Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

30-045-23784

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL [x] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL
OIL WELL [ ] GAS WELL [x] OTHER SINGLE ZONE [x] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR
Energy Reserves Group, Inc.

3. ADDRESS OF OPERATOR
P. O. Box 3280 Casper, Wyoming 82602

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
P
At proposed prod. zone 940'FNL & 950' FWL (NW/NW)

5. LEASE DESIGNATION AND SERIAL NO.
SF-078019

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
E. H. Pipkin

9. WELL NO.
9E

10. FIELD AND POOL, OR WILDCAT
Basin Dakota

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 35, T28N-R11W

12. COUNTY OR PARISH
San Juan

13. STATE
N. Mexico

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approx. 6 miles South of Bloomfield, N. M.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 950'

16. NO. OF ACRES IN LEASE 2560

17. NO. OF ACRES ASSIGNED TO THIS WELL ~~160~~ (320)

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3000'

19. PROPOSED DEPTH 6300'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
5748' GR *ungraded)

22. APPROX. DATE WORK WILL START*
Sept, 1979

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12¼"	8 5/8"	20#	530'	Cement to surface
7 7/8"	4½"	10.5#	6300'	500 sx

Energy Reserves Group Inc. proposes to drill the above referenced well with rotary tools from surface to T.D. Proposed zone of completion is the Basin Dakota @ 6140'.

gas is dedicated

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 William J. Thomas TITLE Field Services Adminstrator DATE August 22, 1979

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Additional well control pursuant to New Mexico Oil Conservation effective Sept 1, 1979. ok Frank

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-78

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

Operator	Lease	Well No.
ENERGY RESERVES GROUP	E. H. PIPKIN	9E

Unit Letter	Section	Township	Range	County
D	35	28N	11W	San Juan

Actual Footage Location of Well:
940 feet from the North line and 950 feet from the West line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
5748	Dakota	Basin Dakota	~~160~~ (320) Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

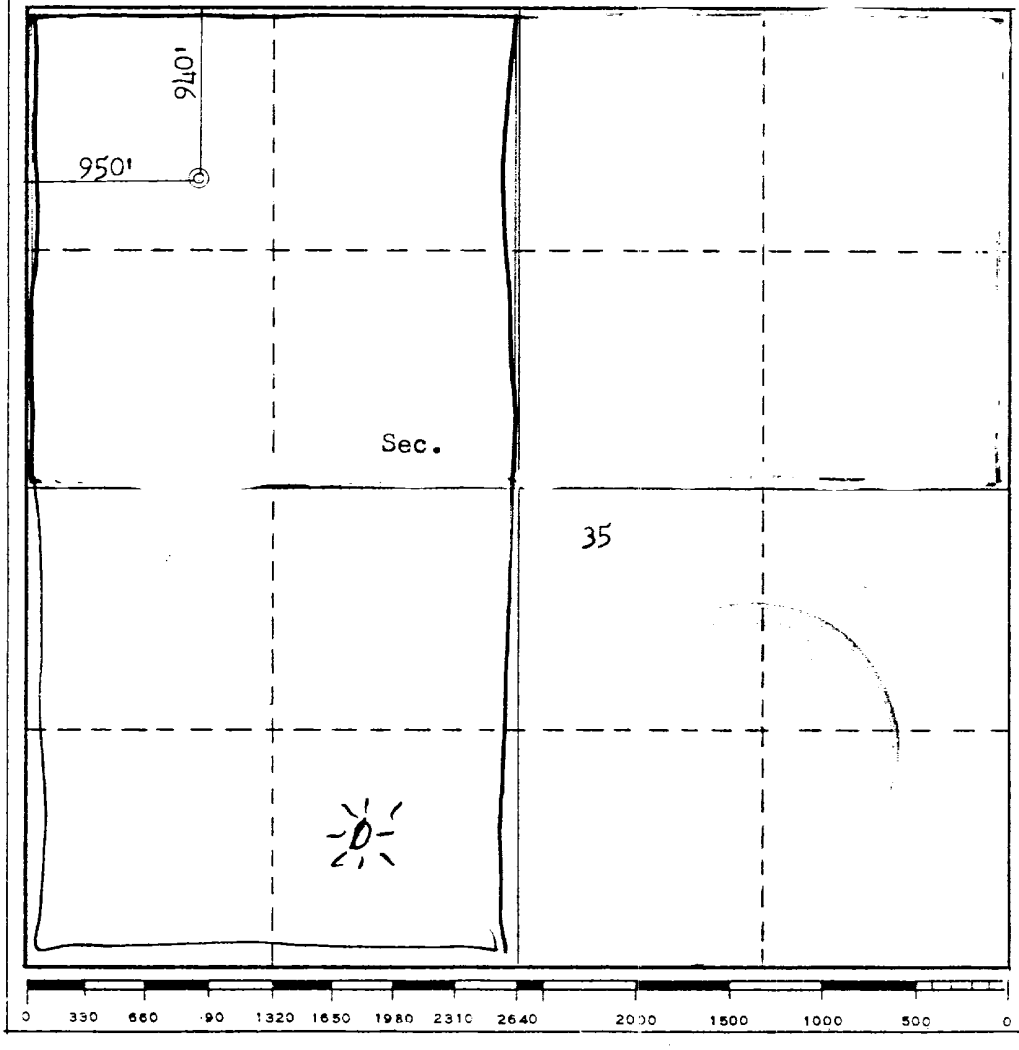
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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.

