

RE-ENTRY

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒ Re-enter DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

J. K. EDWARDS ASSOCIATES INC. (011307)

3. ADDRESS AND TELEPHONE NO.

c/o Walsh Engr. & Prod. Corp.
7415 E. Main Farmington, New Mexico 87402

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

660'FNL & 1980'FEL

At proposed prod. zone Same

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

16 miles South of Farmington, N.M.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

19. PROPOSED DEPTH

1430'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

200'

20. ROTARY OR CABLE TOOLS

Rotary

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

✓ 6084'GR

This action is 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*

2/1/95

23. PROPOSED CASING AND CEMENTING PROGRAM

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
13-3/8"	10-3/4"	32.75	161'	125 sxs (148 cuft)
7-7/8"	5-1/2"	15.5	5236'	300 sxs (354 cuft)

J.K. EDWARDS ASSOCIATES, INC. proposes to re-enter this well and clean out the cement plugs in the 5-1/2" casing to 1430'. The casing will be pressure tested and the Fruitland Coal intervals will be completed.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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

Paul C. Thompson

TITLE

Paul C. Thompson, Agent

DATE

1/9/95

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

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 operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

✓ NSL-3477 (4)

TITLE

NMOCD

DATE

DEC 07 1995

DISTRICT MANAGER

*See Instructions On Reverse Side

District I
PO Box 1900, Hobbs, NM 88241-1900
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Bravo 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

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <u>30-145-05987</u>		Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code <u>18099</u>	Property Name Sullivan A		Well Number #1
OGRID No. 011307	Operator Name J. K. EDWARDS ASSOCIATES, INC.		Elevation 6084

