

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

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

1700' FNL & 1650' FWL

At proposed prod. zone

(SE/NW)

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

6 Miles East and 2 miles South of Farmington, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1800'

16. NO. OF ACRES IN LEASE

Unitized

19. PROPOSED DEPTH

1600'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

20. ROTARY OR CABLE TOOLS

Rotary

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

5369 GR (Ungraded)

22. APPROX. DATE WORK WILL START*

Nov - Dec. 1979

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#	120' - 200'	Cmt. to surface
6-3/4"	4 1/2"	9.5#	1600'	250 Sx.

Energy Reserves Group, Inc. proposes to drill the above referenced well with rotary tools from surface to T.D. The anticipated zone of completion is the Pictured Cliffs Formation. No DST's are planned. Copies of all logs run will be furnished upon completion of the well. It is planned to drill 12 1/4" hole 120'-200' maxium, set 8-5/8", 24# casing to that depth. Drill 6-3/4" hole to T.D. And set 4 1/2", 9.5# casing.

RECEIVED

NOV 19 1979

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

gas limited



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. Gies

TITLE

Field Services Administrator

DATE

11-12-79

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

ok Smith

NMOCC

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

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

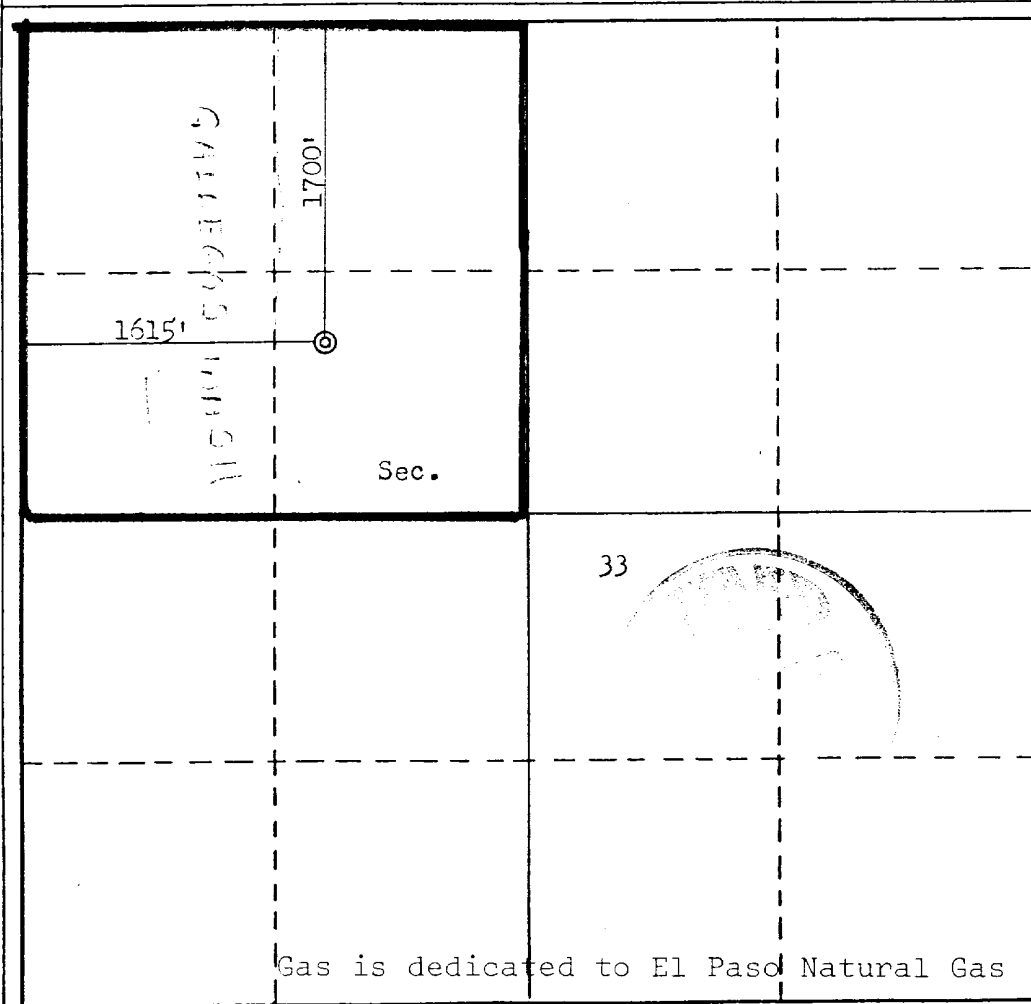
Operator ENERGY RESERVES GROUP			Lease GALLEGOS CANYON UNIT		Well No. 303
Unit Letter F	Section 33	Township 29N	Range 12W	County San Juan	
Actual Footage Location of Well: 1700 feet from the North line and 1615 feet from the West line					
Ground Level Elev. 5369	Producing Formation Pictured Cliffs	Pool West Kutz 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.