Name
William Stevens

Position
Field Services Administrator

Company
Energy Reserves Group

Date
August 22, 1979

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
August 17, 1979

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

Certificate No.
3950

REGISTERED LAND SURVEYOR
STATE OF NEW MEXICO
FRED B. KERR, JR.

Supplemental to Form 9-331C

1. The geologic name of the surface formation.

   Nacimiento

2. The estimated tops of important geologic markers.

Ojo Alamo	*510'*	*Gallup*	*5230'*
Kirtland	*535'*	*Greenhorn*	*6005'*
Pictured Cliffs	*1670'*	*Dakota*	*6140'*
Cliff House	*3185'*	*T.D.*	*6300'*
Pt. Lookout	*4025'*		
Mancos	*4340'*		

3. The estimated depths at which anticipated water, oil, gas, or other mineral-bearing formations are expected to be encountered.

   Ojo Alamo @ 510 is expected to be water bearing.
   Kirtland 535-4025' possible gas.
   Pt. Lookout 535-4025' possible gas.
   Gallup @ 5230' possible oil.
   Dakota @ 6140' primary - gas.

4. The proposed casing program, including the size, grade, and weight-per-foot of each string and whether new or used.

   8 5/8" K-55 20# NEW

   4½" K-55 10.5# NEW

5. The lessee's or operator's minimum specifications for pressure control equipment which is to be used, a schematic diagram thereof showing sizes, pressure ratings (or API series), and the testing procedures and testing frequency.

   A 10" series 900 dual ram hydraulic BOP will be used. It will be tested to 800 PSI after installation and prior to drilling out from under surface casing. The BOP will be operated on each trip.

6. The type and characteristics of the proposed circulating medium or mediums to be employed for rotary drilling and the quantities and types of mud and weighting material to be maintained.

   A fresh water base chemical gel mud will be used for drilling operations. Adequate supplies will be on location to handle minor lost circulation & blow out prevention.

7. The auxiliary equipment to be used, such as (1) kelly cocks, (2) floats at the bit, (3) monitoring equipment on the mud system, (4) a sub on the floor with a full opening valve to be stabbed into drill pipe when the kelly is not in

8. The testing, logging, fracing, and coring programs to be followed with provision made for required flexibility.

No coring is planned. No DST's are planned. Logs will consist of DIL, Density-Neutron Gamma Ray. Fracing will consist of 100,000 gal gel water & 250,000# 20-40 sand.

9. Any anticipated abnormal pressures or temperatures expected to be encountered or potential hazards such as hydrogen sulfide gas, along with plans for mitigating such hazards.

No abnormal pressures or temperatures are anticipated. H_2O is not a problem in this area.

10. The anticipated starting date and duration of the operations.

It is planned to commence operations as soon as regulatory approval is obtained. It is estimated that it will take 15-20 days to drill, log, complete & test this well.

MULTI-POINT SURFACE USE PLAN

1. EXISTING ROADS

A-E See attached map

F Exisitng roads in the area are presently maintained by Energy Reserves Group, Inc. and El Paso Natural Gas Company, and Southern Union Refinery Company. No improvements are necessary.