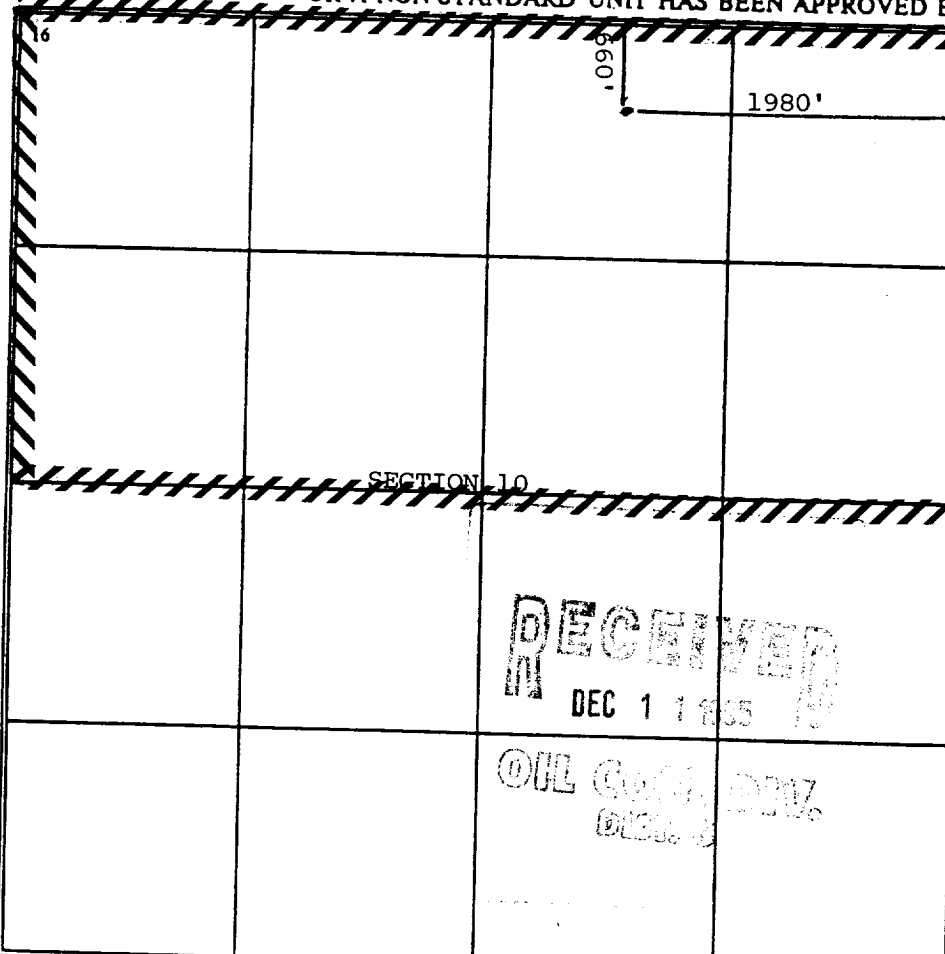
10 Surface Location

UL or lot no. B	Section 10	Township 26N	Range 12W	Lot Ida	Feet from the 660	North/South line North	Feet from the 1980	East/West line East	County SJ