Name

Position

Field Services Administ.

Company

Energy Reserves Group

Date

11-12-79

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

October 8, 1979

Registered Professional Engineer
and/or Land Surveyor

Fred A. Kerr, Jr.

Certificate No.

3950

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

Supplemental to Form 9-331C

1. The geologic name of the surface formation.

Nacimiento

2. The estimated tops of important geologic markers.

Ojo Alamo	100'
Fruitland	1000'
Pictured Cliffs	1300'
T.D.	1600'

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

The Pictured Cliffs Formation @1300-1600 feet is expected to be gas productive.

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

8-5/8"	24#	@120-200 feet	Cement to surface
4 1/2"	9.5#	@1600 feet	Cement to surface

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.

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 probably be IES only. Nitrogen-water (foam) fracing consisting of approximately 20,000 gal. of 70% quality foam with 25,000# 10-20 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. H₂S is not a potential problem in the area.

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

It is planned to commence operations as soon as regulatory approval has been received and a rig can be obtained. It is anticipated it will take 3-4 days to drill and log this well.

ENERGY RESERVES GROUP, INC.

MULTI-POINT SURFACE USE PLAN

1. EXISTING ROADS

Go east from Farmington 6½ miles, turn south for approximately 2 miles.

2. PLANNED ACCESS ROADS

Approximately ¼ mile of new access road will be required.

3. LOCATION OF EXISTING WELLS

See Attachments

4. LOCATION OF Existing and/or Proposed Facilities

A. (1) None anticipated

(2) A separator may be required if well produces fluid.

(3) N.A.

(4) If the well is a producer, El Paso Natural Gas Company will install gathering line under a right-of-way permit.

(5) N.A.

(6) N.A.

B. If the well is productive, all facilities will be within the disturbed area. A small pit (20' X20') may be required if any water is produced. The pit will be fenced w/sheep wire to protect livestock and wildlife.

C. If the well is productive, the reserve pit will be fenced and allowed to dry up. As soon as it is dry, it will be filled and the area restored to its original contour. All trash and debris will be removed.

If the well is dry, the pit will be fenced and allowed to dry. The location and access road will be recontoured and reseeded as per BLM specifications.

5. LOCATION AND TYPE OF WATER SUPPLY

Water will be hauled by truck, probably from Well 257 injection facilities.

6. SOURCE OF CONSTRUCTION MATERIALS

None anticipated.

7. METHODS FOR HANDLING WASTE DISPOSAL

(1&2) All cuttings and drilling fluids will be contained in the reserve pit.

(3) Produced fluids, if any, will be contained in portable tanks, unless it is good water which will be directed into the pit and allowed to evaporate or soak into the ground.

(4) A portable toilet will be used during drilling and completion operations

(5) All trash will be buried in a small trash pit along side of the reserve pit.

(6) See item 4,C.

8. ANCILLARY FACILITIES

None required.

9. WELL SITE LAYOUT

(1) See attachment

(2) See attachment

(3) See attachment

(4) It is not planned to line any pits.

10. PLANS FOR RESTORATION OF SURFACE

Upon completion of the well, the reserve pit will be fenced and allowed to dry. Any accumulation of oil will be skimmed off the pit and trucked to a disposal site.

The disturbed area will be recontoured to its original contour and reseeded as per BLM's recommendations. It is planned to commence rehabilitation as soon as the pit has dried and weather permits.

11. OTHER INFORMATION

(1) The area is generally rolling hills near the well site. The soil is composed mostly of sand with only sparse vegetation. Sage brush, cactus and assorted native grasses. Wildlife consists of rodents and birds.

(2) The surface is public land and is not presently used for any activity, ie: grazing, recreation, etc.

(3) The San Juan River is appx. 1½ miles north of the proposed well.

There was no evidence of any historical archaeological or cultural sites in the area to be disturbed.

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.

11-15-79

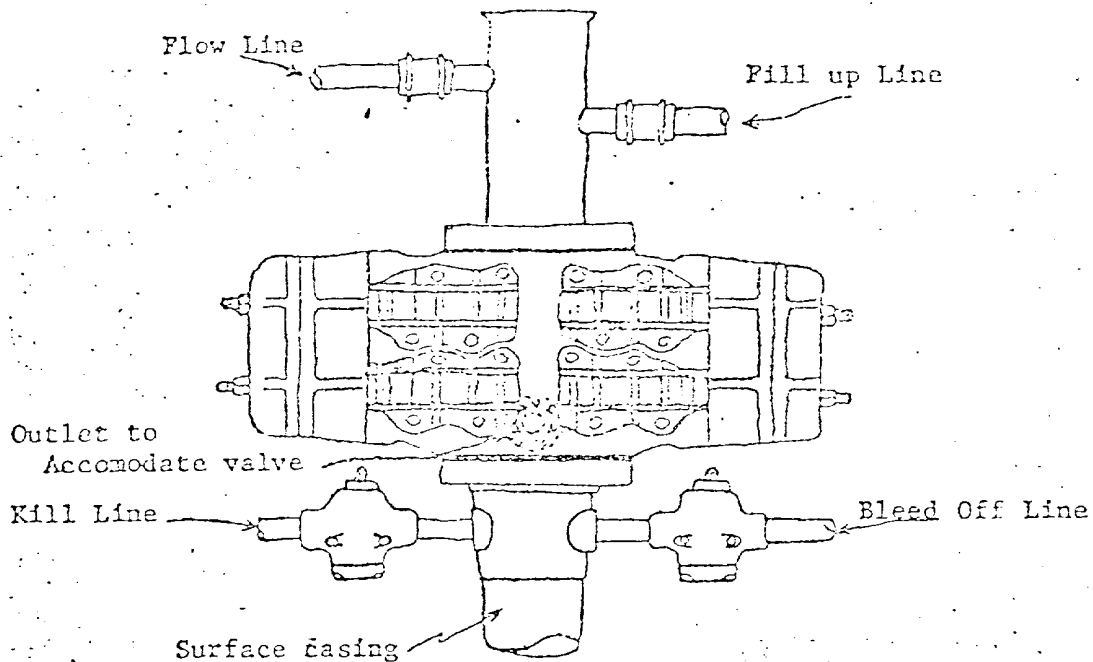
Date

William J. Fiant

William J. Fiant

Field Services Admin.

Title



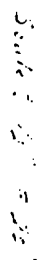
Blowout preventer is Shaffer double hydraulic equipped with drill pipe rams in the top and blind rams in the bottom.

Blowout preventer closing unit is Kocmey 30 gallon accumulator unit.

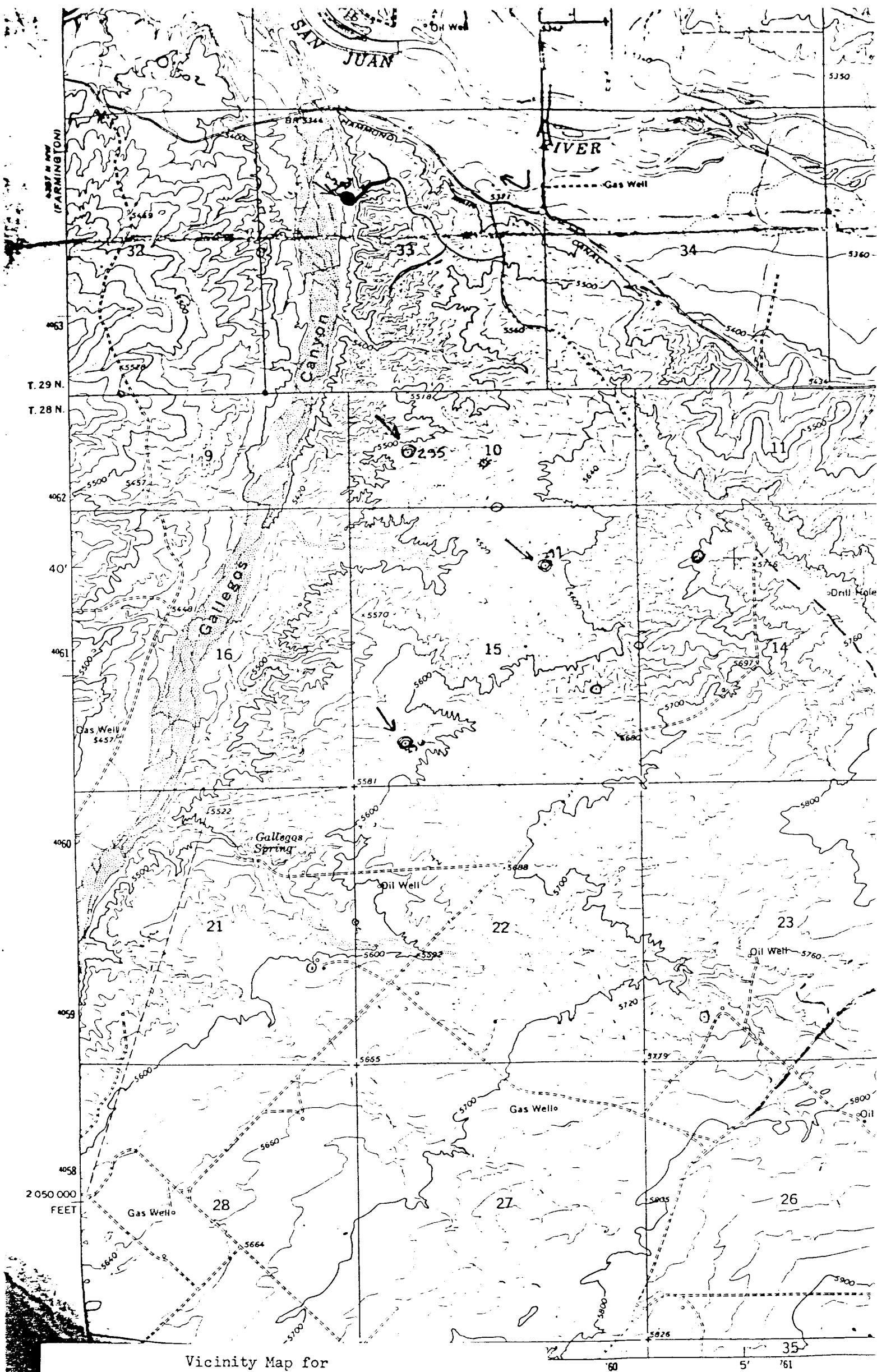
When choke manifold is used, it will be installed downstream from bleed off valve.

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

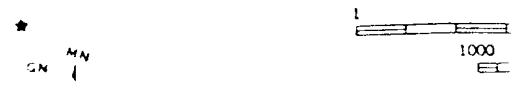
Shelley's Landing Locality #2003
Typical location Pl. 1 for Richard Pl. 1's Well



1



Vicinity Map for
 ENERGY RESERVES GROUP #303 GALLEGOS CANYON UNIT
 1700'FNL 1615'FWL Sec 33-T29N-R12W
 SAN JUAN COUNTY, NEW MEXICO



Map from aerial photograph

Navajo Tribal 8486

Well Name Gallegos Canyon Unit #303
Location NW 33-29-12
Formation P.C.

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

U. S. Forest Service	Date
<u>D. T.</u>	<u>10/16/79</u>
Archaeologist	Date
<u>Emery Chee</u>	<u>10-24-79</u>
Bureau of Indian Affairs Representative	Date
Bureau of Land Management Representative	Date
<u>A. Hump</u>	<u>10/16/79</u>
U. S. Geological Survey Representative	Date

Seed Mixture: _____
Equipment Color: _____
Road and Row: (Same) or (Separate) _____
Remarks: _____