2. PLANNED ACCESS ROADS

(1) Maximum width will be a 20' running surface
(2) Maximum grade will be 10% or less
(3) No turn outs are planned
(4) Drainage will be installed as per BLM recommendations
(5) Several substantial cut fills will be necessary in constructing the access road.
(6) No surfacing is planned
(7) No gates, cattleguards, or fence cuts are needed. Approximatley 3000' of new road will be required.

3. LOCATION OF EXISITNG WELLS

See attached topo map
There are numerous producing wells in the area. The proposed wells are 160 acres offset to the existing Energy Reserves Group, Inc. Basin Dakota Wells.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

(Existing)

A. See attached map
(1) tank batteries are located @ each well site
(2) production facilities consisting of a separator and delay unit are located at each well site.
(3) There are no oil gathering lines
(4) Gas is sold to Southern Union Refinery Company at the well head. Gathering lines shown belong to Southern Union.
(5) NA
(6) NA
All lines are buried

B. (Proposed)
(1,2) See attached plat
(3) Standard oil field type construction methods will be used. No outside construction materials will be needed.
(4) All pits and rotating machinery will be fenced or guarded so as to protect any livestock or wildlife.

C. REHABILITATION

Those area no longer needed after drilling and completion operations will be re-contoured and reseeded as per BLM recommendations.

5. LOCATION & TYPE OF WATER SUPPLY

A. Water will be obtained from the Kutz Wash located nearby or the San Juan River near Bloomfield
B. Water will be hauled by truck over existing roads
C. No water wells are planned

6. SOURCE OF CONSTRUCTION MATERIALS

No construction materials are necessary

7. METHODS OF HANDLING WASTE DISPOSAL

(1,2,3,4,5) Cuttings, drilling fluids and produced water will be contained in the reserve pit. Any oil produced will be put into tanks. A portable toilet will be used during drilling and completion operations. Garbage and other waste material will be placed in a deep trash pit and buried.

(6) Upon completion of operations the location will be policed up and all trash and garbage placed in the trash pit. The pit will then be covered to prevent scattering. The reserve pit will be fenced and allowed to dry. After drying it will be backfilled and recontoured to as near its original contour as possible.

8. ANCILLARY FACILITIES

No camps or air strips are planned

9. WELL SITE LAYOUT

See attached plat

10. PLANS FOR RESTORATION OF THE SURFACE

See 7. (6)

If drilling results in a dry hole or failure, the entire disturbed area including access road will be recontoured and reseeded as per BLM recommendations. The location rehabilitation will commence as soon as the pit has sufficiently dried to allow back-filling.

11. OTHER INFORMATION

The area is generally high desert type country. Erosion is excessive in the area due to lack of vegetative cover and erosive soils. Much erosion is evident along the Kutz Wash, especially along the west side. Vegetation is sparse, consisting of Juniper Trees, scrub sage, and assorted native grasses. Wildlife found in the area includes mule deer, coyotes, rabbits, and other small birds and rodents. The surface is public domain under the Administration of the Bureau of Land Management. Rabbit hunting and sight-seeing are the two possible surface use activities in the area. The N.A.P.I. Irrigation Canal runs through the general area. Kutz Wash is the closest natural stream. There are no occupied dwellings in the immediate vicinity. An Archaeological Inspection has been planned.

12. LESSEE'S OR OPERATOR'S REPRESENTATIVES

The below listed personnel will be responsible for assuring compliance with the approved surface use plan.

Mr. T.C. Durham
P.O. Box 977
Farmington, New Mexico 87401
Home: 505-325-7978
Office: 505-327-1639
Mobil: 505-325-1873 #539

Mr. Harland Gould
4804 Linda Lane
Farmington, New Mexico 87401
Home: 505-325-2235
Office: 505-334-6200
Mobil: 505-325-0474

Mr. Bill Fiant
P.O. Box 3280
Casper, Wyoming 82602
Home: 307-265-2529
Office: 307-265-7331

