

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

PAN AMERICAN PETROLEUM CORPORATION

3. ADDRESS OF OPERATOR

P. O. Box 480, Farmington, New Mexico

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

At surface

600' FWL & 1200' FWL (Unorthodox)

At proposed prod. zone

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

24 miles south of Shiprock

15. DISTANCE FROM PROPOSED*

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

600'

16. NO. OF ACRES IN LEASE

2544.50

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

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

600'

19. PROPOSED DEPTH

6500'

20. ROTARY OR CABLE TOOLS

Rotary

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

Will report later

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
17-1/4"	13-3/8"	48#	100'	100 sacks
11"	8-5/8"	24#	1500'	500 sacks
7-7/8"	4-1/2"	10.5#	6500'	400 sacks (First Stage) 600 sacks (Second Stage)

We propose to drill Navajo Tribal "N" No. 9 to approximately 6500' with rotary tools to evaluate the Pennsylvanian "D" formation. Our plans are to drill to 5500' and log to determine structural position. If the well is coming in above or below the oil zone, the well will be deviated in the direction necessary to encounter the oil zone at the desired datum to obtain a commercial well. The bottom hole location will be kept in the NW/4 Section 20.

Since we propose to drill this well on an unorthodox location, an exception to Order No. R-2758 will be required from the New Mexico Oil Conservation Commission.

Copies of Location Plat attached.

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.

ORIGINAL SIGNED BY

G. W. Eaton, Jr.

SIGNED

G. W. Eaton, Jr.

TITLE

Area Engineer

DATE

December 8, 1966

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

SUPERVISOR DIST. #3

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

U. S. GEOLOGICAL SURVEY
FARMINGTON, N. M.

5. LEASE DESIGNATION AND SERIAL NO.

14-20-603-5035

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Navajo Tribal

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Navajo Tribal "N"

9. WELL NO.

9

10. FIELD AND POOL, OR WILDCAT

Tocito Dome-Penn. "D"

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

NW/4 Section 20,

T-26-N, R-18-W

12. COUNTY OR PARISH

San Juan

13. STATE

New Mexico

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND AGERAGE DEDICATION PLAT**

All distances must be from the outer boundaries of the Section

Operator PAN AMERICAN PETROLEUM CORPORATION			Lease Navajo Tribal "N"		Well No. 9
Unit Letter D	Section 20	Township 26 North	Range 18 West	County San Juan	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> 600 feet from the North line and 200 feet from the West line </div>					
Ground Level Elev. Report Later	Producing Formation Pennsylvanian "D"		Pool Trona Dome Pennsylvanian "D"	Dedicated Acreage: 160 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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

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

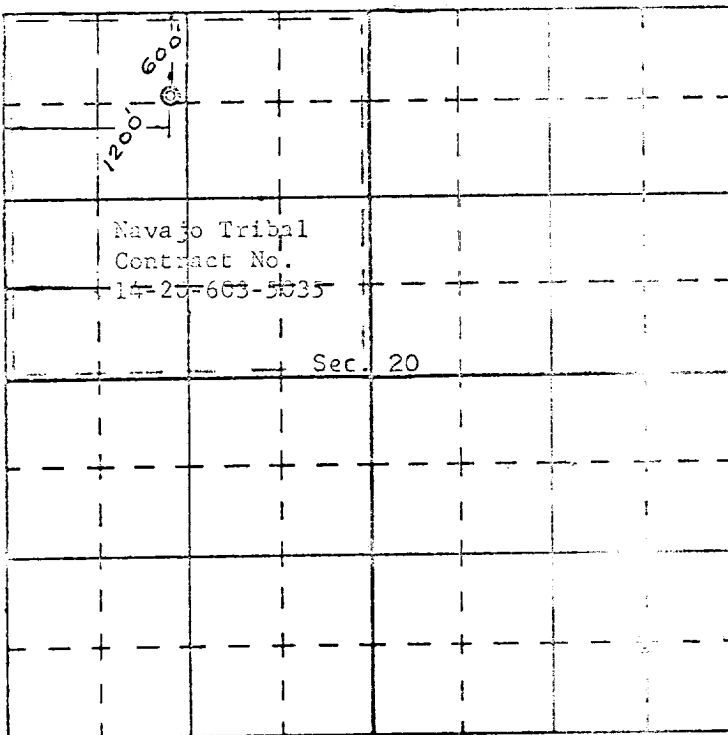
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