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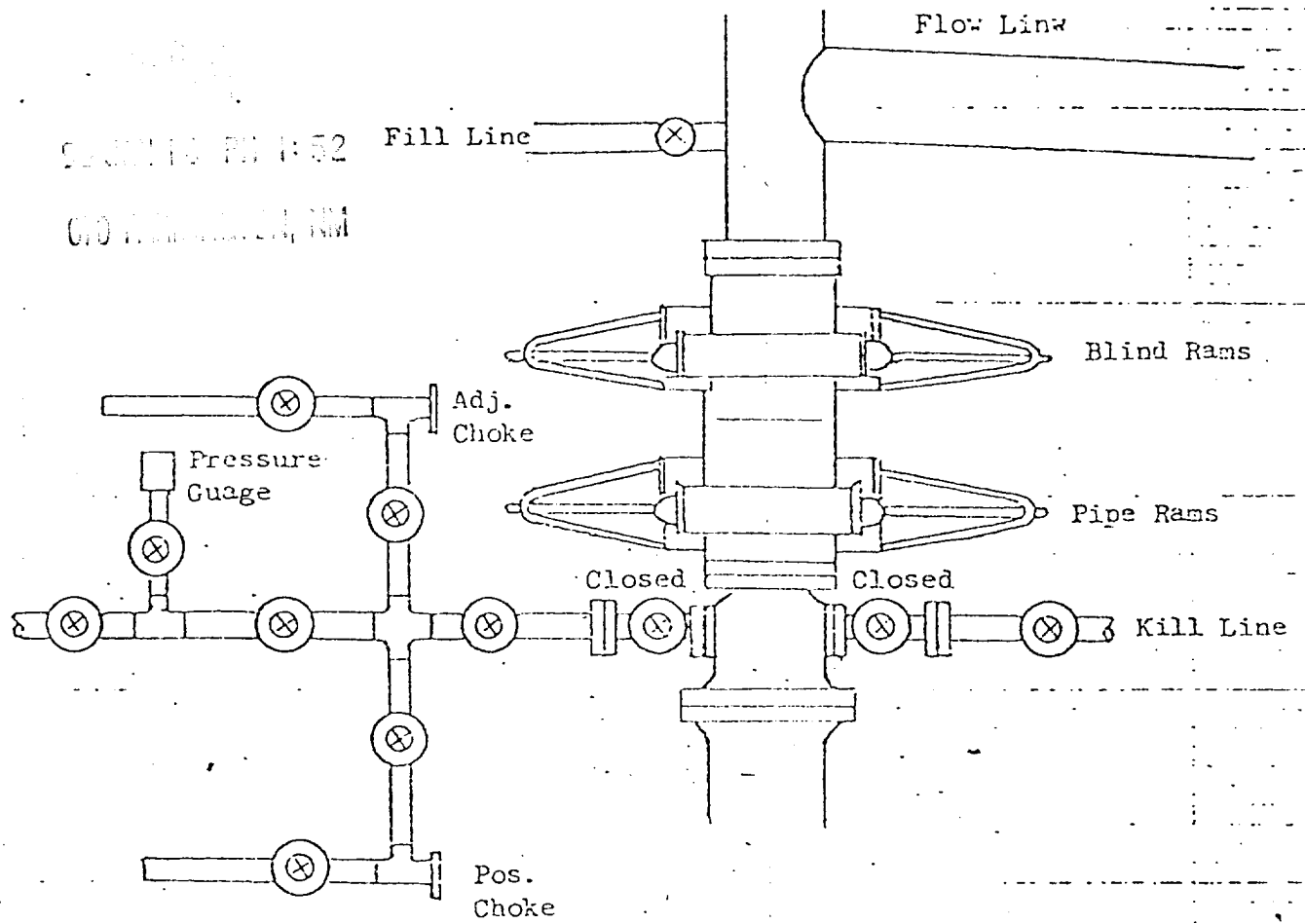
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
Dedication 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