13. CERTIFICATION

See attached

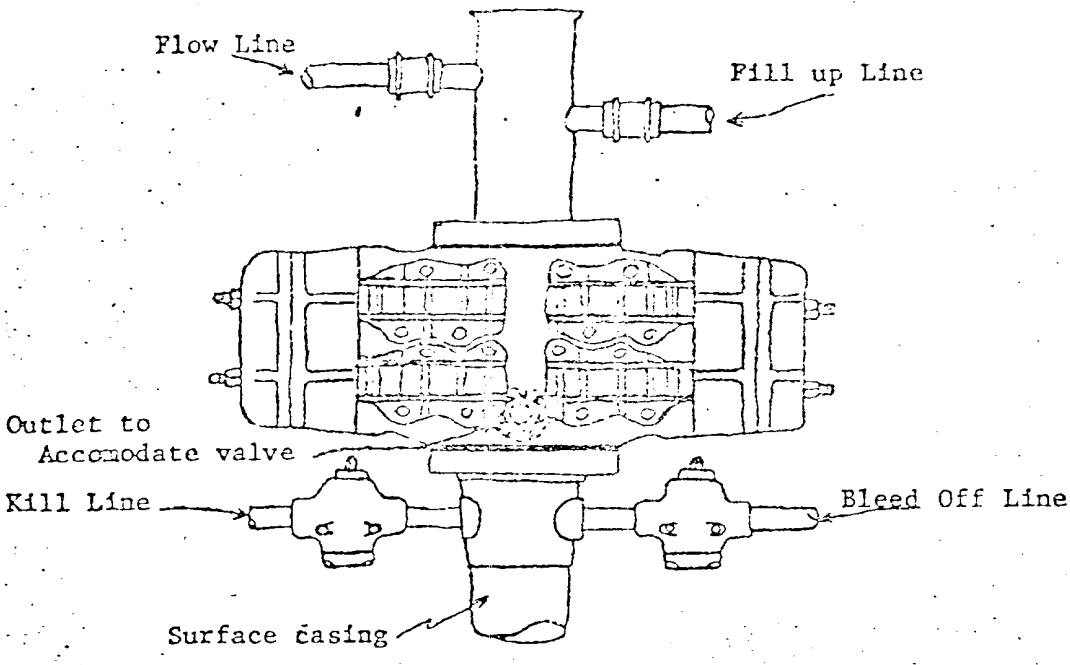
CERTIFICATION

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 the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by JACK FRITZ and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

William J. Yuan

Aug 23, 1979
Date

ENERGY RESERVES GROUP, INC.
FIELD SERVICES ADMINISTRATOR
Name and Title



Blowout preventer is Shaffer double hydraulic equipped with drill pipe rams in the top and blind rams in the bottom.

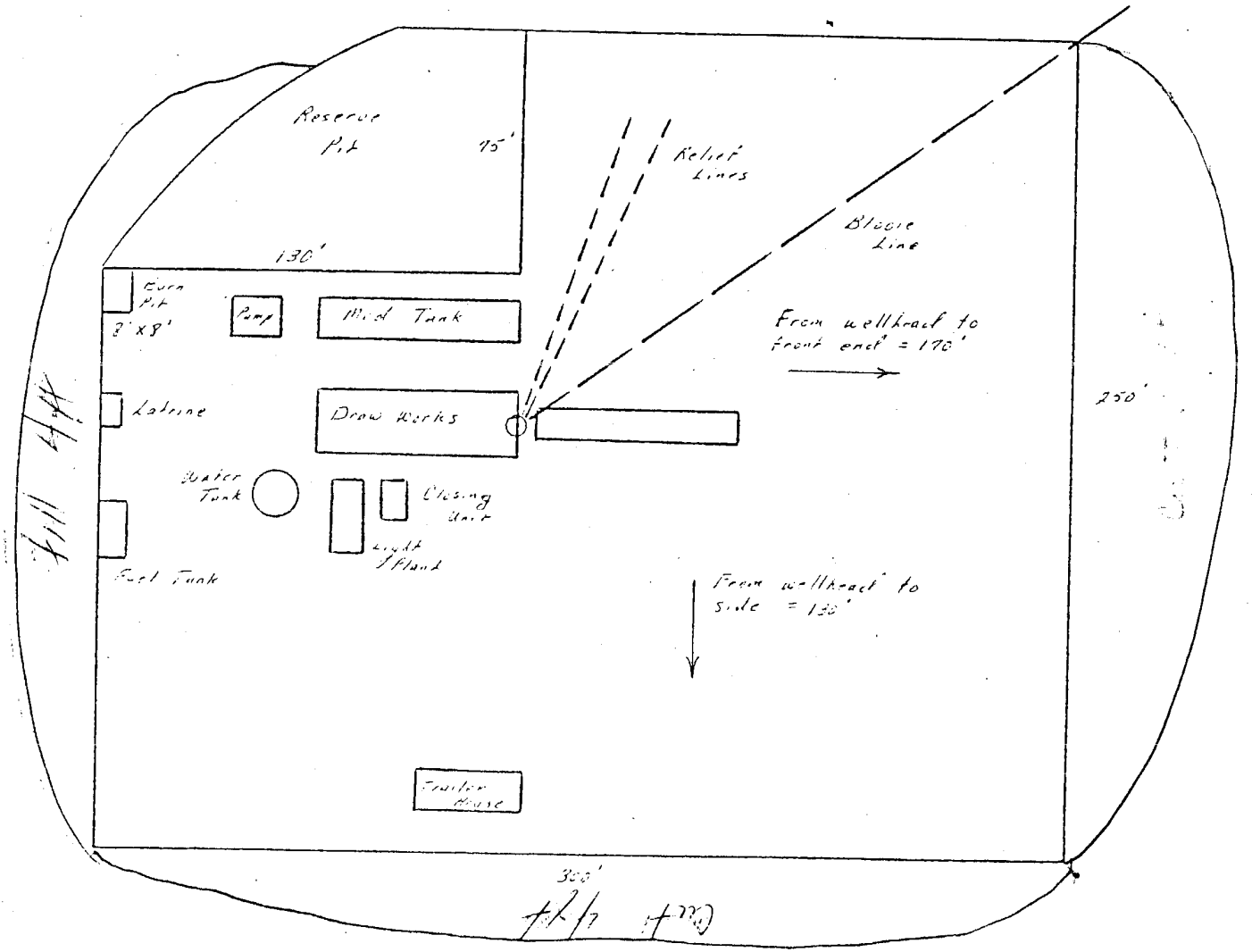
Blowout preventer closing unit is Koomey 30 gallon accumulator unit.