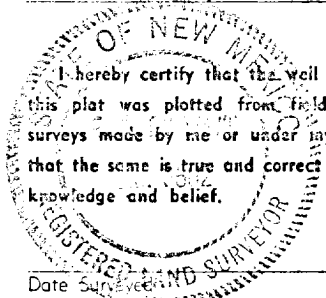
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

G. W. Eaton, Jr.
 Name
G. W. Eaton, Jr.
 Position
Area Engineer
 Company
PAN AMERICAN PETROLEUM CORP.
 Date
December 8, 1966



November 16, 1966
 Registered Professional Engineer
 and/or Land Surveyor

E. V. Cochran
 Certificate No. 3602



BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3518
Order No. R-3186

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR AN UNORTHODOX LOCATION
AND POSSIBLE DIRECTIONAL DRILLING, SAN
JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 25, 1967, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 1st day of February, 1967, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Pan American Petroleum Corporation, seeks an exception to the Special Rules and Regulations for the Tocito Dome-Pennsylvanian "D" Pool to drill its Navajo Tribal "N" Well No. 9 at an unorthodox location 600 feet from the North line and 1200 feet from the West line of Section 20, Township 26 North, Range 18 West, NMPM, San Juan County, New Mexico, in order to be able to encounter the Pennsylvanian "D" producing section below the gas-oil contact and above the oil-water contact.

(3) That a well drilled at the proposed location is more likely to encounter the Pennsylvanian "D" producing section below the gas-oil contact and above the oil-water contact than a well drilled at a standard location for said pool and should, therefore, result in greater ultimate recovery of oil.

(4) That the applicant also seeks permission to intentionally deviate said well, if necessary, in such direction and to such extent as necessary to encounter the Pennsylvanian "D" producing section below the gas-oil contact and above the oil-water contact.

(5) That the directional drilling of the subject well will not impair correlative rights and may be necessary to enable the operator to encounter the Pennsylvanian "D" producing section in the desired relation.

(6) That the applicant should be permitted to directionally drill, if necessary, provided the subject well is bottomed no nearer than 100 feet to the outer boundary of the 160-acre proration unit to which it is dedicated.

(7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the Tocito Dome-Pennsylvanian "D" Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation, is hereby granted an exception to the well location requirements of the Special Rules and Regulations governing the Tocito Dome-Pennsylvanian "D" Pool and is hereby authorized to drill its Navajo Tribal "N" Well No. 9 at an unorthodox location 600 feet from the North line and 1200 feet from the West line of Section 20, Township 26 North, Range 18 West, NMPM, San Juan County, New Mexico.

(2) That the applicant, Pan American Petroleum Corporation, is hereby authorized to set a whipstock at approximately 5500 feet in said Navajo Tribal "N" Well No. 9 and directionally drill said well, if necessary, in such direction and to such extent as necessary to encounter the Pennsylvanian "D" producing section below the gas-oil contact and above the water-oil contact;

PROVIDED HOWEVER, that said well shall be bottomed no nearer than 100 feet to the outer boundary of the 160-acre proration unit to which it is dedicated;

-3-

CASE No. 3518

Order No. R-3186

PROVIDED FURTHER, that a continuous multi-shot directional survey shall be made of the entire well bore with shot points not more than 100 feet apart; that the operator shall cause the surveying company to forward a copy of the survey report to the Santa Fe Office of the Commission, Box 2088, Santa Fe, New Mexico; that the operator shall notify the Commission's Aztec District Office of the date and time said survey is to commence.

(3) That Form C-105 shall be filed in accordance with Commission Rule 1105 and the operator shall indicate thereon true vertical depths in addition to measured depths.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

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