

30-039-24820

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work Drill		5. Lease Number NM-18316	
1b Type of Well Gas		6. If Indian, Name of Allottee or Tribe	
2. Operator FALCON SEABOARD GAS COMPANY		7. Unit Agreement Name	
3. Address & Phone No. of Operator c/o A. R. Kendrick Box 516, Aztec, NM 87410 (505) 334-2555		8. Farm or Lease Name 29-4 Carson 11	
4. Location of Well (Unit H) 1650' FNL 970' FEL		9. Well Number 1	
14. Distance in Miles from Nearest Town 15 Miles southwest of Dulce, NM		12. County Rio Arriba	13. State New Mexico
15. Distance from Proposed Location To Nearest Property Line or Lease Line. 970'	16. Acres in Lease 640 Acres	17. Acres Assigned to Well E-320 Acres	
18. Distance From Proposed Location To Nearest Well Dr., Compl., Or Applied For On Lease. 122.8'	19. Proposed Depth 3975'	20. Rotary or Cable Tools Rotary <small>DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".</small>	
21. Elevations (DR, RT, GR, Etc.) 7050' GR		22. Approximate Date Work Will Start. As soon as Possible.	

23. Proposed Casing and Cementing Program

Exhibits attached as follows:

- "A" Location and Elevation Plat
- "B" Ten-Point Compliance Program
- "C" Blowout Preventer Schematic
- "D" Multi-Point Requirements for APD
- "E" Vicinity Map - Access Roads
- "F" Drill Rig Layout
- "G" Completion Rig Layout
- "H" Location Profile
- "I" Production Facility Schematic

24. Signed *A.R. Kendrick* Title _____ Agent _____ Date 4-5-90

Permit No. _____ Approval Date JUL 9 1990

Approved By: *[Signature]* Title _____ **OIL CON. DIV. 3** Date JUL 06 1990

AREA MANAGER

RECEIVED

NOTE: THIS FORMAT IS ISSUED IN LIEU OF U.S. BLM FORM 3160-5

NMOCD

Submit to Appropriate District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

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

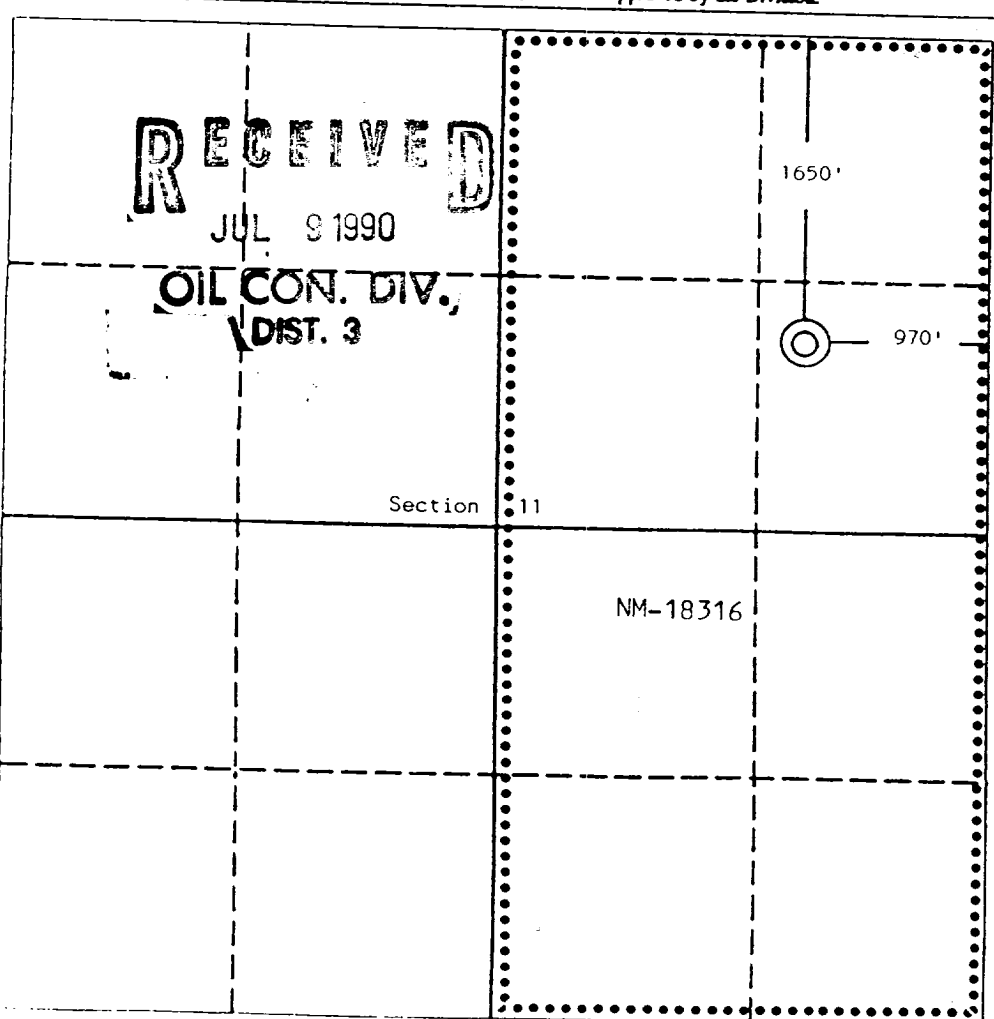
WELL LOCATION AND ACREAGE DEDICATION PLAT
 All Distances must be from the outer boundaries of the section

Operator Falcon Seaboard Gas Company			Lease 29-4 Carson 11		Well No. 1
Unit Letter H	Section 11	Township 29 North	Range 4 West	County Rio Arriba	

Actual Footage Location of Well:
 1650 feet from the North line and 970 feet from the East line

Ground level Elev. 7050	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal Gas Pool	Dedicated Acreage: 320 Acres
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- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



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

Signature: *A. R. Kendrick*
 Printed Name: A. R. Kendrick
 Position: Agent
 Company: Falcon Seaboard Gas Company
 Date: 4-5-90

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 knowledge and belief.

Date Surveyed: March 22, 1990

Signature & Seal of Professional Surveyor:

 Edgar L. Risenhoover
 License No. 5990

A

TEN-POINT COMPLIANCE PROGRAM

Falcon Seaboard Gas Company
29-4 Carson 11 #1
1650' FNL 970' FEL Sec. 11-29N-4W
Rio Arriba County, New Mexico
Lease No. **18316**

1. THE GEOLOGICAL SURFACE FORMATION IS: Nacimiento.
2. THE ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

OJO ALAMO	3170'
KIRTLAND	3379'
FRUITLAND	3514'
PICTURED CLIFFS	3675'
T.D.	3975'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:

<u>SUBSTANCE</u>	<u>FORMATION</u>	<u>ANTICIPATED DEPTH</u>
GAS	Fruitland Coal	3514'

4. THE PROPOSED CASING PROGRAM WILL BE AS FOLLOWS:

<u>DEPTH</u>	<u>HOLE SIZE</u>	<u>O.D.</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>TYPE</u>	<u>NEW/USED</u>
0-250'	12-1/4"	8-5/8"	24	K-55	ST&C	NEW
0-TD	7-7/8"	5-1/2"	15.5	J-55	ST&C	NEW

THE PROPOSED CEMENT PROGRAM WILL BE AS FOLLOWS:

Surface: 200 Sx Class B with 1/4 pound/sack Flocele Plus 3% CaCl.

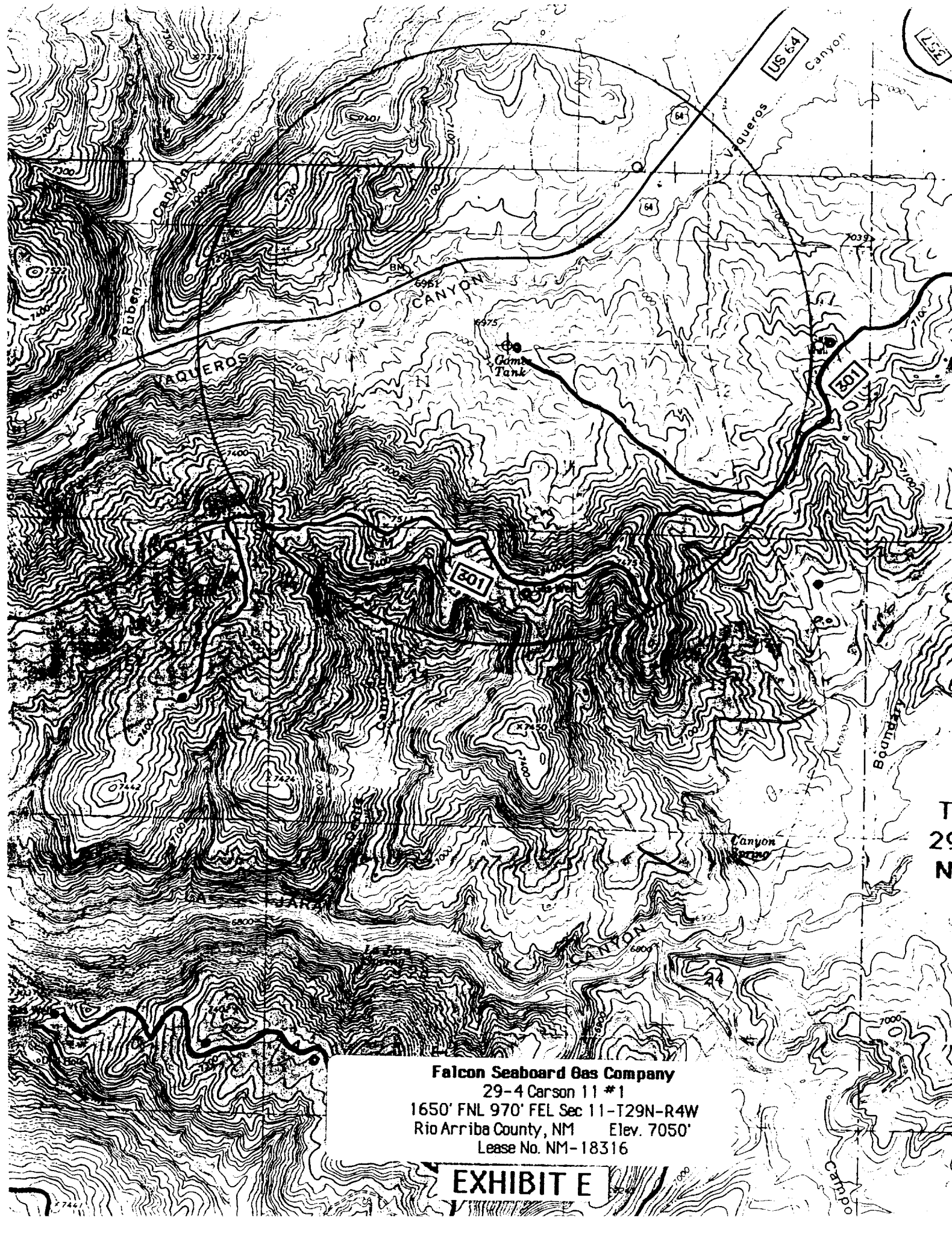
Production: 350 Sx Class B w/3% Sodium meta silicate followed by 150 Sx Class B 50/50 poz w/2% gel.

Note: Sufficient cement volume to cover casing bottom to top to be determined after logging.

5. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

Exhibit C is a schematic of the blowout preventer used by a local contractor for other wells in the area. The BOPs are to be test-operated before drilling out from under the surface casing, and operation checks will be made daily thereafter and recorded in the Daily Drilling Report. Accessories to BOP will include floor safety valve and choke manifold with pressure rating equivalent to the BOP stack.

EXHIBIT B



Falcon Seaboard Gas Company
29-4 Carson 11 #1
1650' FNL 970' FEL Sec 11-T29N-R4W
Rio Arriba County, NM Elev. 7050'
Lease No. NM-18316

EXHIBIT E

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