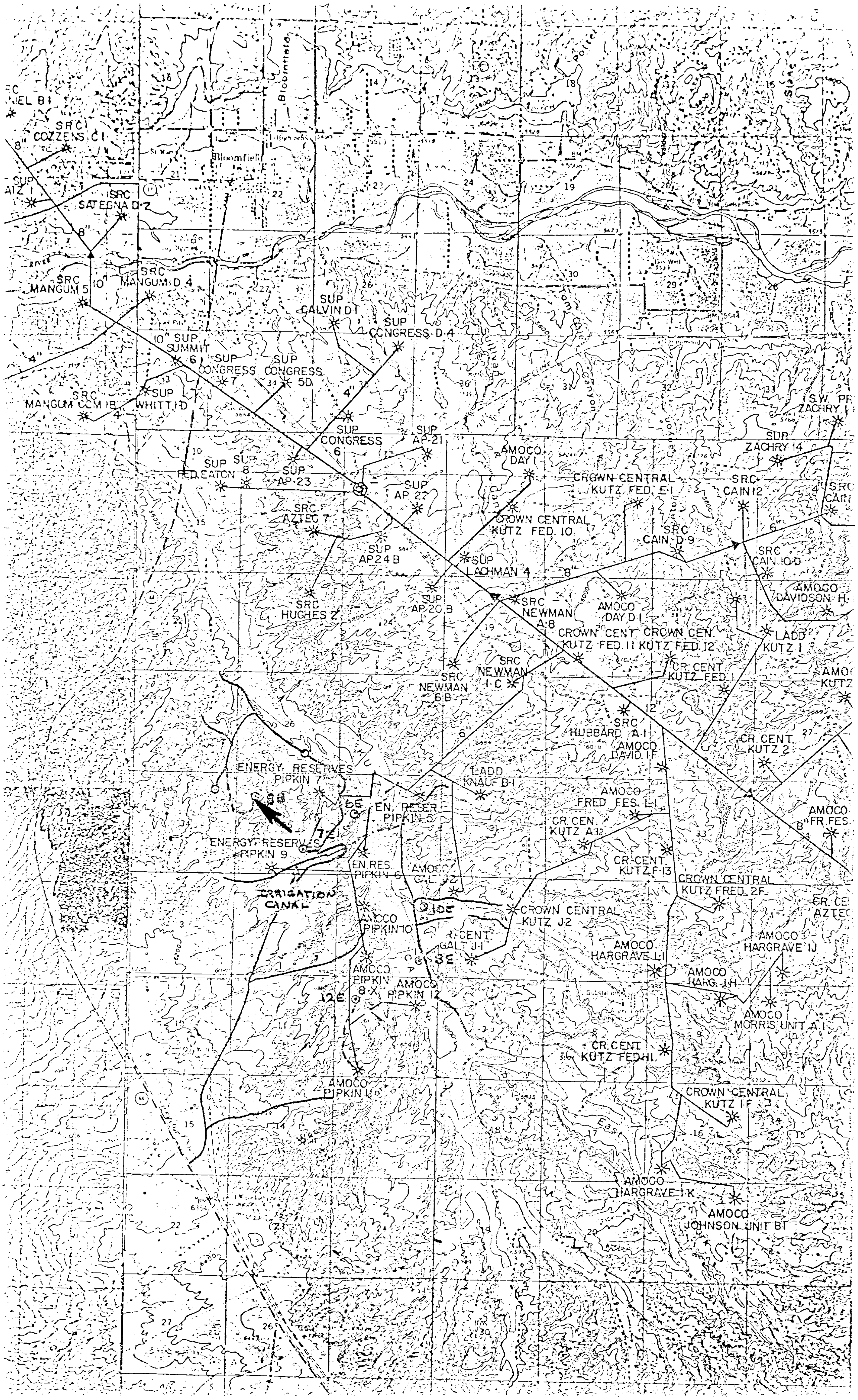
When choke manifold is used, it will be installed downstream from bleed off valve.