				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <u>Paul C. Thompson</u> Signature Paul C. Thompson, P.E. Printed Name President Walsh Engr. & Prod. Corp. Title 1/9/95 Date	
				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 belief. Date of Survey Signature and Seal of Professional Surveyer: ORIGINAL ON FILE Certificate Number	

RECEIVED
DEC 1 1995
OIL CONSERVATION DIV.
DIST. 4



All valves 2"

All BOPs, flanges, spools, valves, & lines must be series 900 or 2000 psi working press.

Choke manifold must be at ground level and extended out from under substructure.



**J. K. EDWARDS ASSOCIATES, INC.
SULLIVAN A #1
660'FNL & 1980'FEL
SECTION 10, T26N, R12W
SAN JUAN COUNTY, NEW MEXICO**

OPERATIONS PLAN

1. Estimated Tops of important Geologic Markers:

Kirtland	425'
Fruitland	1127'
Fruitland Coal	1380'
Pictured Cliffs	1402'

2. Estimated depths of anticipated water, oil, gas and other mineral bearing formations which are expected to be encountered:

Water and gas - 1380'; gas - 1402'

3. Minimum Blowout Control Specifications:

Double ram type 2000 psi working pressure BOP with a rotating head. See the attached Exhibits #1 through #3 for details on the BOP Equipment. All ram type preventers and related equipment will be hydraulically tested at nipple-up and after any use under pressure to 1000 psi. The blind rams will be hydraulically activated and checked for operational readiness each time pipe is pulled out of the hole. All checks of the BOP stack and equipment will be noted on the daily drilling report. The BOP equipment will include a kelly cock, floor safety valve, and choke manifold all rated to 2000 psi.

4. Supplementary Information:

Surface and Production casing have already been set and cemented as follows:

10-3/4", 32.65# surface casing cemented to surface with 125 sxs (148 cuft).

5-1/2", 15.5# production casing cemented with 300 sxs (354 cuft).



Page No. 2
Operations Plan
Sullivan A #1

5. Proposed Circulating Medium:

The cement plugs will be drilled with produced Fruitland Coal water.

6. No cores or drill stem tests are planned for this well. A full suite of logs, including gamma ray, density porosity, and resistivity will be run after T.D. is reached.
7. The maximum expected bottom hole pressure is 500 psi. No other potential hazards are anticipated.
8. Optimum solids control equipment will be used to keep the mud in good shape.

Construction of the wellpad will begin as soon as the APD is approved.



