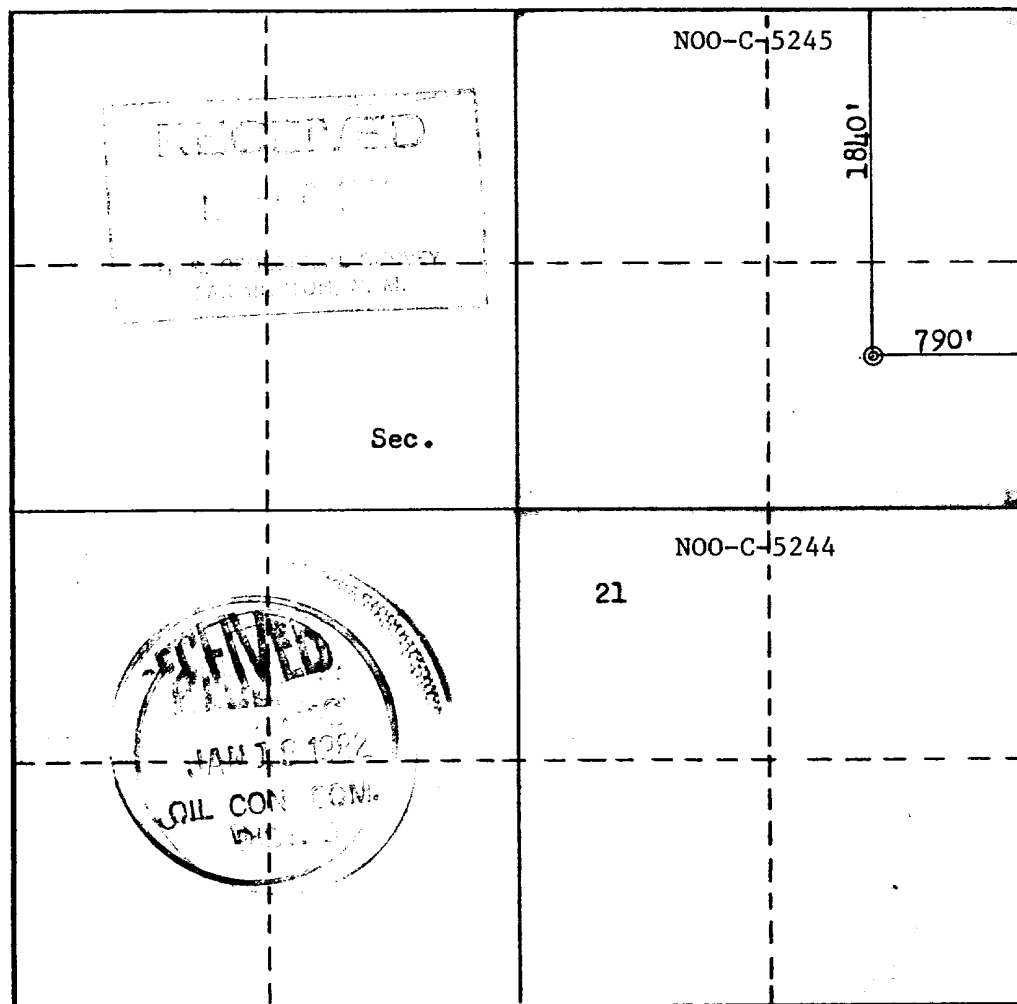
Operator K M PRODUCTION COMPANY			Lease FBD COM		Well No. 1
Unit Letter H	Section 21	Township 25N	Range 11W	County San Juan	
Actual Footage Location of Well: 1840 feet from the North line and 790 feet from the East line					
Ground Level Elev. 6448	Producing Formation Gallup		Pool Bisti-Lower Gallup		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 Communitization

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 Commission.



CERTIFICATION

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

Kevin H. McCord

Name

Kevin H. McCord

Position

Managing Agent

Company

KM Production

Date

November 6, 1981

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 and belief.

Date Surveyed

November 6, 1981

Registered Professional Engineer and/or Land Surveyor

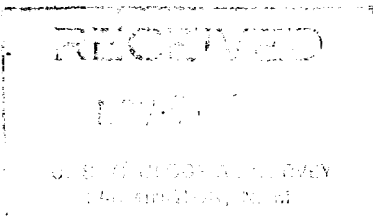
Fred B. Kerr Jr.
Fred B. Kerr Jr.

Certificate No.

3950

SURFACE WELL CONTROL EQUIPMENT

KM PRODUCTION COMPANY
FBD Com No. 1
NE/4 Section 21, T25N, R11W
San Juan County, N.M.



