Form 3160-3 (August 1999) SEP 2001 RECEIVED OIL CON. DIV UNITED STATE DISTDEPARTMENT OF THE BUREAV OF LAND MAN APPLICATION FOR PERMIT TO	E INTERIO	R	-7 Fil I: 59	OMB No Expires Nove 5. Lease Serial No.	APPROVED . 1004-0136 ember 30, 2000 909-1359	
la. Type of Work: X DRILL REE	7. If Unit or CA Agre	ement, Name and No.				
b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone				Clinton #1		
2. Name of Operator Coleman Oil and Gas	S Compan	v		9. API Well No. 30-045-30694		
		o. (include area co	•	10. Field and Pool, or Exploratory		
c/o Walsh Engineering, 7415 E. Main, Farmington, NM 87402		505.327.48	392	6 Gallegos Fruitland Sand-PC		
4. Location of Well (Report location clearly and in accordance with At surface 1800' FSL and 760' FWL	any State req	uirements.*)			r Blk, and Survey or Area	
At proposed prod. Zone				Section 24, T26N, R12W		
14. Distance in miles and direction from nearest town or post office*	•		······	12. County or Parish	13. State	
15 miles south of Farm			r	San Juan	NM	
15. Distance from proposed* location to nearest property or lease line, ft. 760'	16. No. of A	cres in lease	17. Spacing Unit de	dicated to this well		
property or lease line, fl. (Also to nearest drig. unit line, if any)		160		160 acres SW/	4	
18. Distance from proposed location* to nearest well, drilling, completed,	19. Propose	d Depth	20. BLM/BIA Bond	d No. on file		
applied for, on this lease, ft.	1	1435		013002853		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6190' GL	22. Approxi	mate date work wi August 20		23. Estimated duration 2 w	n veeks	
	24. A	ttachments				
The following, completed in accordance with the requirements of On	shore Oil and	Gas Order No. 1, s	shall be attached to thi	s form:		
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System I SUPO shall be filed with the appropriate Forest Service Office. 	ands, the	Item 20 abo	ove). rtification. site specific informatio	nless covered by an existi on and/or plans as may b		
25. Signature	Nar	me (Printed/Typed)		i I	Date	
Taul C. Though -		Paul	C. Thompson,	P.E.	6/5/01	
Title		Agent				
Approved by (Signature)		me (Printed/Typed)		į I	Date 9/10/0,	
Title	Offi	ce				
Application approval does not warrant or certify that the applicant he operations thereon. Conditions of approval, if any, are attached. Title 18 U.S.C. Section 1001and Title 43 U.S.C. Section 1212, make States any false, fictitious or fraudulent statements or representations	it a crime for	any person knowing	ngly and willfully to n			
**States any faise, fictitious or fraudulent statements or representations **(Instructions on reverse)	as to any mai	nor within its jurist	nedoli.			
This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.			STATEST OF STATES	oj, do dogođen Tredeni wan att hwemenist		

NMOCD

District I PO Box 1980, Hobbs, NM 88241-1980

District II PO Drawer DD, Artesia, NM 88211-0719

District III 1000 Rio Brazos Rd., Aztec, NM 87410

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

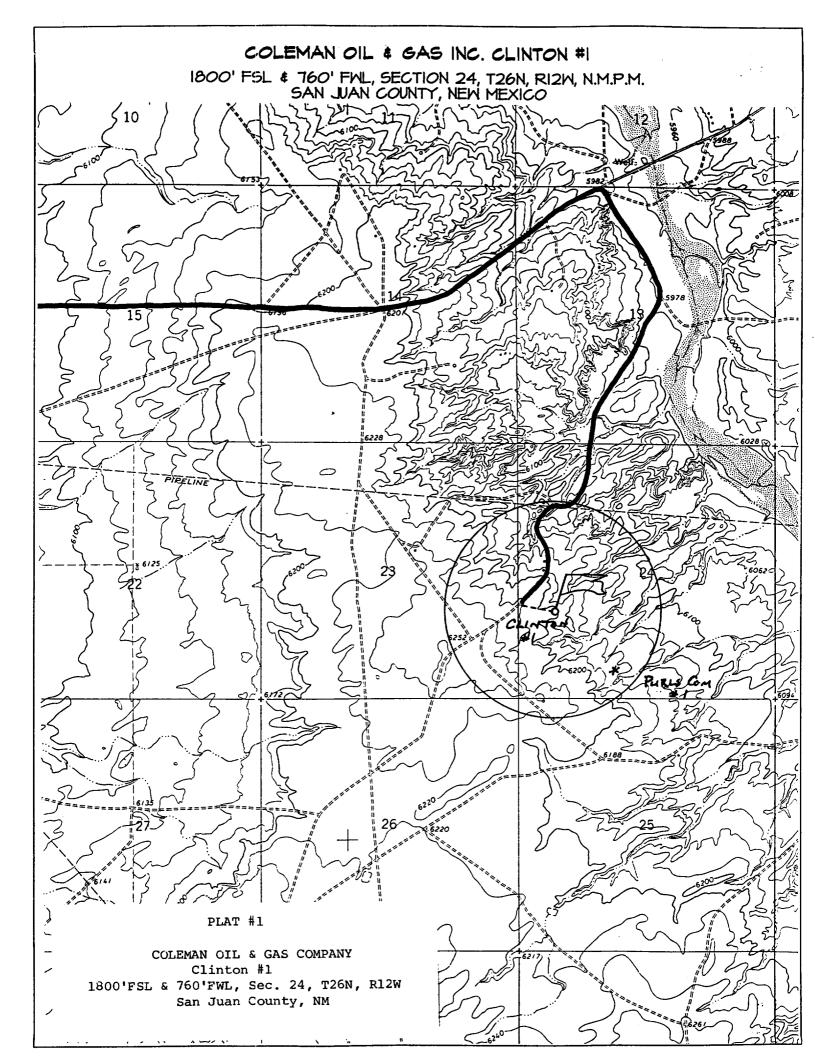
State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe. NM 87504-2088

Form C-102 Revised February 21, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

			WELL	LOCAT	ION AND A	CREAGE DEDI	ICAT:	ION PL	ΑT		
30-045	PI Numbe	694	-	Pool Code 77310	G ALLE	GOS FRUITLA		OO1 Name	CTURE	D CLIF	FS SOUTH
Property	roperty Code Propert					Name			Well Number		
'OGRID N		*Operator COLEMAN OIL								*Elevation 6190	
						Location					
UL or lot no.	Section 24	Township 26N	Range 12W	Lot Idn	Feet from the	North/South line SOUTH	i	from the	East/We		SAN JUAN
		11 B	ottom	Hole L	ocation I	f Different	Fro	m Surf	эсе		<u> </u>
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line		from the	East/We	st line	County
¹² Dedicated Acres	160	Acres	- (SW,	/4)	13 Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order	No1			1
NO ALLOW	ABLE W	ILL BE A OR A	SSIGNEI NON-ST	D TO TH	IS COMPLETION UNIT HAS BE	ON UNTIL ALL	INTE	RESTS H HE DIVIS	AVE BE	EN CON	NSOLIDATED
. 00 · 0825 760'	-G-9°	909-13	 59	24 24 24 24 24 24 24 24 24 24 24 24 24 2	OHLOON D DIST. 3	in S	.80.00.	I hereby certifice and compositions of the send composition of the send compos	C. The Name by the service of the se	ompsor	FICATION ion shown on this plat ion shown on this plat is same is true and



COLEMAN OIL AND GAS OPERATIONS PLAN Clinton #1

I. Location: 1800' FSL & 760' FWL

Date: June 4, 2001

Sec 24 T26N R12W San Juan County, NM

Field: Gallegos Fruitland Sand/ PC

Elev: GL 6190'

Surface: Navajo Allotted Minerals: NO-G-9909-1359

II. Geology: Surface formation Nacimiento

A. Formation Tops	Depths
Ojo Alamo	245'
Kirtland	360'
Fruitland	1120'
Fruitland Coal	1290'
Pictured Cliffs	1310'
Total Depth	1435

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

Water and gas - 1120'; gas - 1310'.

- B. Logging Program: Induction/GR and density logs at TD.
- C. No over pressured zones are expected in this well. No H₂S zones will be penetrated in this well. Max. BHP = 500 psig.

III. Drilling

- A. Contractor:
- B. Mud Program:

The surface hole will be drilled with a fresh water mud.

The production hole will be drilled with a fresh water polymer mud. The weighting material will be drill solids or if conditions dictate, barite. The maximum mud weight expected is 8.5 ppg.

C. Minimum Blowout Control Specifications:

Double ram type or annular 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.

Clinton #1 Operations Plan Pg #2

C. Cont.

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.

IV. Materials

A. Casing Program:

Hole Size	Depth	Casing Size	Wt. & Grade
8-3/4"	120'	7"	20# J-55
6-1/4"	1390′	4-1/2"	10.5# J-55

- B. Float Equipment:
- a) Surface Casing: None
- b) Production Casing: 4-1/2" cement guide shoe and self fill insert float collar. Place float one joint above shoe. Five centralizers spaced every other joint above shoe and five turbolizers every other joint from the top of the well.

V. Cementing:

Surface casing: 7" - Use 30 sx (36 cu. ft.) of Cl "B" with 2% CaCl₂ and ½ #/sk. celloflake. Yield = 1.18 cu. ft./sk; slurry weight = 15.6 PPG). 100% excess to circulate cement to surface. WOC 12 hours. Pressure test surface casing to 600 psi for 30 min.

Production Casing: 4-1/2" - Before cementing circulate hole with at least 1-1/2 hole volumes of mud. Precede cement with 30 bbls of fresh water. Lead with 115 sx (237 cu.ft) of Cl "B" with 2% metasilicate and ¼ #/sk. celloflake. (Yield = 2.06 cu.ft./sk; slurry weight = 12.5 PPG). Tail with 50 sx (59 cu.ft.) of Cl "B" with 2% CaCl2 and ¼ #/sk. celloflake (Yield = 1.18 cu. ft./sk; slurry weight = 15.6 PPG). Total cement volume is 296 cu.ft. (100% excess to circulate cement to surface).

Paul C. Thompson, P.E.