J. K. EDWARDS ASSOCIATES, INC.
SULLIVAN A #1
660'FNL & 1980'FEL
SECTION 10, T 26N, R12W
SAN JUAN COUNTY, NEW MEXICO

SURFACE USE PLAN

1. Existing roads and existing wells are shown on Attached Plat No. 1.
2. The location and access road already exist. The existing access road will be maintained in at least the current condition and will be upgraded where necessary to provide uninterrupted access to the proposed well.
3. See No. 1.
4. The location of the anticipated production facilities both on and off the well pad are shown on Attached Plat No. 2.
5. Water will be trucked from various J. K. Edwards wells in T26N to the location for use in drilling and completing the well.
6. Materials for the construction of the location are expected to be limited to the soil on site. Fills will be made with the material taken from cuts.
7. All waste materials will be buried on location. Drill cuttings will be allowed to dry and then spread evenly in the reserve pit and buried. Garbage and nonflammable waste produced during the drilling or testing will be handled in a trash bin. All fluids will be handled in the reserve pit. Fluids will be allowed to evaporate before the reserve pit is reclaimed. The reserve pit will be fenced on three sides while the drilling rig is on location with the fourth side being fenced immediately upon removal of the drilling rig.
8. No camp or airstrip will be constructed for the drilling of this well.
9. The pit site layout is shown on Attached Plat No. 3. The reserve pit will be lined with an 8-10 mil reinforced liner.



Page No. 2
SURFACE USE PLAN

10. The location will be cleaned up, the reserve pit will be filled and leveled after drying, the unused portion of the location will be reseeded, all permanent production equipment will be painted BLM tan, and the road and location will be maintained until such time as the well is abandoned.
11. The surface is Navajo Tribal Trust Land.
12. Geologic name of the surface formation is San Jose. The nearest dwellings are located approximately 1/2 mile to the west.
- 13: Operators Representative:

Paul C. Thompson, P.E.
Walsh Engineering & Production Corp.
7415 E. Main Street
Farmington, New Mexico 87402

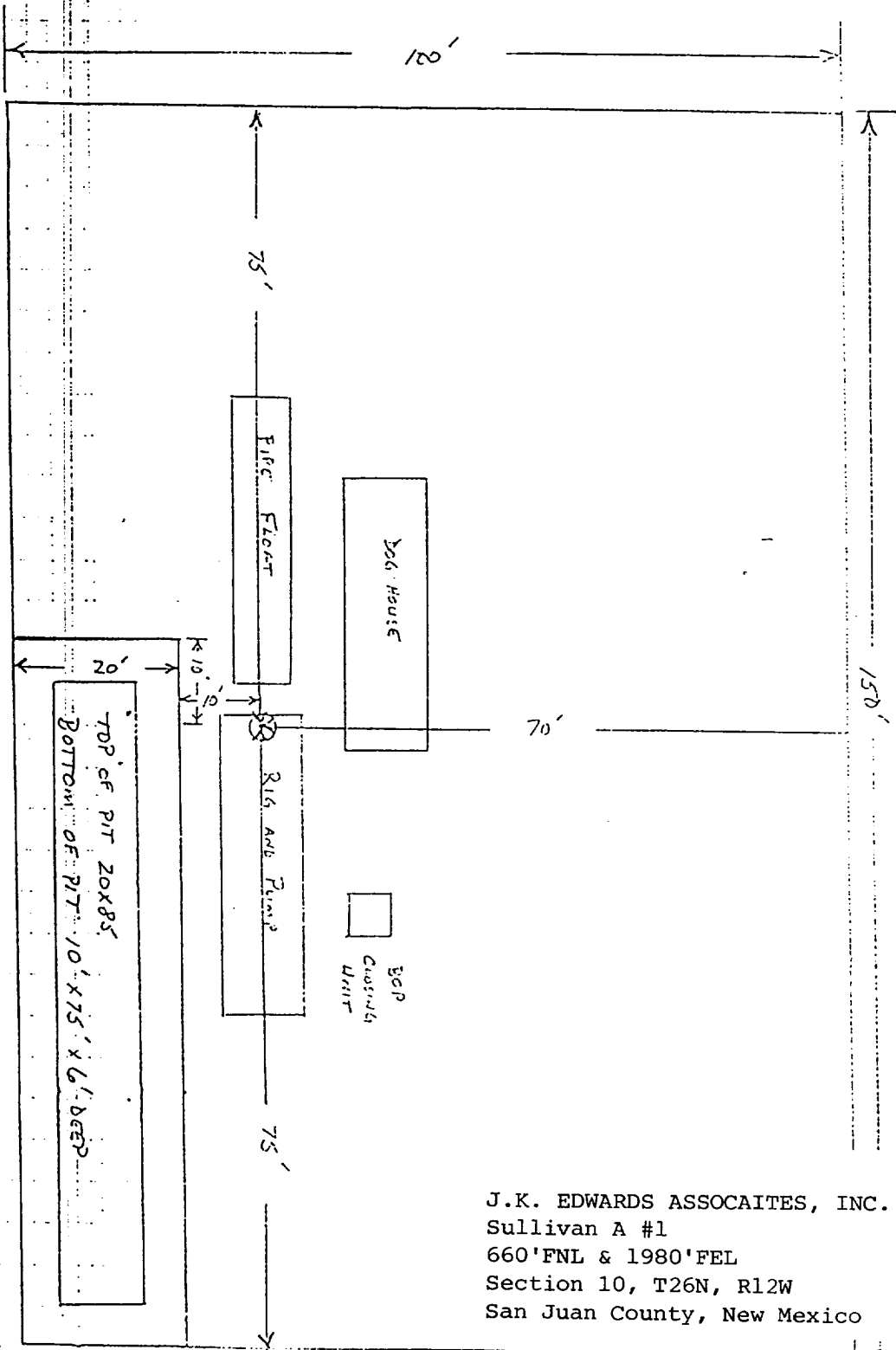
Certification:

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

NAME: Paul C. Thompson DATE: 1/9/95
Paul C. Thompson, P.E.
Agent

PROPOSED RIG LAYOUT

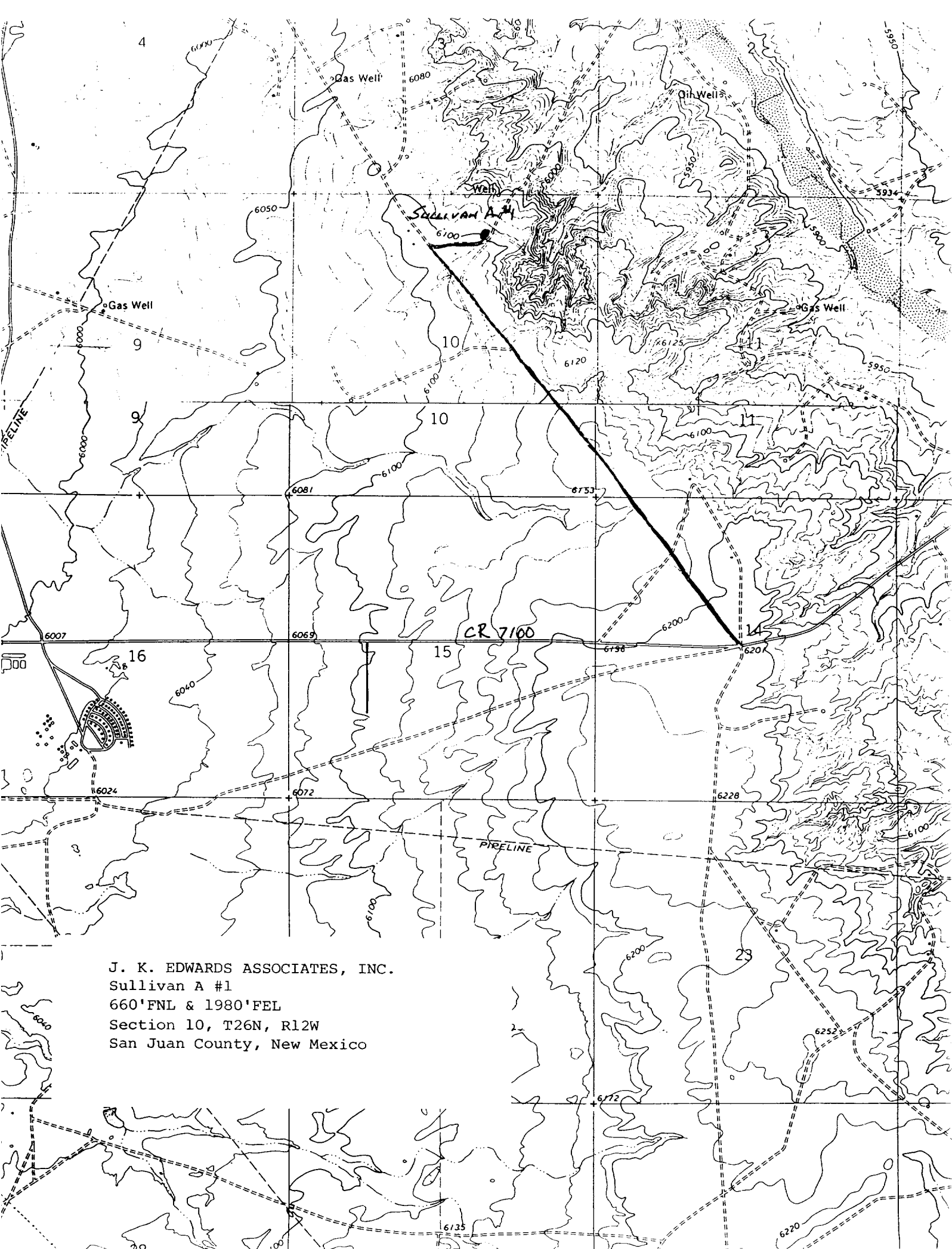
PLAT NO. 3-A



J.K. EDWARDS ASSOCIATES, INC.
 Sullivan A #1
 660'FNL & 1980'FEL
 Section 10, T26N, R12W
 San Juan County, New Mexico

Pct 11/18/92

"= 10'



J. K. EDWARDS ASSOCIATES, INC.
Sullivan A #1
660'FNL & 1980'FEL
Section 10, T26N, R12W
San Juan County, New Mexico



WALSH**ENGINEERING & PRODUCTION CORP.**Petroleum Engineering Consulting
Lease Management
Contract Pumping7415 East Main
Farmington, New Mexico 87402
(505) 327-4892

January 6, 1995

Mr. William J. LeMay
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Re: Unorthodox Location
J. K. Edwards and Associates
Sullivan A #1
660' FNL, 1980' FEL
Section 10, T26N R12W
San Juan County, NM
Basin Fruitland Coal

Dear Mr. LeMay,

This is a request on behalf of J. K. Edwards and Associates for administrative approval for a non-standard location in the Basin Fruitland Coal pool for the referenced well.

J. K. Edwards plans to re enter this plugged and abandoned Gallup well and complete it through the existing casing in the Basin Fruitland Coal pool. This location was a legal location for a Gallup test but does not meet the minimum set back requirements for Fruitland Coal wells.

Utilizing this existing location will reduce the surface disturbance since the pad is already built and the pipeline facilities are close by. The surface is Navajo Tribal Trust Land.

Attached is a plat indicating the offset Fruitland Coal operators and existing Fruitland Coal wells (Exhibit 1) and a list of offset operators and their addresses (Exhibit 2).

The offset Fruitland Coal operators are being notified of this application by certified return receipt mail. Copies of these letters are enclosed as Exhibit 3.



Thank you for your consideration and approval of this application. If you have any questions please do not hesitate to call upon me.

Sincerely,

Paul C. Thompson
Paul C. Thompson, P.E.
President, Walsh Engineering

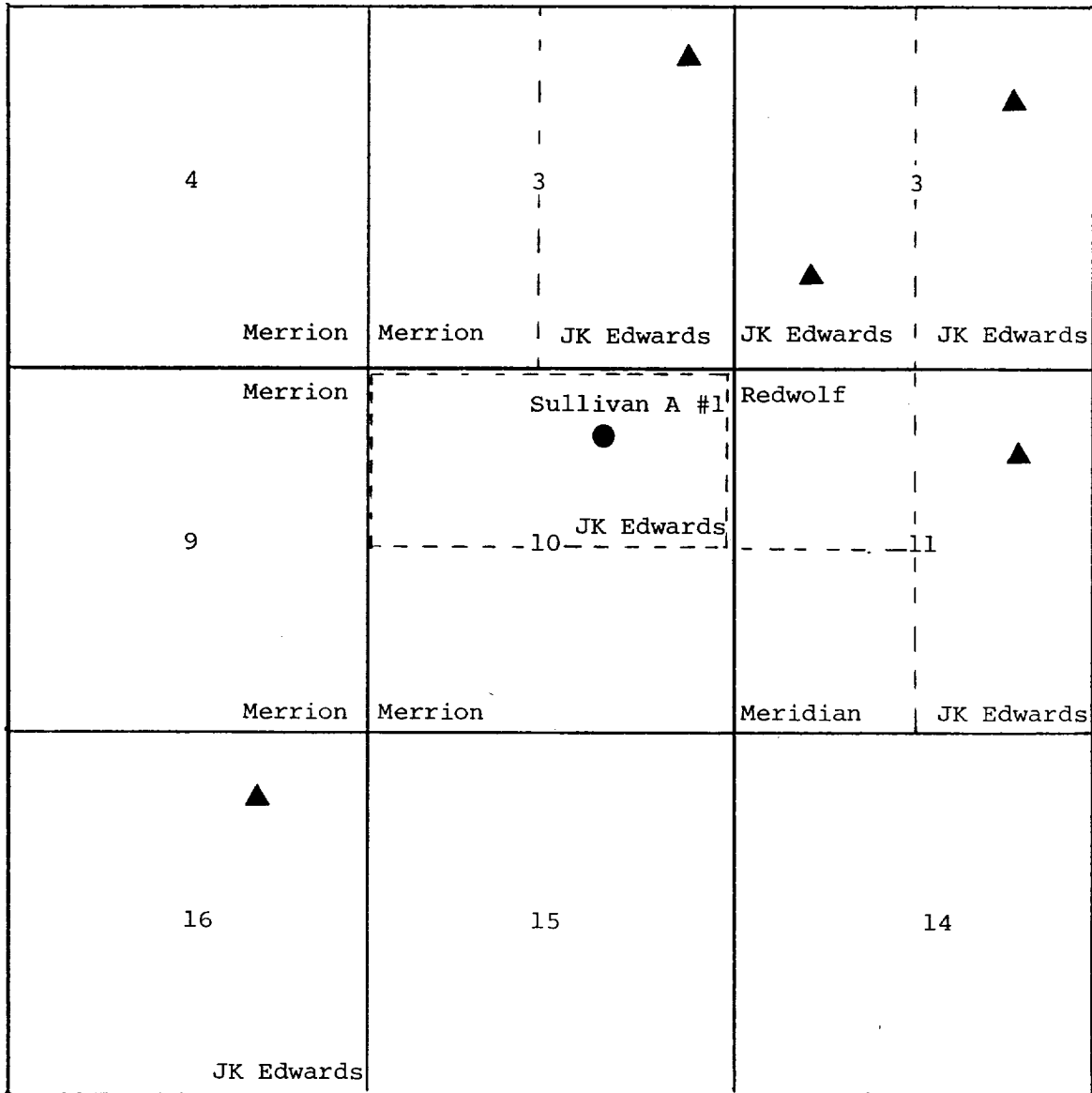
cc: J.K. Edwards and Associates
NMOCD Aztec NM
BLM Farmington NM