KM PRODUCTION CO.

DRAWN BY

REVISED

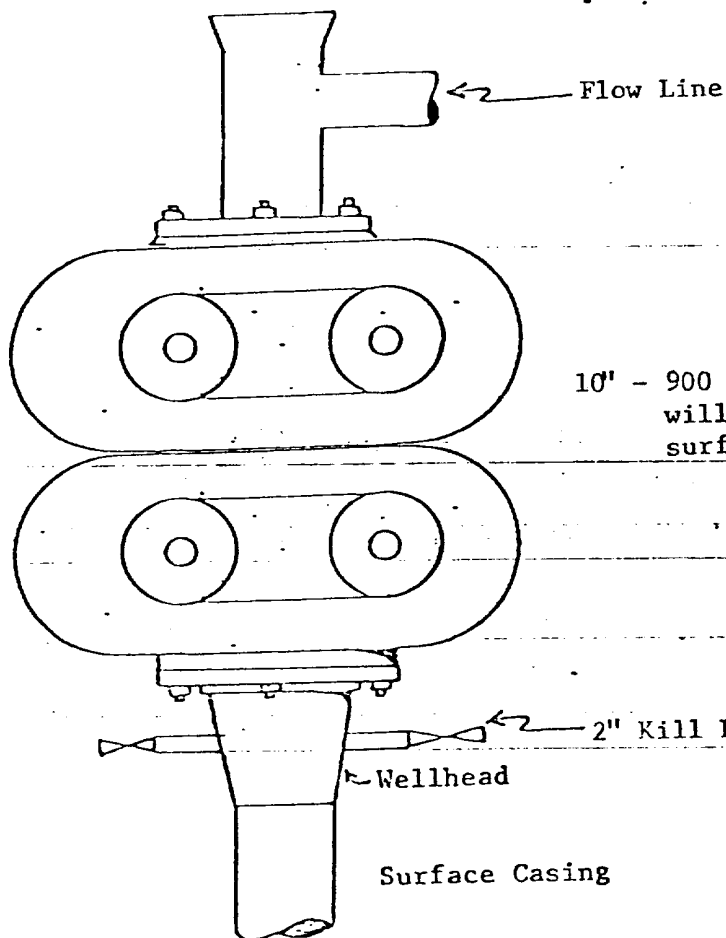
APPROVED BY:

SCALE:

DATE:

SCHEMATIC

DRAWING NUMBER



SURFACE USE AND OPERATIONS PLAN

KM Production Co.

FBD Com No. 1

NE/4 Section 21, T25N, R11W

San Juan County, New Mexico

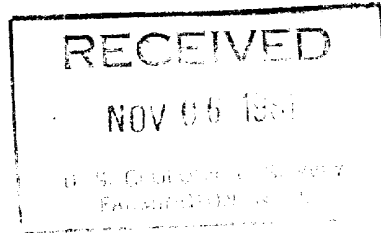
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U.S. GEOLOGICAL SURVEY
BIRMINGHAM, ALA.

2. A topographical map is attached showing location of drillsite and access roads to location; approximately 1800 ft. of new road is anticipated and is color coded accordingly on the map. A drive in truck mounted drilling rig will be used and will be driven in to the location with our road work. Our planned access road will be twelve feet in width, and will follow the existing terrain. No turnouts, culverts or cuts and fills are anticipated on the proposed access. In addition, natural drainage and surfacing material will be used.
3. Wells within one mile radius are shown on the topo map.
4. A. Existing facilities located within a one mile radius of the proposed location owned or controlled by the Operator and shown on the attached map:
none
- B. Anticipated new facilities shown on the attached map:
wellhead
- C. Rehabilitation plans for the disturbed areas no longer needed for operations and maintenance:
according to surface management specifications
5. A. Location & type of water supply: Hilltop water hole
- B. Water located on ☐ Federal, ☐ State, ☐ Indian, or ☒ private surface.
- C. Method of transporting water: water truck
- D. Water will be hauled on proposed access route noted in item 1 & 2.
6. Source of construction materials: none required
7. Methods of Disposal of water materials: Cuttings resulting from drilling, garbage, and sewage will be buried in drilling pit; salts and chemicals are not anticipated; eventual disposal of drilling fluids and any produced oil or water recovered during testing operations will be in drilling pit and buried.
8. No ancillary facilities are anticipated.
9. Wellsite layout is attached.
10. Plans for restoration of the surface:

Will be seeded according to agreement with surface owner as soon as feasible upon completion of drilling operations.
11. Other Information:
 - A. Surface ownership at well location and access route: Navajo Indian Allotted
 - B. General description: rolling topography, sandy/shaley soil with sagebrush and grass;
 - C. General surface use activities: grazing use and wildlife habitat;
 - D. Environmental statement will be furnished by archeologist upon completion of surface inspections.