Kill line or bleed off line may be installed at flanged opening in blowout preventer.

E. H. Pipkin # 18

Typical Location Plat for Mesa Verde and Dakota Wells





Bloomfield
SRC COZZENS C1
SUP AIZ 1
SRC SATEGNA D-2
SRC MANGUM 5
SRC MANGUM D-4
SUP CALVIN D1
SUP CONGRESS D-4
10" SUP SUMMIT 6
SUP CONGRESS 7
SUP CONGRESS 5D
SRC MANGUM CCM 1B
SUP WHITT 1D
SUP CONGRESS 6
SUP AP-21
SUP FED EATON
SUP 8
SUP AP-23
SUP AP 22
SRC AZTEC 7
SUP AP24 B
SRC HUGHES 2
SUP AP-20 B
SUP LACHMAN 4
AMOCO DAY 1
CROWN CENTRAL KUTZ FED. E-1
CROWN CENTRAL KUTZ FED. 10
SRC CAIN 12
SRC CAIN D-9
SRC CAIN 10-D
SUP ZACHRY 14
S.W. PR ZACHRY
SRC NEWMAN A-8
AMOCO DAY D1
AMOCO DAVIDSON H
CROWN CENT. KUTZ FED. 11
CROWN CEN. KUTZ FED. 12
LADD KUTZ 1
CR. CENT. KUTZ FED. 1
SRC NEWMAN 6B
SRC NEWMAN 1-C
SRC HUBBARD A-1
AMOCO DAVID 1F
CR. CENT. KUTZ 2
ENERGY RESERVES PIPKIN 7
LADD KNAUF B-1
EN. RESER PIPKIN 5
AMOCO FRED FES. L-1
AMOCO FR. FES.
CR. CEN. KUTZ A12
ENERGY RESERVES PIPKIN 9
EN. RES. PIPKIN 6
AMOCO GAL J2
CR. CENT. KUTZ F-13
CROWN CENTRAL KUTZ FRED. 2F
IRRIGATION CANAL
AMOCO PIPKIN 10
CR. CENT GALT J-1
CROWN CENTRAL KUTZ J-2
AMOCO HARGRAVE L-1
AMOCO HARGRAVE 1J
AMOCO PIPKIN 8-X
AMOCO PIPKIN 12
AMOCO HARG. 1-H
AMOCO MORRIS UNIT A-1
CR. CENT KUTZ FED H1
AMOCO PIPKIN 11
CROWN CENTRAL KUTZ 1-F
AMOCO HARGRAVE 1-K
AMOCO JOHNSON UNIT B1
6S
7E
3-10E
8E
12E

RECEIVED
SEP 1979
RMs CASPER

Well Name E. H. Pipkin #9-E

Location NW 35-28-11

Formation Dakota

We, the undersigned, have inspected this location and road.

U. S. Forest Service — Date

Donald Ford — Archaeologist — Date 8/29/79

Bureau of Indian Affairs Representative — Date

Bureau of Land Management Representative — Date 9/28/79

U. S. Geological Survey Representative — Date 8-26-79

Seed Mixture: 2

Equipment Color: Brown

Road and Row: (Same) or (Separate)

Remarks: