

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-039-21594

5. LEASE DESIGNATION AND SERIAL NO.
NM 14916

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Valencia Canyon Unit

8. FARM OR LEASE NAME

9. WELL NO.
26

10. FIELD AND POOL, OR WILDCAT
Chosa Mesa-Pictured Cliffs

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
**NW/4 NW/4 Sec. 22
T-28-N, R-4-W**

12. COUNTY OR PARISH | 13. STATE
Bio Arriba | NM

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
AMOCO PRODUCTION COMPANY

3. ADDRESS OF OPERATOR
501 AIRPORT DRIVE, FARMINGTON, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
1160' FWL x 1140' FWL, Section 22, T-28-N, R-4-W

At proposed prod. zone
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
8 miles SE of Gobernador

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
1140'

16. NO. OF ACRES IN LEASE
640

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.
2600'

19. PROPOSED DEPTH
4500'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
7365' est. CL

22. APPROX. DATE WORK WILL START*
As soon as well permitted

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" | 24# | 300' | 250 sz |
| 7-7/8" | 4-1/2" | 10.5# | 4500' | 1265 sz |

The above well is being drilled to further develop the Chosa Mesa-Pictured Cliffs Field. The well will be drilled with a low solids non-dispersed mud system. Completion design will be based on open hole logs. This acreage is not dedicated. Additional information required by NTL-6 for the application to drill and a Multi-Point Surface Use Plan are 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 measures and true vertical depths. Give blowout preventer program, if any.

24. SIGNED J. L. Hough TITLE Area Engineer DATE 12/19/77

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

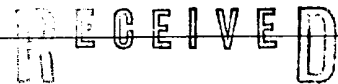
APPROVED BY _____ TITLE _____ DATE **DEC 21 1977**

CONDITIONS OF APPROVAL, IF ANY:

Okal

*See Instructions On Reverse Side

U. S. GEOLOGICAL SURVEY
DURANGO, COLO.



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 ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

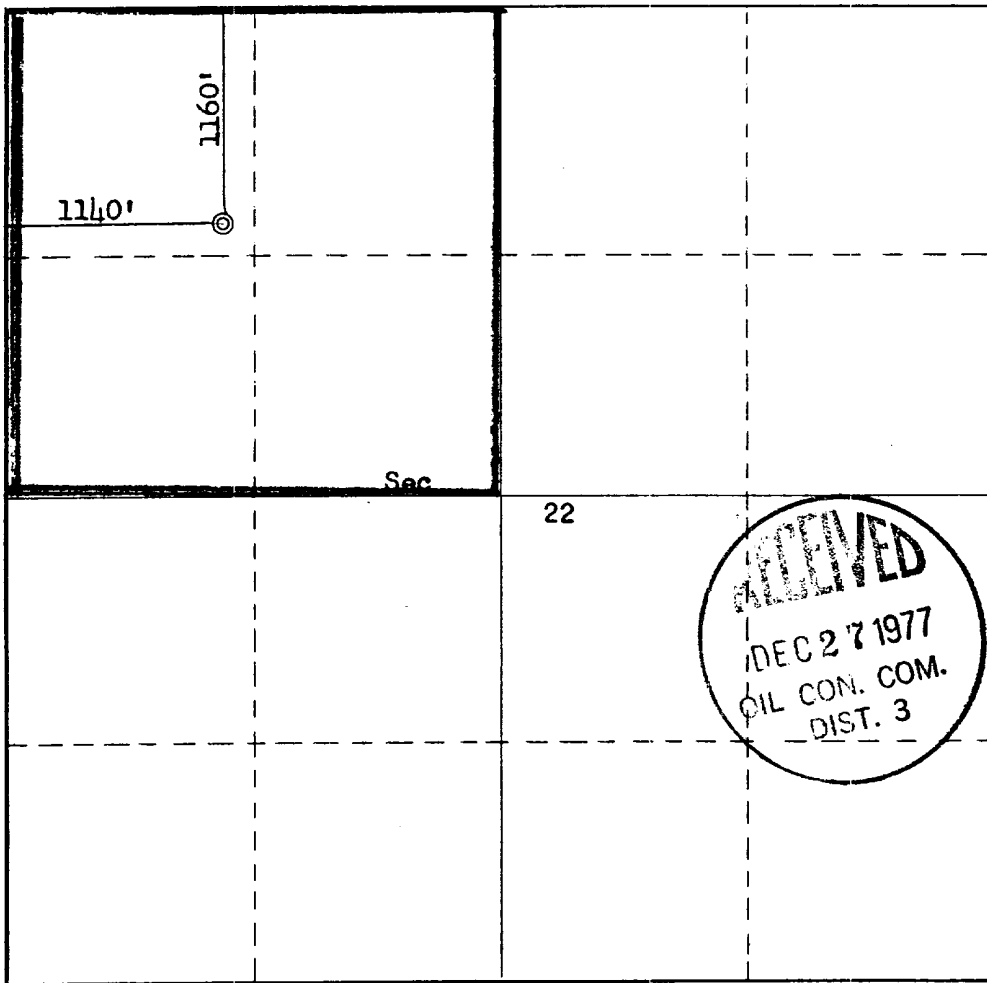
| | | | | | | | | |
|--|---|------------------------|---|-----------------------------|--|--|--|--|
| Operator Amoco Production Company | | | Lease Valencia Canyon Unit | | | Well No. 26 | | |
| Unit Letter D | Section 22 | Township 28N | Range 1W | County Rio Arriba | | | | |
| Actual Footage Location of Well: 1160 feet from the North line and 1140 feet from the West line | | | | | | | | |
| Ground Level Elev. 7365 | Producing Formation Pictured Cliffs | | Pool Choza Mesa Pictured Cliffs | | | 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 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.

J. L. Krupka

Name
J. L. KRUPKA

Position
AREA ENGINEER

Company
AMOCO PRODUCTION COMPANY

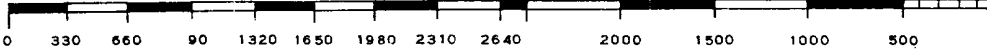
Date
DECEMBER 9, 1977

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
December 7, 1977

Registered Professional Engineer and/or Land Surveyor
Fred B. Kerr Jr.
Fred B. Kerr Jr.

Certificate No.
3950



SUPPLEMENTAL INFORMATION TO FORM 9-331C
 REQUIRED BY NTL-6
 VALENCIA CANYON UNIT NO. 26
 1160' FNL & 1140' FWL, SECTION 22, T-28-N, R-4-W
 RIO ARriba COUNTY, NEW MEXICO

The geologic name of the surface formation is the Paleozoic San Juan.

The estimated tops of important geological formations bearing hydrocarbons are:

| <u>FORMATION</u> | <u>DEPTH</u> | <u>ELEVATION</u> |
|------------------|--------------|------------------|
| Pictured Cliffs | 4195' | +3180' |
| Lewis Shale | 4395' | +2980' |
| TD | 4500' | |

Estimated KB Elevation: 7375'

| <u>EST. DEPTH</u> | <u>CSG. SIZE</u> | <u>WEIGHT</u> | <u>HOLE SIZE</u> | <u>SACKS CEMENT - TYPE</u> |
|-------------------|------------------|---------------|------------------|---|
| 300' | 8-5/8" | 24# | 12-1/4" | <u>250</u> sx - Class "B", 2% CaCl ₂ . |
| <u>4500'</u> | 4-1/2" | 10.5# | 7-7/8" | <u>1165</u> sx - Class "B", 6% Gel, 2# Med. Tuf Plug/sx. |
| | | | | <u>100</u> sx - Class "B" Neat. |