12. Operator representative:

Kevin H. McCord
Agent
KM Production Company
P.O. Box 2406
Farmington, NM 87401

(505) 323-6900

13. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by KM Production Co. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

November 6, 1981

DATE

Kevin H. McCord
Kevin H. McCord

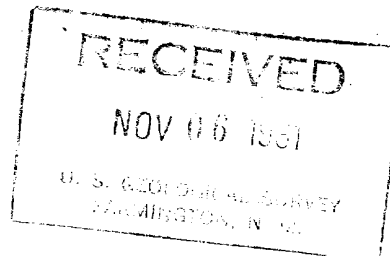
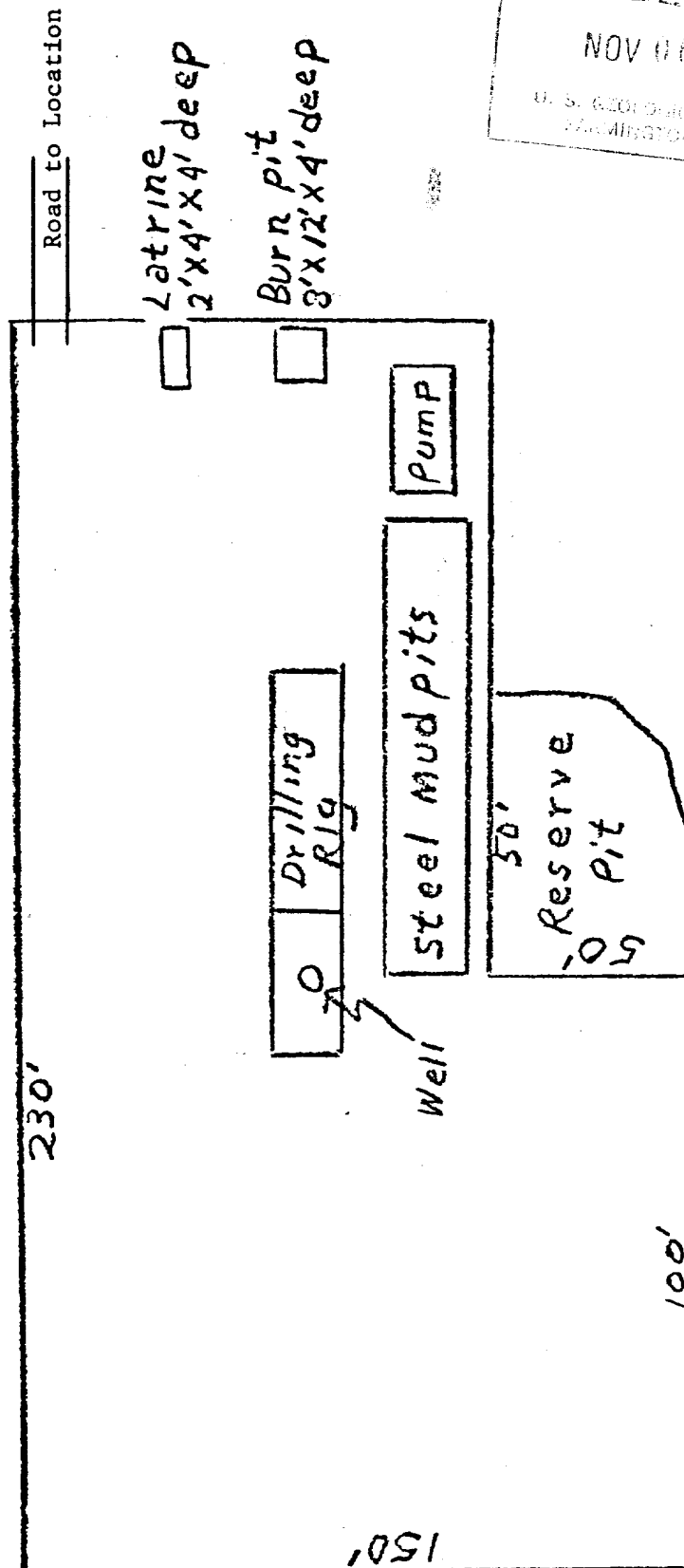
LOCATION AND EQUIPMENT LAY-OUT

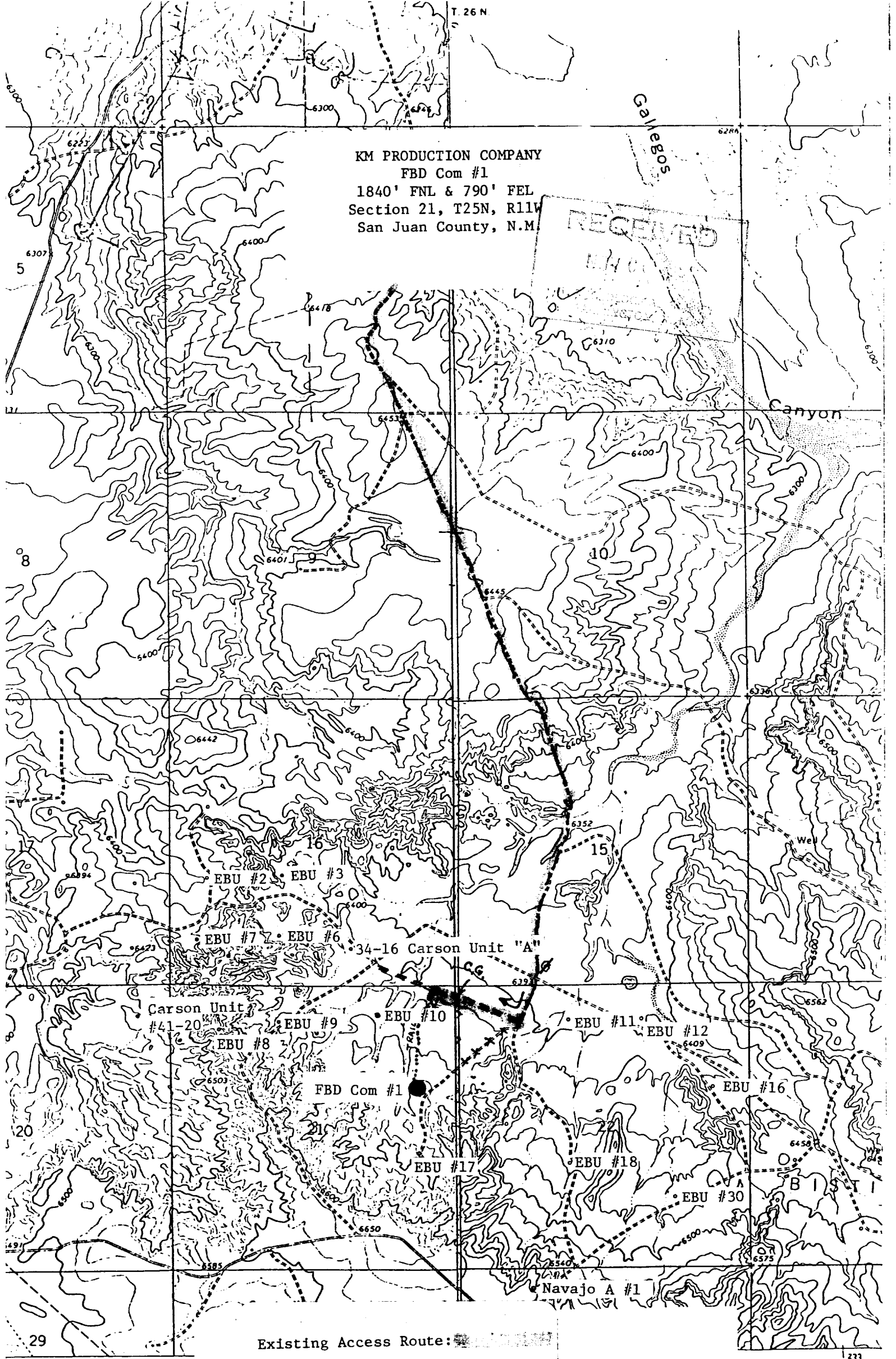
KM Production Company

FBD Com No. 1

NE/4 Section 21, T25N, R11W

San Juan County, N.M.





KM PRODUCTION COMPANY
FBD Com #1
1840' FNL & 790' FEL
Section 21, T25N, R11W
San Juan County, N.M.

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Existing Access Route:

Proposed Access Route:

Water Source: SE/4 Sec. 26, 27-11 and USC&GS

photogrammetric methods from aerial

ological Survey