

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

30-045-28675

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

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
Giant Exploration & Production Company 8987

3. ADDRESS OF OPERATOR
P.O. Box 2810, Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface
2510' FSL and 790' FWL
At proposed prod. zone Section 23, T25N, R12W, NMPM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
24.5 miles southeast of Farmington, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
530'

16. NO. OF ACRES IN LEASE
240.00

17. NO. OF ACRES ASSIGNED TO THIS WELL
W/320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1120'

19. PROPOSED DEPTH
1300'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
This action is subject to technical and procedural review pursuant to 43 CFR 3185.3 and appeal pursuant to 43 CFR 3185.4.
6388' GLE

5. LEASE DESIGNATION AND SERIAL NO.
NM-25450

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Bisti Coal 234557

9. WELL NO.
2

10. FIELD AND POOL, OR WILDCAT
Basin Fruitland Coal 716209

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
L
Sec. 23, T25N, R12W

12. COUNTY OR PARISH 13. STATE
San Juan New Mexico

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
8-3/4"	7"	20#	110'
6-1/4"	4-1/2"	9.5#	1300'

22. APPROX. DATE WORK WILL START*
As soon as permitted
DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL CONDITIONS OF CONTRACT"
60 sks (1.18 ft³/sk)
cmt to surface
140 sks cmt to surface
(75 sks - 2.06 ft³/sk)
(65 sks - 1.18 ft³/sk)

It is proposed to drill the subject Basin Fruitland Coal Well. It will be evaluated on the basis of open hole logs. Please see attached Onshore Oil and Gas Order No. 1 data.

RECEIVED
JUN - 8 1992
OIL CON. DIV.
DIST. 3

RECEIVED
BLM
JUN 21 PM 3:58
OIL CON. DIV., N.M.

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 John C. Corbett TITLE Vice President DATE 5/19/92
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY _____ TITLE _____ DATE JUN 04 1992
CONDITIONS OF APPROVAL, IF ANY:

APPROVED AS AMENDED

Hold c-104 for CA

NMOCD

for Dwaine Spain
AREA MANAGER

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

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

RECEIVED
 BLM
 92 MAY 21 PM 3:58
 018 FARMINGTON, N.M.

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

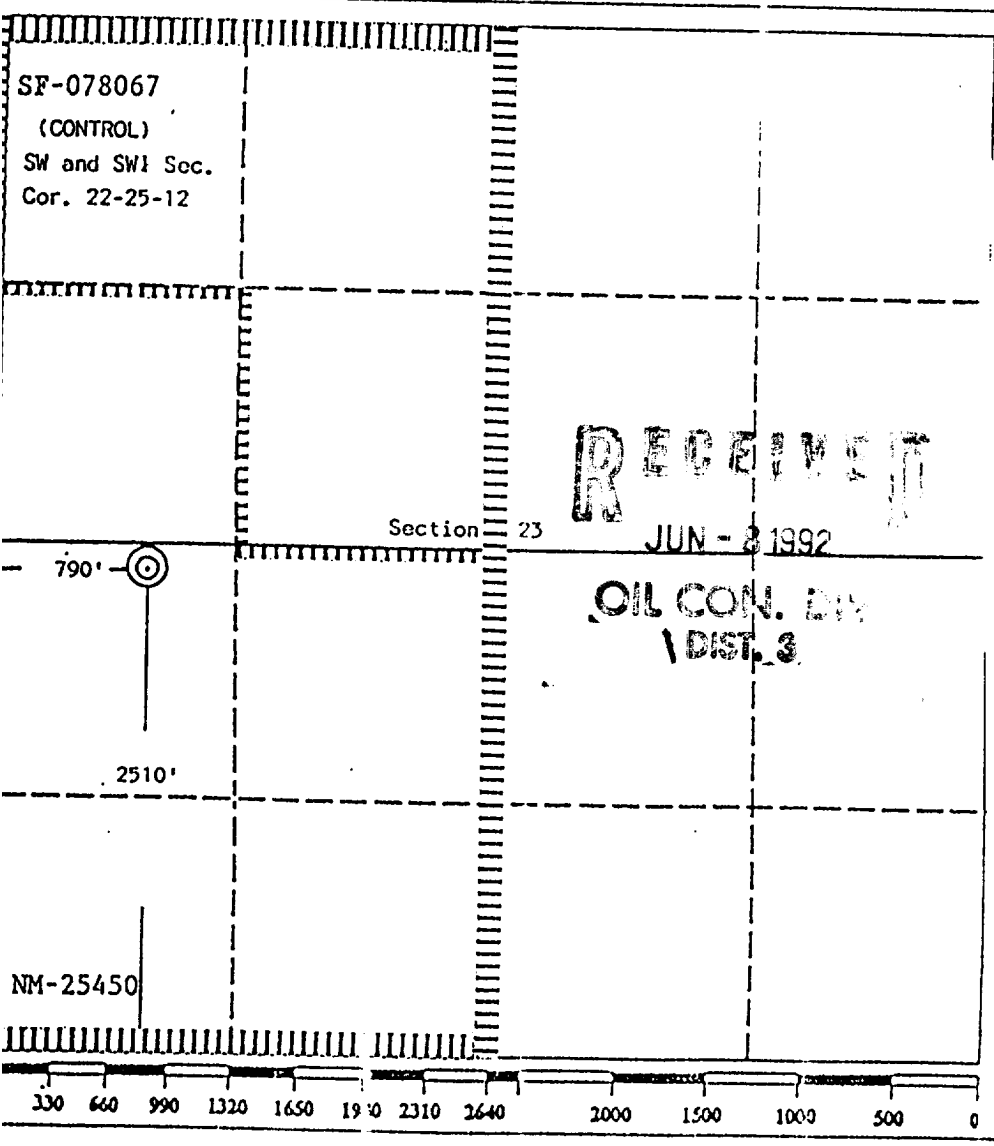
Operator Giant Exploration & Production Company			Lease Bisui Coal 23		Well No. 2
Unit Letter L	Section 23	Township 25 North	Range 12 West	County San Juan	
Actual Footage Location of Well: 2510 feet from the South line and 790 feet from the West line					
Ground level Elev. 6388	Producing Formation Fruitland		Pool Basin Fruitland Coal	Dedicated Acreage: .320 Acres	