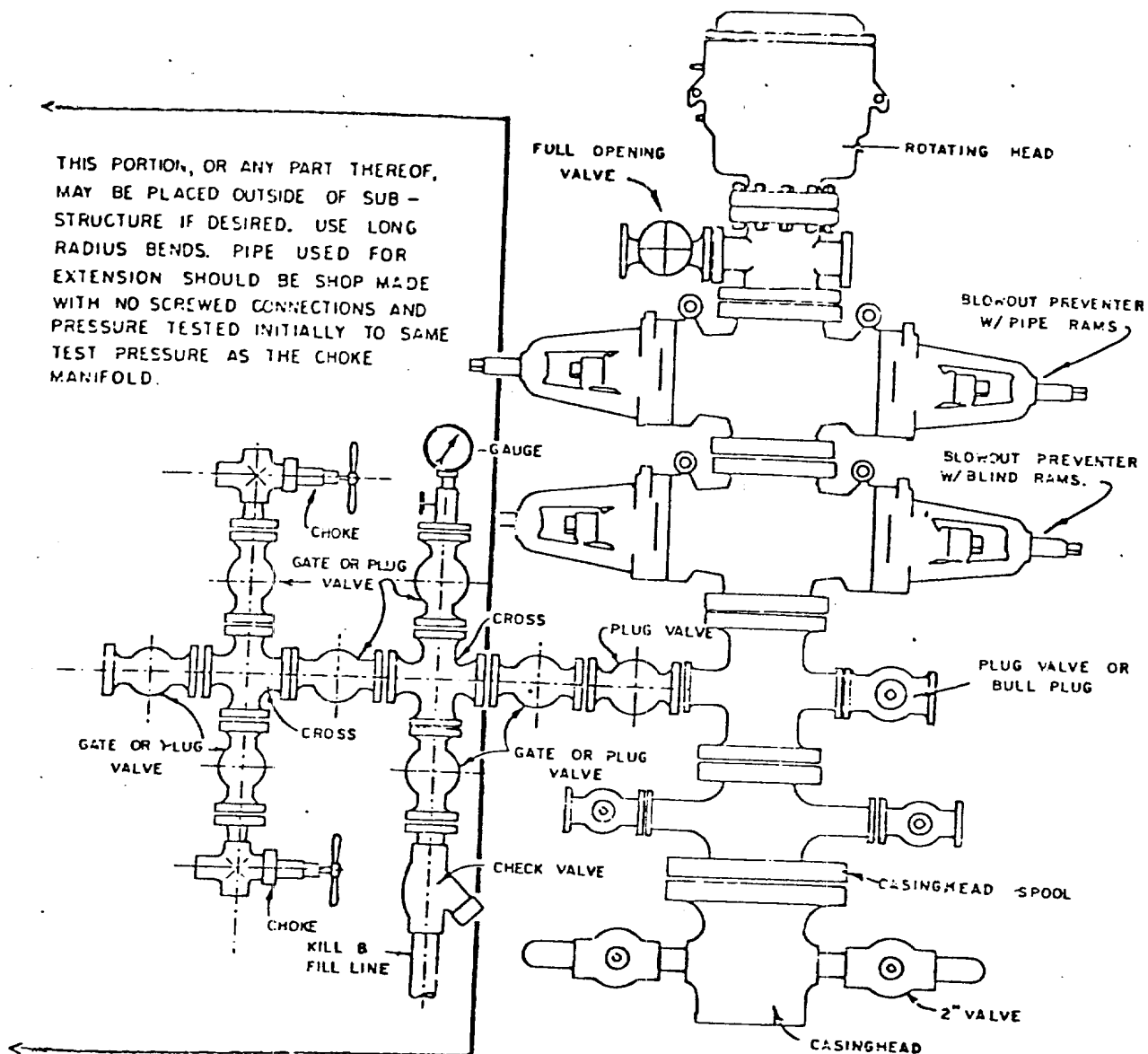
Amoco's standard blowout prevention will be employed; see attached drawing of our blowout preventer design.

Drilling fluid to TD will be a low solids non-dispersed mud system.

Amoco plans to run the following logs: from TD to 300', Induction-Electric; from TD to 2500', Density-Gamma Ray. No Cores or Drill Stem Tests will be taken.

In the past, drilling in this area has shown that no abnormal pressure, temperatures, nor hydrocarbon gas will be encountered.

THIS PORTION, OR ANY PART THEREOF, MAY BE PLACED OUTSIDE OF SUB-STRUCTURE IF DESIRED. USE LONG RADIUS BENDS. PIPE USED FOR EXTENSION SHOULD BE SHOP MADE WITH NO SCREWED CONNECTIONS AND PRESSURE TESTED INITIALLY TO SAME TEST PRESSURE AS THE CHOKE MANIFOLD.



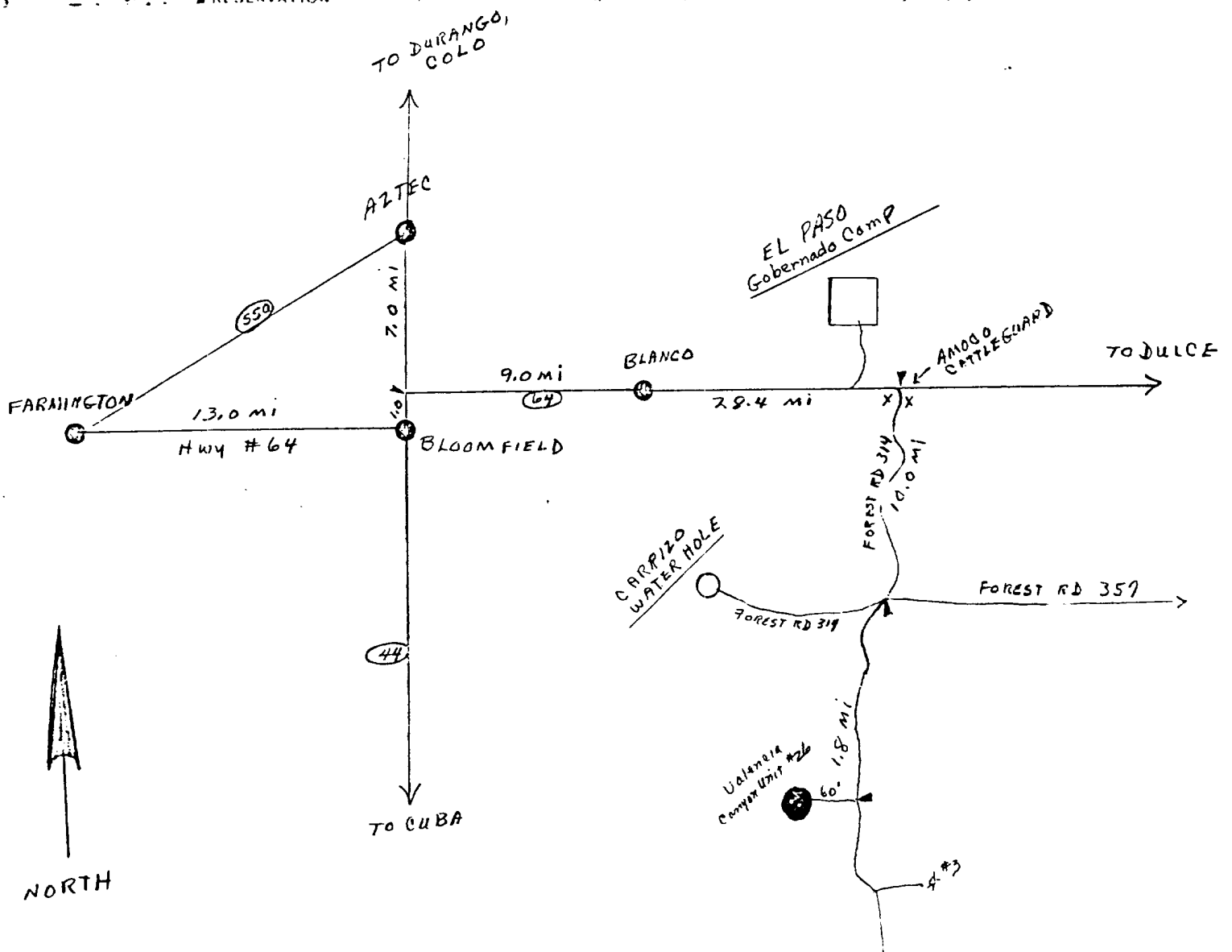
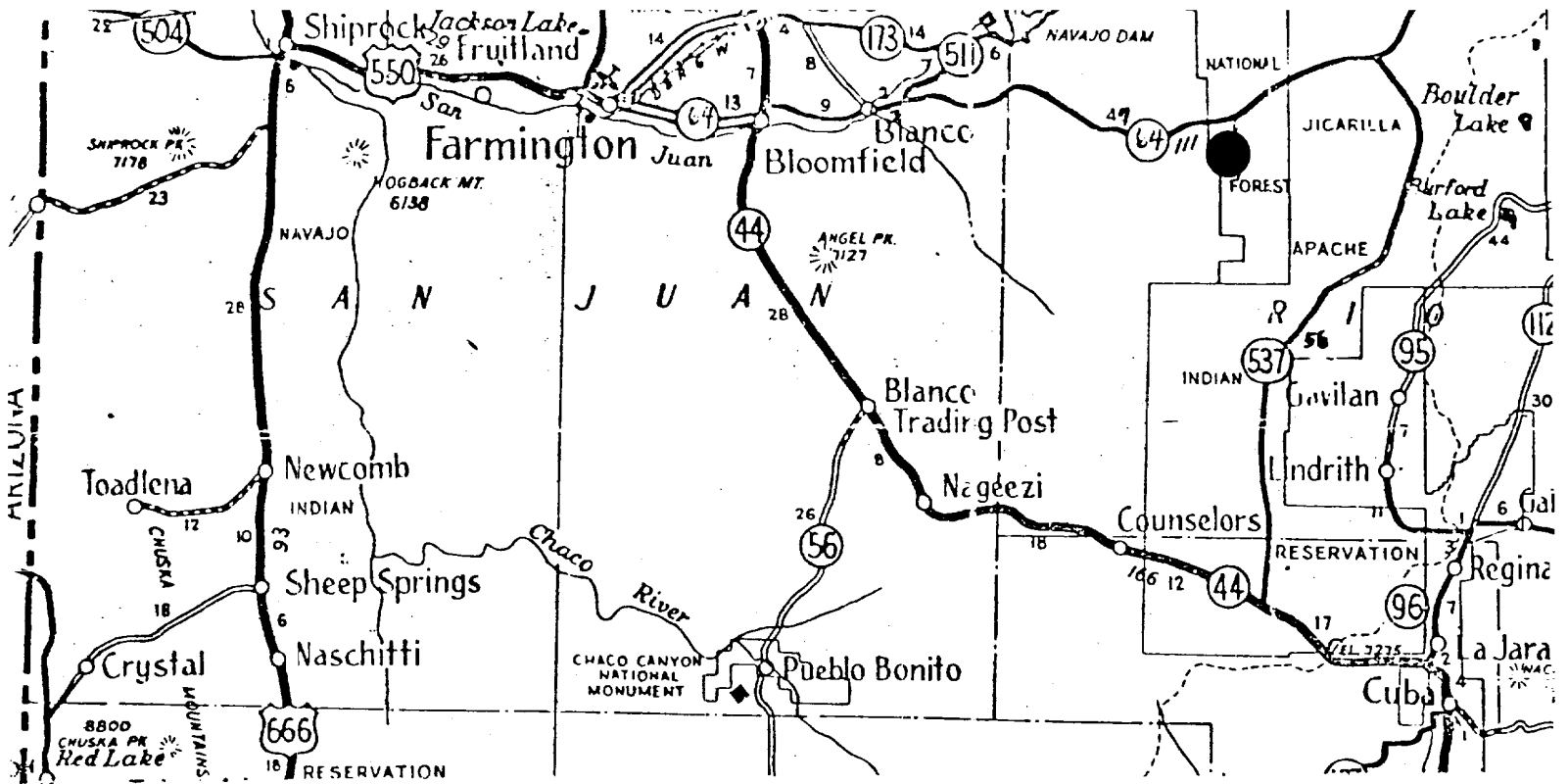
BLOWOUT PREVENTER HOOKUP

MULTI-POINT SURFACE USE PLAN

VALENCIA CANYON UNIT NO. 26
1160' FNL & 1140' FWL, SECTION 22, T-28-N, R-4-W
RIO ARriba COUNTY, NEW MEXICO

1. The attached road map and sketch show the proposed route to the location and distances from towns.
2. A new access road of approximately 60 feet will be built as shown on the attached vicinity map.
3. Existing oil and gas wells within a one-mile radius of our proposed well have been spotted on the vicinity map.
4. There is a 300-barrel storage tank and facilities located at Valencia Canyon Unit No. 3 which is spotted on the vicinity map.
5. Water will be hauled from Carrizo Wash or from the El Paso water hole approximately 10 miles on existing roads.
6. No new construction materials will be hauled in for this location.
7. Excess mud will be hauled out of the reserve pit and bladed into existing roads. The Forest Ranger will be notified before mud is bladed into roads.
8. There are neither airstrips nor camps in the vicinity.
9. The well site layout, reserve, burn and trash pits are shown on the attached Drill Site Specification Sheet. A cut of approximately 6 feet will be made on the northeast corner of location.
10. Restoration of the surface will be accomplished by cleaning up and leveling upon completion of the well. Reseeding of the site will be carried out as detailed in the attached Seeding Plan.
11. The general topography and soil characteristics are a sandy-clay with vegetation of rabbit bush, blue gramma grass, sage brush with no trees on the location. The site is on the edge of a flat meadowy area.

Representatives of the U. S. Geological Survey and U. S. Forest Service have inspected the site and found it suitable for drilling. No cultural resources were found when inspected by Ms. Suzanne DeHoff, Archaeologist.
12. A Certification Statement by Amoco's representative is included.

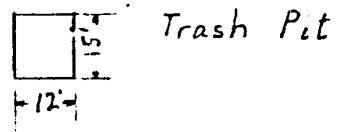
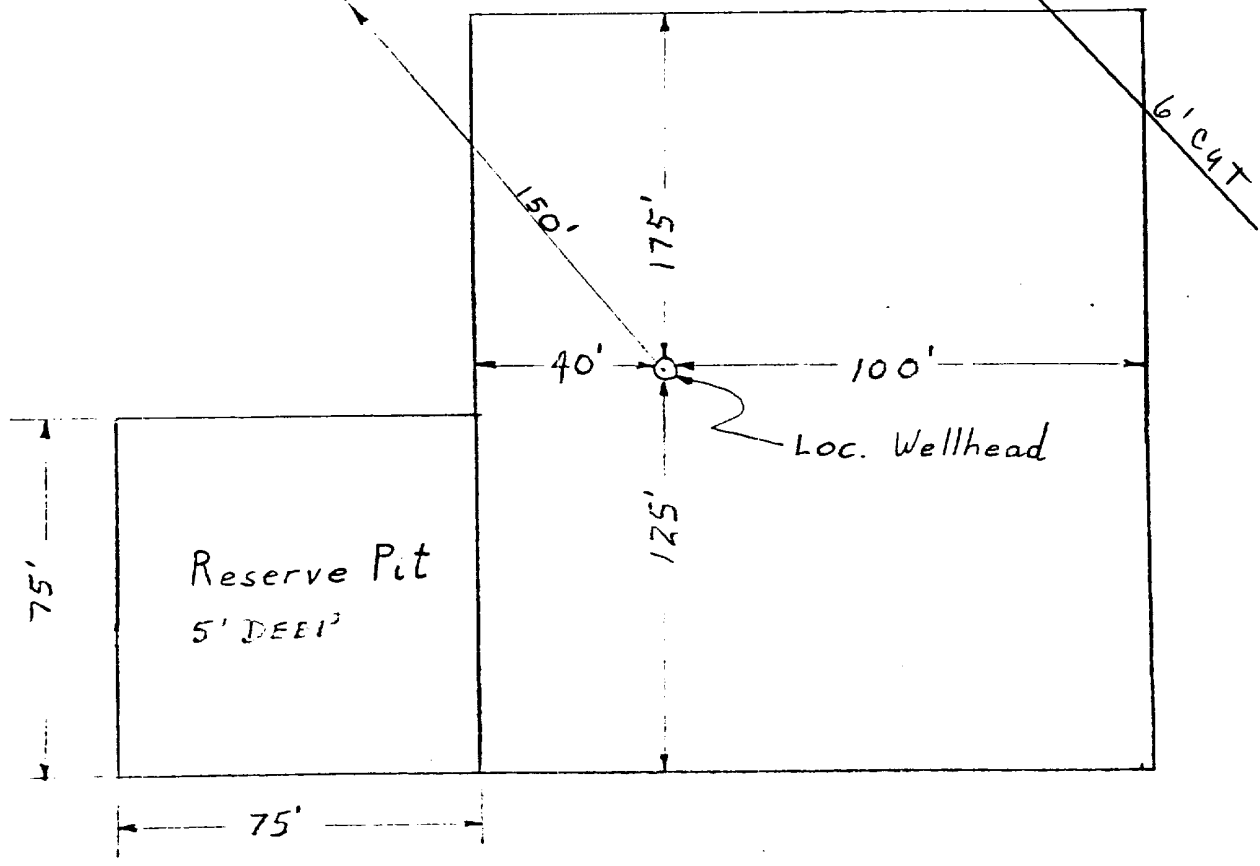
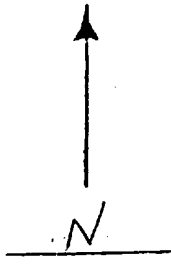
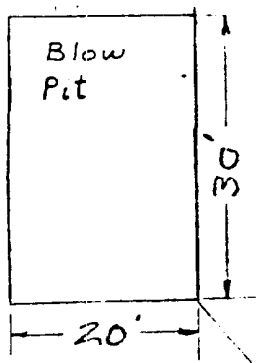


FARMINGTON AREA TRAFFIC SKETCH
 DENVER DIVISION
 VALENCIA CANYON UNIT NO. 26
 RIO ARRIBA COUNTY, NEW MEXICO
 AMOCO WI: 100%

Rail Point, Aztec - 56.2 miles
 Mud Point, Aztec - 56.2 miles
 Cement Point, Farmington - 63.2 miles



Vicinity Map for
AMOCO PRODUCTION CO. #26 Valencia Canyon Unit
1160'FNL 1140'FWL Sec 22-T28N-R1W
Rio Arriba County, New Mexico



— APPROXIMATELY 1.2 Acres —

| | | |
|--|--|-------------|
| Amoco Production Company | | SCALE: NONE |
| DRILLING LOCATION SPECS VALENCIA CANYON UNIT NO. 26 | | DRG. NO. |

SEEDING PLAN

1. TIME:

All seeding will take place between July 1, and September 15, 1978, or as required by the U. S. Forest Service.

2. EQUIPMENT:

Seeding will be done with a disc-type drill with two boxes for various seed sizes. The drill rows will be eight to ten inches apart. The seed will be planted not less than one-half inch deep or more than one inch deep. The seeder will be followed with a drag, packer, or roller to insure uniform coverage of the seed, and adequate compaction. Drilling will be done on the contour where possible, no up and down the slope. Where slopes are too steep for contour drilling, a "cyclone" hand seeder or similar broadcast seeder will be used. Seed will then be covered to the depth described above by whatever means is practical.