EXHIBIT NO. 1

J. K. EDWARDS ASSOCIATES, INC.
 SULLIVAN A #1 FTC NSL
 660'FNL & 1980'FEL
 Section 20, T26N, R12W

93 JUN 10 PM 4:53

GPO FRUITLAND COAL, NM



▲ EXISTING FRUITLAND COAL WELLS



EXHIBIT NO. 2

J. K. EDWARDS ASSOCIATES, INC.
OFFSET OPERATORS TO
Sullivan A #1
660'FNL & 1980'FEL, Section 10, T26N, R12W
San Juan County, New Mexico

OFFSET OPERATORS

Merrion Oil & Gas Company
Attn: T. Greg Merrion
P. O. Box 840
Farmington, New Mexico 87499

Mr. Bruce Delvanthal
Red Wolf Production
P. O. Box 5382
Farmington, New Mexico 87499

Meridian Oil & Gas Company
3535 E. 30th Street
Farmington, New Mexico 87402

**WALSH**

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping7415 East Main
Farmington, New Mexico 87402
(505) 327-4892

January 6, 1995

CERTIFIED - RETURN RECEIPT

Mr. T. Greg Merrion
Merrion Oil & Gas Company
P. O. Box 840
Farmington, New Mexico 87499

RE: Application for Unorthodox Location
J. K. Edwards and Associates
Sullivan A #1
660'FNL, 1980'FEL, Section 10, T26N, R12W
San Juan County, New Mexico
Basin Fruitland Coal

Dear Mr. Merrion:

Enclosed you will find a copy of the above referred to application that has been submitted to the New Mexico Oil Conservation Division for administrative approval. As an offset operator you are being notified of this application pursuant to NMOCD rules.

If you desire to submit remarks concerning the application, please send them to Mr. William J. LeMay, Director, New Mexico Oil Conservation Division, Santa Fe, New Mexico, within 20 days from the receipt of this notice. A copy of any remarks to the undersigned would be appreciated.

Thank you for your consideration in this matter and if you have any questions, please do not hesitate to call upon me.

Sincerely,

Paul C. Thompson, P.E.
President, Walsh Engineering



ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease/Management
Contract Pumping



7415 East Main
Farmington, New Mexico 87402
(505) 327-4892

January 6, 1995

CERTIFIED - RETURN RECEIPT

Meridian Oil & Gas Company
3535 E. 30th Street
Farmington, New Mexico 87402

RE: Application for Unorthodox Location
J. K. Edwards and Associates
Sullivan A #1
660'FNL, 1980'FEL, Section 10, T26N, R12W
San Juan County, New Mexico
Basin Fruitland Coal

Dear Sirs:

Enclosed you will find a copy of the above referred to application that has been submitted to the New Mexico Oil Conservation Division for administrative approval. As an offset operator you are being notified of this application pursuant to NMOC rules.

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Thank you for your consideration in this matter and if you have any questions, please do not hesitate to call upon me.

Sincerely,

Paul C. Thompson, P.E.
President, Walsh Engineering



ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping



7415 East Main
Farmington, New Mexico 87402
(505) 327-4892

January 6, 1995

CERTIFIED - RETURN RECEIPT

Mr. Bruce Delvanthal
Red Wolf Production
P. O. Box 5382
Farmington, New Mexico 87499

RE: Application for Unorthodox Location
J. K. Edwards and Associates
Sullivan A #1
660'FNL, 1980'FEL, Section 10, T26N, R12W
San Juan County, New Mexico
Basin Fruitland Coal

Dear Mr. Delvanthal:

Enclosed you will find a copy of the above referred to application that has been submitted to the New Mexico Oil Conservation Division for administrative approval. As an offset operator you are being notified of this application pursuant to NMOCD rules.

If you desire to submit remarks concerning the application, please send them to Mr. William J. LeMay, Director, New Mexico Oil Conservation Division, Santa Fe, New Mexico, within 20 days from the receipt of this notice. A copy of any remarks to the undersigned would be appreciated.

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Sincerely,

Paul C. Thompson

Paul C. Thompson, P.E.
President, Walsh Engineering