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

Yes No If answer is "yes" type of consolidation Communitization Agreement (Pending)

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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

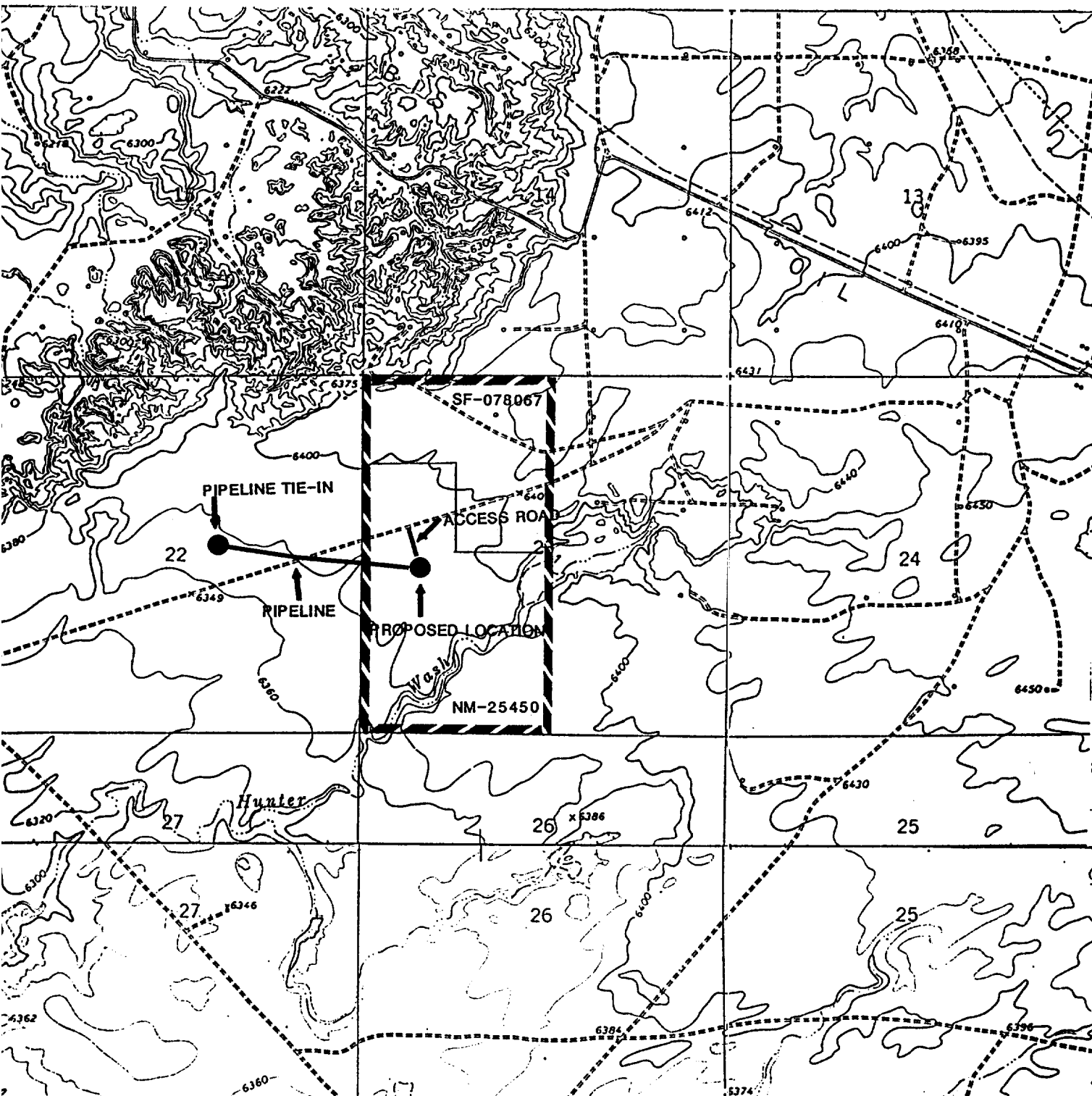
Signature: *John C. Corbett*
 Printed Name: **John C. Corbett**
 Position: **Vice President**
 Company: **Giant Exploration & Prod. Co.**
 Date: **May 20, 1992**

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 and belief.

Date Surveyed: **January 23, 1990**

Signature & Seal: *Edgar E. Risenhoover*
 Professional Surveyor
 Certificate No. **5979**
 Edgar E. Risenhoover



Giant Exploration & Production Company

Bisti Coal 23 No. 2

2510' FSL and 790' FWL

Section 23, T25N, R12W

San Juan County, New Mexico