3. SPECIES TO BE PLANTED IN POUNDS PURE-LIVE-SEED PER ACRE:

| | |
|----------------------|-----------|
| Crested Wheatgrass | 0.71 lbs. |
| Russian Wild Rye | 0.86 lbs. |
| Perennial Rye Grass | 0.57 lbs. |
| Western Wheatgrass | 1.43 lbs. |
| Smooth Brome | 1.14 lbs. |
| Intermediate Wheat | 0.91 lbs. |
| Pubescent Wheatgrass | 1.09 lbs. |
| Orchard Grass | .298 lbs. |

VALENCIA CANYON UNIT NO. 26
1160' FNL x 1140' FWL, SECTION 22, T-28-N, R-4-W
RIO ARriba COUNTY, NEW MEXICO

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 presently exist; that the statements made in this plan are, to be best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by AMOCO PRODUCTION
COMPANY and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

December 19, 1977

Date



Area Supt.

Name and Title

Amoco Production Company's Representative:

L. O. Speer, Jr.

Phone: Office: 505-325-8841; Home: 505-325-3247

Address: 501 Airport Drive
Farmington, NM 87401

**UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY**

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other _____

2. NAME OF OPERATOR
AMOCO PRODUCTION COMPANY

3. ADDRESS OF OPERATOR
501 Airport Drive Farmington, NM 87401

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.) 860' FSL x 1665' FWL, Section 15, AT SURFACE: T-28-N, R-4-W AT TOP PROD. INTERVAL: Same AT TOTAL DEPTH: Same

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| | |
|---|--------------------------|
| REQUEST FOR APPROVAL TO: | SUBSEQUENT REPORT OF: |
| TEST WATER SHUT-OFF <input type="checkbox"/> | <input type="checkbox"/> |
| FRACTURE TREAT <input type="checkbox"/> | <input type="checkbox"/> |
| SHOOT OR ACIDIZE <input type="checkbox"/> | <input type="checkbox"/> |
| REPAIR WELL <input type="checkbox"/> | <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | <input type="checkbox"/> |
| MULTIPLE COMPLETE <input type="checkbox"/> | <input type="checkbox"/> |
| CHANGE ZONES <input type="checkbox"/> | <input type="checkbox"/> |
| ABANDON* <input type="checkbox"/> | <input type="checkbox"/> |
| (other) <u>Spud & Set Casing</u> | |

5. LEASE NM 14916

6. IF INDIAN, ALLOTTEE OR TRIBE NAME _____

7. UNIT AGREEMENT NAME Valencia Canyon Unit

8. FARM OR LEASE NAME _____

9. WELL NO. 26

10. FIELD OR WILDCAT NAME Choza Mesa - Pictured Cliffs

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA NW/4 NW/4 Section 22, T-28-N, R-4-W

12. COUNTY OR PARISH Rio Arriba 13. STATE NM

14. API NO. 30-039-21594

15. ELEVATIONS (SHOW DF, KDB, AND WD) 7281' - GL, 7291' - KB

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Spudded 12-1/4" hole on 4/8/78. Drilled to 309'. Set 8-5/8" 24# K-55 casing at 305' with 250 sx Class "B" Neat. 12 sx circulated. Pressure tested casing to 600#; held OK.

Drilled 7-7/8" hole to a total depth of 4500'. Set 4-1/2" 10.5# K-55 casing at 4500' with 1075 sx Class "B". Circulated good cement.

Rig released 4/14/78.

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED E. E. SVOBODA TITLE Area Adm. Supvr. DATE 4/24/78

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

RECEIVED

APR 25 1978

U. S. GEOLOGICAL SURVEY
DURANGO, COLO.